

No. 5

FRIDAY

First Session

20th July, 2001

Seventh Parliament

SAINT VINCENT AND THE GRENADINES

THE

**PARLIAMENTARY DEBATES
(HANSARD)**

ADVANCE COPY

OFFICIAL REPORT

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THE

THE PARLIAMENTARY DEBATES

OFFICIAL REPORT

PROCEEDINGS AND DEBATES OF THE FIFTH 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.

EIGHT SITTING

20th July, 2001

HOUSE OF ASSEMBLY

The Honourable House of Assembly met at 9.00 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

Deputy Prime Minister, Minister of Foreign
Affairs, Commerce and Trade.

Honourable Louis Straker

Member for Central Leeward

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 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

Honourable Edwin Snagg

Government Senator, Parliamentary
Prime Minister's Office, Special
Responsibility for Labour and
Grenadines Affairs

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

ABSENT

Minister of Health and the Environment Honourable Dr. Douglas Slater	Member for South Leeward
Honourable Joseph Burns Bonadie	Opposition Senator

SAINT VINCENT AND THE GRENADINES

HOUSE OF ASSEMBLY

FRIDAY 20th JULY 2001

PRAYERS

Mr. Speaker, read the Prayers of the House.

ST. VINCENT AND THE GRENADINES SUPPLEMENTARY ESTIMATES 2001 - CONTINUED.

HONOURABLE DR JERROL THOMPSON: Mr. Speaker, I rise in support of the Supplementary Bill and to join this debate. Today is a memorable day. Memorable in the life of St. Vincent and the Grenadines, and certainly memorable for the people of North Windward. The payment of severance pay to estate workers especially those of Richmond Estate is a righting of historic wrong. It shocks me, Mr. Speaker, the Leader of the Opposition takes an offence to this term. Mr. Speaker, I noticed too, that when the Honourable Leader of the Opposition was deliberating that he spoke only of Rabacca Farms, Orange Hill. He said Orange Hill is what broke the barrel and that was what helped to make social change. He cited ownership. Mr. Speaker, what was more surprising was that the Honourable Representative of the Northern Grenadines he said that the ULP cannot boast about a similar programme. And I would say that we should be very grateful for the Honourable representative for South Windward, the Minister of National Security who is not only at the fore front of such land reform when he was then the Minister of Agriculture, but here in this House yesterday he cited at Colonaire, Grand Sables, San Souci, Langley Park and of course Richmond.

Richmond Vale estate was actually one of the first. That process started in the mid seventies and the programme went official into gear in 1982. Farms of four to five acre blocks were distributed, over one hundred persons received lands. But you know we have to look at things in a very historical light. Because in 1946, Mr. Speaker, the owner of the Richmond Vale estate, Mr. Mc Donald, had planned to sell the land to Cassard, and a delegation of estate workers made an appeal through the Colonial Government to the Home Office that the land be purchased for the people of that area. The British Government purchased the land and said that the estate be ran until it made enough profit to pay back for the purchase price of that land, and after, the land could be distributed to the people. But what happened is that administration after

administration kept the estate running as an estate. It paid off the purchase price long before this estate was cut up in the '70's, the estate workers once again came and made petition to have this land which was theirs, which they had paid for to be distributed to them. At the time in 1982 and I have a copy of the programme. I have a copy of the Cabinet decision which talks about setting up of co-operatives, which talks about how the land should be used, about providing \$1 million in a loan to farmers so that they could use that money to cultivate the land. Mr. speaker, at that time the NDP opposed it. Some persons strike and did not receive their severance pay. And for 17 years the people of Chateaubelair, Fitz-Hughes and Petit Bordel had been asking the NDP representative and the NDP government to settle this historic wrong, but their cries fell on deaf ear.

Mr. Speaker, what was even worst was that after the government changed in 1984, the lease that the new farmers had been them to pay, \$75.00 an acre, was changed. They were then being asked to pay \$10,000.00 for grade A land, \$5,000.00 for grade B and \$2,000.00 for grade C. Some farmers being asked to pay over \$55,000.00, clearly putting it out of the reach. They had worked on the estate for many years paying off loans that the British Government had purchased already, and now they were being asked to pay a second time for it. Well clearly the land cannot be given out free of charge, but this is another issue that probably has to be dealt with. But Mr. Speaker, land reform without finance, without market, without extension officers is no land reform. And I would say that the major historic wrong that this Government has to re-write is the decimation of agriculture, the disrespect of farmers and all the decline of our agricultural sector that has occurred under the last NDP administration. This historic wrong has to be reversed. This Government will be putting in place a significant number of measures to make sure that agriculture is back at the top of the agenda, finding markets, providing finances to the small farmers, bringing irrigation and certainly giving the extension officers that they need is vital for any farm to become productive.

And Mr. Speaker, I am also very pleased about the fact that Spring Village, which is at the other end of the North Leeward constituency, to find that some persons are the recipients of severance pay. These individuals work on the Belleisle Estate for many years. Many of them had lands in the Hermitage Valley. When the CWSA Project and the Cumberland Hydro Project their lands were, some were taken away in order that those particular projects could function effectively. Many of them after leaving the Belle Isle Estate did not even receive their last eight weeks of pay, and talking to many of them they are certainly happy, no matter how small it is, they consider this act of paying severance pay very important for them.

Mr. Speaker, the issue of severance pay is something that is being entrenched in the 100 days programme. I recall yesterday the representative for Northern Grenadines saying he had read the 100 days programme and he had not seen any reference to the

paying of severance pay. Mr. Speaker, on page 6, item number 26 under the caption of good governance it reads “the ULP government would correct the historic wrong done to estate workers at Richmond Estate and to Orange Hill Rabacca Farms by promptly paying them, or if they are dead their beneficiaries be paid their severance pay.” It is right here. He should not come into the House, Mr. Speaker, and say he has read this programme when it is clear that it is here. And I don’t see why offence should be taken to the righting of historic wrongs when it is there again entrenched in this particular programme.

Mr. Speaker, I also support the measures that – I have been down to our schools, I am sure every one would recall many of the programmes I have done on video, on television, talking about the state of our schools, just a few days ago I was done at the Troumaca Secondary School, the teachers have to leave the school and go to the clinic next door in order to use the bathroom. The student lavatory is so deplorable, the doors are all rotten, the sinks are all leaking, and this is the type of environment that we are looking to educate our children. This is not just a matter of just cosmetics, these persons, teachers and students have been writing the government, or the Ministry of Education for years talking about these issues. Nothing has been done about it.

Mr. Speaker, I am also very grateful for the inclusion of measures within my own Ministry. The postal service is one of those areas. In the 2000 Estimates there was \$25,000 put aside for the running of the post office. The post office, by international regulations, is supposed to have special seals on all their bags. This helps you to identify if the bag has been tampered with. Mr. Speaker, we were borrowing seals from Grenada and Barbados because these funds were not provided. Secondly, Mr. Speaker, some one in the past administration printed hundreds and thousands of stamps, there is a whole room full of stamps, but the prices on these stamps have since changed, 5 cents, 9 cents and so these stamps have to now be reprinted. You have to print over them to use. If you ever use your stamps you would notice that the actual price the 9 cents or so has been printed over and another figure, that’s the current figure for sending stamps being printed over. And we have had these stamps now, so many of them for many years that the stamps are now becoming friable, some of them as you pick them up they start to tear. This is the type of thing that we have to correct. And so very soon these measures that we have inserted is just the start we are going to be re-organizing that post office. The postal service has a very vital role to play in terms of trade, in terms of e-commerce; we have to put the postal services in place. Mr. Speaker, this morning the main thing I would really like to talk about is our efforts to promote investment. The major trust of this Ministry is clearly is in the area of telecommunications, informatics, information and communication technology, ITC.

Mr. Speaker, recently I was invited along with a team of other individuals from the Development Corporation to visit Jamaica, and we toured their industrial sites and

received technical advice, and it was a process of really learning how to really go about development of this informatics sector here in St. Vincent and the Grenadines. We have to recognize that here in the Caribbean we are quite close to North America, there is a trend in the United States and Canada for companies to out source, and while the major entities that they out source is their information technology sector, and they are willing to allow call centres, they are willing to allow data processing centres and other development along this particular line to go overseas to other countries, and we here in the Caribbean are ideally suited because we speak English. In India they don't speak English that well. The South Americans, Central America are in similar situation.

But Mr. Speaker, we realize that if we have to go along this particular line that we must, we have to study the whole concept of information technology and call centres. You don't simply go out and just sign an arrangement and feel that the jobs are going to flow, you have to set up the base. You have to put the training in place. You have to provide the space and those sort of things. Mr. Speaker, when we came in we found an agreement with Call Centres Grenada, that had some major deficiencies. They had to do over that arrangement. They were going to set up a site in Campden Park, but it would cost them million dollars to retrofit the building. We have different approach and at a subsequent time we would be outlining exactly how we are approaching this. However, in the Estimates, there is a figure that we are going to be using to start the process of training. We will be setting up a National Institute of Technology. This is whereby we can have our young people trained, not only in data processing services, but also in Call Centre technology. We hope to link this institute with Universities abroad, in England, in United States. And soft ware development company so that we can start training our young people for this sector. We are hoping that by the end of 2002 we would have had over 4,000 individuals trained for the information technology sector. Right now we have five additional prospects, one of which would be coming here next week, for planning and hoping to set up Call Centres here in St. Vincent and the Grenadines. Mr. Speaker, if we had 3,000 persons employed which we feel is an achievable target, they were able to make let say \$1500.00 a month they would be earning within the period of a year \$54 million and with NIS contributions and the small taxation that would \$70 million circulating in the economy. I must say that is actually greater than the monies we make from banana. And so we are proceeding with this programme with all haste. And so we are hoping that within the next few months at the site that we have selected we are going to be training individuals. Training them in a number of data processing, call centre technology, software development, as I mentioned.

And Mr. Speaker, we are also going to be providing some space for the disabled, for the physically challenged. The society of the disabled has contacted my Ministry and indicated that they have had a grant of some \$700,000, but they are looking for space, and we feel that we can have this whole programme in an integrated type of

programme. And so I am really excited by the fact that persons whom might be disabled whether they are blind, whether they are physically challenged by the lost of a leg and so, they too can participate in this particular programme and earn a decent living. There has been some contact with our friends in Jamaica, and shortly individuals will be sent to Jamaica to learn how to teach Braille on the computer, and this is the direction which we should be going in. We are hoping also to approach the EDF for additional funds. But this is our link with the computerization of our schools. This is our link with adult education. And this particular institute I believe is going to be something that is going to be serving the industrial sector especially in information technology. A number of the Call Centres that hoping to come here have even said that they will assist with the setting up of the particular institute and pay the institute to help train the individuals who are going to be employed in their call centre. But the basic idea is that if we can train a number of individuals and tell the call centres we have this space available for you, and we have 1,000 persons who have been trained in information technology we, are convinced that they will come. This would be the base by which we would attract these type of investors. Because what have notice is a lot of negative information out there about St. Vincent. On the website, there is information still says that St. Vincent still has an active volcano. One of the investors told me, Mr. Speaker, that there was a quotation from the Prime Minister on one website, that's a month ago, Prime Minister Mitchell is very cool on the idea of cruise tourism. Clearly these websites are not being updated, they don't realize that we have since changed the office of the Prime Minister twice, but people just don't come to St. Vincent anymore: they use the web, they use the internet. There is a lot of information out there, a lot of it erroneous. Some of it positive, some of it very negative. And we have to start looking at this thing very seriously and we have to make sure that we have the people, the personnel who could check these things and make sure that this is put to right.

Mr. Speaker, information technology is one of the areas that we clearly should not have moved. We moved slowly on that issue, a number of other countries in the world have gone way beyond us, we are playing catch up. But I am convinced that this is something that we can do. We can help to solve much of our unemployment problem and I am convinced that within my Ministry the 1500 jobs that we talked about is something that is so readily achievable that we want to go way beyond that. At the same time we have to still look at manufacturing. We have to still look at agro products, we still have to look at many other type of things and in the upcoming year in the next budget, there would be much more said about that.

Mr. Speaker, I want to conclude this morning by saying that I got a few calls last night from individuals who quite surprise that members on the Opposition side taught that \$2,000.00, \$3,000.00, \$4,000.00 was nothing. This is a poor country. And I can tell you that the people of Spring Village, the people of Chateaubelair, Petit Bordel, the people of Fitz Hughes, and I know the people from the other areas in North Windward,

and from nearby in North Leeward in Barrouallie who are going to be recipient of this, they take offence to this being said that it is nothing. This is something that they worked for. This is something that belongs to them, they expected it. Many who support the NDP expected that their party would have provided for them. We are not looking at it from the stand point whether persons are NDP or ULP, we are looking at it that this is there right. This is their right, and this severance pay will be paid and I as the representative from North Leeward on behalf of the people of that area who are going to be recipients of their families or their descendents would like to thank this Honourable House for making this promise fulfill in such a short time. I am hoping that within a couple of weeks whatever day it is, that I would be traveling down to North Leeward to help with the distribution of those checks.

You see, Mr. Speaker, there was a process in collecting these names. Nobody really knew how to find the records. Going around and asking people and taking down names was too ad hoc. Believe it or not, the names had already been supplied. It had been given to the ADC. The Agricultural Development Corporation and suppose to be house at the Ministry of Agriculture. However when that corporation closed, it was actually given over to the National Archives. I went up to the National Archives and spoke to the Director there. We went through files upon files, upon files. I sent two individuals from my Ministry up there who eventually search through store rooms, piles and piles and piles of files, until they found the documents, and we were able to deliver these documents to the Ministry of Agriculture. That is how we eventually found the names, through the hard efforts of this Government.

Mr. Speaker, once again on behalf of the people of North Leeward, in particular the people of Fitz Hughes, Chateaubelair, Petit Bordel, of course the people of Spring Village, I want to thank this Honourable House. Thank you, very much.

HONOURABLE JULIAN FRANCIS: Mr. Speaker, Honourable Members of Parliament, I rise this morning to make my contribution to the debate on the Supplementary Estimates that are before this House.

I sat yesterday all day and I was tempted to speak yesterday. I listened to the Leader of the Opposition and other members, the Member for Northern Grenadines and their negative views towards our school rebuilding programme, our school enhancing, school repairs, emergency repairs programme. I want to address that fully this morning, to show to the Honourable Leader of the Opposition, that this administration is an administration that knows how to work, and that we are bringing to this country a new work attitude, a new work ethic that will make this that look impossible in the past, become realities.

I think that one of the hallmarks of the Honourable Leader of the Opposition when he was then Prime Minister, was his approach to certain matters, when I came to the

House in the past and listened to him as Prime Minister, I got the impression that there were few things other than the regular things that he thought could have been done. Everything could not have been done. And when I listened to him yesterday, I got the same distinct impression that he will continue this in his capacity as the Leader of the Opposition.

Mr. Speaker, in the Estimates presented before us there are two components that deal with my Ministry, there is a \$77,000.00 for institutional and capacity improvement at the Ministry, this basically Mr. Speaker, is St. Vincent's contribution to a programme funded by CIDA, which is referred to Canadian International Development Agency, or Caribbean Regional Human Resource Development Programme for Economic Competitiveness, the objectives of this programme are basically one to establish the legal and regulatory frameworks for the administration and the enforcement of the National Building code to something, I think we all in this Honourable House and most persons who were directly associated with construction in this country realize that we need to implement. It also will touch on land development, this building code, because as you know, Mr. Speaker, in this country under the previous administration particularly, development of sites for buildings have gone on willy nilly, and what is in fact happening in the country today is that affairs of this country have been called upon to invest in infrastructure development for private land developers, where home owners and prospective buyers of developed lands are promised roads, light and water; but because of the demands from younger generations for building lands, land developers are taking advantage of the situation and sell lands without the necessary infrastructure. I have recently past a memo on to the Acting Chief Engineer at the Ministry and asked him to bring it to the attention of the Planning Department that we will have to enforce certain regulations in this country. Because what happens after two or three years after lands have been sold and persons have built their houses, there are no roads. The roads that have been constructed, Mr. Speaker, are either inferior and break up under heavy trucks going into the areas to deliver the materials to build or there is a total absence of roads. And then the home owners having occupied the lots now place the pressure on the Central Government to provide the facilities, and I think this is something that this Administration would be addressing very shortly and it's a notice, I want to send out a notification to future land developers who wish to develop lands for private and public, and for housing in this country that we will insist that the infrastructure is put in place. Certain people buy lands at \$6.50, \$7.00 a square foot, Mr. Speaker, and there is no road. They have to then pay \$20,000 to get electrical connection, and they have to pay \$15,000.00 to get water connection. I am saying, Mr. Speaker, that the population is being taken advantage of, and it is the responsibility of the Government to ensure that these things are put in place. So part of this when we are looking at the National Building code, I am putting the Ministry of Planning on notice that we would also be look at this aspect of our construction code in the country. So that is part of the programme, so the other part Mr. Speaker, is to promote standardization, licencing and certification standards within the construction

industry, and it is something that is coming to fore now because this administration is not going in for substantial works, and what we are finding is that you would find carpenters, masons and skilled or semi skilled work men coming to you, and the carpenter will tell you he is a carpenter, but you do not know what level of carpentry he can do, until you put him on the job. This programme is intended as a certification of tradesmen within the construction industry, and I think it is vital, it is necessary, Mr. Speaker, and discussion on this matter started way back in June of 2000, and I have asked the Permanent Secretary in my Ministry to expedite the matters under this project as quickly as possible, hence the reason for us recommending under the supplementary estimates, and not wait until the end of the year to put it in the budget for 2002, but that we should get it into the Supplementary Estimates so that the Governments contribution can be put in to show our firm commitment to this project. Basically the project, Mr. Speaker, is funded in three ways, the CEPEC funding in cash is \$81,780.00 Canadian, the Government of St. Vincent and the Grenadines in cash and in kind \$66,790.00 and the SVG Construction Association cash and kind \$36,090.00, so the Government is putting into the Estimates this year for this use immediately in the Supplementary Estimates \$77,000.00 EC as its part in cash in the \$66,790.00 Canadian. I am told that the SVG Construction Association has also made its contribution in cash to the \$36,090.00. So I suspect that within a short space of time we can kick start this project. One of the hold ups I understand is the legal drafting of the building code. There is an OECS format which will then have to be modified to suit conditions in St. Vincent; and the Attorney General's Chambers, and there will be a private legal consultant involved in the drafting of this code. So, Mr. Speaker, that's the aspect of the supplementary Estimate the \$77,000.00 as applied to my Ministry.

The other, Mr. Speaker, is \$5.5 million for the emergency repairs of schools in this country. In our 100 days programme, Mr. Speaker, and I listened to the Honourable Member for the Northern Grenadines yesterday, when he said that the Unity Labour Party has failed in its 100 days programme because we had intended to change the world in our 100 days programme. You see, Mr. Speaker, the problem with the Honourable Member for the Northern Grenadines and his views for our hundred days programmed is that I remember shortly after the election that the NDP through its de facto leader on radio, was saying that the ULP Government would last three months, so they are reading the 100 days programmed though when the 100 days programme was finished, that was the end of the ULP administration. I would ask him, however to read the manifesto; because the manifesto of the party and of this administration is a programme of five years, and built into that five year programme are programmes that would take this government into the length of stay in Government for at least fifteen years, Mr. Speaker.

Mr. Speaker, the Leader of the Opposition also, before I go into depth on the school repairs programme, because I really want to deal with that with all the details, referred

yesterday and made a big song and dance about a deficit recurrent budget, Mr. Speaker, we are looking on the recurrent side of \$6.7 million in expenditure recurrent and \$2.4 million in recurrent revenue a deficit of \$4.276 million. Mr. Speaker if you check the content that is before us, the estimates, you would see that two amounts within the Supplementary Estimates within the recurrent side of the budget of the Estimates one is to pay university fees for children, I don't mind running a deficit budget to pay university fees for our children. The second aspect, Mr. Speaker, and that was \$3 million. The second aspect Mr. Speaker, is to right the wrong that the NDP never righted. That is \$2 million to put into the pockets of poor people who have suffered over the years. Again, MR. Speaker, I have no problem standing in this Honourable House to support Estimates where we have a deficit that could provide education for our children and money for the suffering people of this country. He makes the point that we would have to cut back on expenditure to make the usurp what the Prime Minister said so yesterday, yes I say so too, let us cut back on expenditure, because Mr. Speaker, for the years that the NDP has been in power, they have been having a surplus budget, but where was that surplus being spent, they were putting it into capital projects, Mr. Speaker, they said as their counter part funding for capital project, this is all we have been a hearing for the last 17 years, but every single one of those capital projects, Mr. Speaker have either been failure or a white elephant. That is where the surplus has been going, and they are sitting out there money badly spent. Look at it right across here, Mr. Speaker, in front of us, I am afraid to look at it sometimes. I would love to put down, Mr. Speaker, for sure a beautiful Caribbean style market, and to take this building that we have there air-condition it, block it up and make it into a office block for Government so we don't have to rent more Space. This is not suitable for a market. Totally unsuitable in the Caribbean, and in the tropics for this to be a market. I have been to St. Lucia, Mr. Speaker, and seen a market place in St. Lucia that I think in my travels in the Caribbean, is second to none. Beautiful lay out, tropical style, open verandas, open air markets for the different aspects of vending in a vegetable market, Mr. Speaker, vegetable and other markets. Handicrafts are in the same centre, beautifully laid out, cool. People are frying in this building that we have here, Mr. Speaker. And to think that the former administration will take a building like that which physically has changed the face of the town, and this was the former Prime Minister, Sir James Mitchell plan, he said he would put a stamp on this town that nobody can erase. Unfortunately, Mr. Speaker, I would love to erase it, but it would cost the people of this country too much money. And I don't want to create too much deficit budget to replace the mismatches that has been put in place. Imagine that you have taken a building and completely blocked off Middle Street. You drive one end of the town to the next and when you reach to the centre of the town you meet a dead end, what is the dead end a big, ugly market building. And I am saying it is ugly, we will use it because the money has been invested, but it is ugly and it has blocked the traffic flow in Kingstown. The triangle with the Iron man was an excellent turn around point for traffic in Kingstown, since then a lot more traffic has been put on Back Street, Egmont Street and a piece of Bay Street between Y De Lima and the Police station.

And in addition to that, Mr. Speaker, I feel very strongly about that turn around, and that piece of thing that they have put in front of PH Veira on the Bay Street. It is the first place in the world where I have driven along a Bay Street along any street where you drive on the left hand side of the road and you turning right on to an obstruction in the road to turn back left. I find it is so ridiculous. You are coming up Bay Street, you are meeting an obstruction in the road, it is supposed to be a diversion of traffic, but you are turning right into the left hand lane that is coming down to turn back left on to Bedford Street. I think that that piece of thing was put in place to facilitate the owners of the property around there, and as Minister of Works I would do every thing within my powers to have that removed, and shortly.

Mr. Speaker, school repairs programme. STABEX - I should start off my saying on the 26th April, our dear beloved Prime Minister, Rt. Hon. Dr. Ralph Gonsalves had some discussions with the head of the delegation in Barbados who was visiting here. We had just started to implement our 100 days programme and we had sent out for an estimate of our school repairs of the school buildings. Our estimates on school buildings started even before this project came into fruition, Mr. Speaker, I would say that to you, because it is part of our 100 days programme, and after the Prime Minister had been informed of the level of disrepair or the state of disrepair in the country, Mr. Speaker, of the schools, of the Public Buildings, he decided he would have urgent talks with Mr. Calaguero. And between the 26th of April, Mr. Speaker, this project, discussion started was signed by the Director of Planning, who is the National Authorizing Officer under this project on the 7th of June, and submitted for approval on Monday 9th of June. Within two weeks, Mr. Speaker, we had approval of this project. Although there was a verbal approval before the commitment in principle, the formal approval in this came shortly two weeks after the 7th of June. Mr. Speaker, this project the size of it, besides being the first project of its nature in the Eastern Caribbean where any single government is taking on such a massive repair programme involving all schools, 71 out of the 75 schools, because four are new and don't need any repairs it is the first time that such a project is being put in place and it is the fastest project that has been approved under STABEX any part in this part of the world. And I give full credit and total congratulations to our dear Prime Minister and STABEX, Mrs. Laura Anthony Browne, and other members who were directly involve in this school building repair programme.

Mr. Speaker, while the programme covers 71 schools, Mr. Speaker, it calls for the involvement of 84 contractors, because there are some schools we want to ensure that come the 3rd of September there will be no need for the postponement of the reopening of schools. We are going to make sure that by 26th of August, all works on these repairs have been completed and that the final week is use to clean up, that when the children come to school on the 3rd of September they will meet clean surroundings, painted buildings, buildings without leaks and toilets that work; on the 3rd of September we want to make sure that these things are in place. So we are planning accordingly,

hence the reason that the larger projects were not given to a single contractor, but that the school could have been divided into two contractors. So Mr. Speaker, what is happening here in the 71 schools, we have ended up with 84 contractors. And I listened to the Leader of the Opposition yesterday when he said that this programme was fraught with dangers. It is an ambitious programme; he said and get the feeling from him, Mr. Speaker, that is why I started off this morning when I say he feels that nothing can be done, that we will not get through this programme and come the end of August or September that we will be having problems.

Mr. Speaker, the Honourable Leader of the Opposition when he left as Prime Minister, he understood what was happening and what he left for us. In the Ministry of Works Mr. Speaker, I have taken on the Ministry of Works as my baby. I know that it is riddled with corruption. I know the previous administration did absolutely nothing about it, but I am taking it on one on one with the people within the heads of the divisions of that Ministry. Mr. Speaker, I am convinced that within that Ministry of Transport, Works and Housing that we have competence and the willingness to do the works that this administration is prepared to do. When I told the Prime Minister a couple of weeks ago that I intend to use the draft's office to use them to get initial designs on the library and the renovations of Peace Memorial Hall, he said well I am putting it in your hands. I called the gentlemen together and I said to them well, I am putting one of the most prestigious projects that this government would be embarking on in their hands, and I am giving them until the 15th of July, to bring me a draft design on both Peace Memorial Hall and the Public Library Complex. Mr. Speaker, I was the most surprised man that on the weekend before the 16th well, the 15th fell on a Sunday. But I still gave them a Sunday as a deadline. That's the way this administration works. Saturday, Sunday, bank holidays mean very little to us at this stage of the game. When I drove into the yard on Saturday morning I saw the draftsmen car in the yard. I drove in there on Sunday morning I saw the drafts men car in the yard, and I realized that they were working on the project. And I want to say here, this morning Mr. Speaker, that I intend to turn around the attitude and the work ethics within that Ministry because I am fortified by what I have seen coming out of these two projects. And I want to congratulate the members in the drawing office in the Transport, Works and Housing Division.

Mr. Speaker, I will say this I go into that Ministry to get results. I go into that Ministry not to get anything for myself. I am a man I am content with whatever level in life I live. I live big, I live small, I live in between, and I live the same way. Nobody doesn't change that. But there have been persons who have been Ministers of Government within that Ministry, Mr. Speaker, and I would say this, because that has been one of the down fall of that Ministry, that self edification was utter most in their mind, there was a mad rush in March, two weeks before the general election to get the Grenadines intelligence unit approved, one week before the election. A \$16 million project, there was a mad rush to get it in place because the NDP knew they were losing and they

wanted to get these project in place, it so happens Mr. Speaker, that this project was put in place, there is a foreign consultant from Canada but there is a local representative. The local representative of the foreign consultant is the former Minister of Works who rushed these projects through Cabinet to get them approved and to get them through the CDB just before the election. So having left as Minister of Works he is totally in charge as the man representing the consultants on the four projects in the Grenadines, totalling \$16 million and still has absolutely no control on the projects in the Grenadines. Mr. Speaker, I think it is unethical, and I think it is a matter that this administration will have to address in the highest order to be able to get this matter under control. I would say this further, Mr. Speaker, under the ROC programme and part of Mayreau electrification programme which is very dear to the hearts of the ULP administration, and I understand also to the heart of the Leader of the Opposition while he was Prime Minister of the country. Union contractors which again was a firm that was rejected by CDB to be a contractor within the Grenadines multi project, three have ended up with the project in Union Island, totally sub contracted from Dipcon. Dipcon is the approved contractor, and Dipcon does not have a shovel or pick axe in Union Island. Union Island contractors which was rejected by CDB is now the contractor in Union Island, and I understand that there are connections. Union Island contractors I understand are closely related to the Stewart family in Union Island. [Interjection] I said the Stewart family. So, Mr. Speaker, you have consultants and you have contractors but the point I am also making is that under the ROC programme, and it is important that people know these things, Mr. Speaker, ROC part of the Mayreau electrification project was a piece of road given to same Union Island contractors, I think it is a \$500 and something thousand dollar project. They have abandoned the job since they have been subcontracted by Dipcon to do the Union Island works of five point something million dollars, and the consultant on that job is the same Stewart Engineering Limited, but as former Minister his company has abandon the job under this administration. I say sabotage.

Mr. Speaker, we have to look for another contractor to be able to finish the piece of road because they have abandoned the job, they have not told anybody anything out of five hundred and something thousand dollars, eighty something thousand dollars have been spent on the job so far and it is a vital link to the storage facility that VINLEC intends to put down there, and the electrification programme. And I will not allow our 100 days programme and our 100 days promise and the promise to the people of Mayreau to have electrification inside there by early 2002. I would insist that we start the project in early 2002. And I have the commitment from the people at VINLEC, and we will find another contractor and another consultant. You cannot leave a Ministry and then still try to control it from outside, Mr. Speaker. I am in control now, and I will control the Ministry of Transport, Works and Housing.

Mr. Speaker, one of the other problems within the Ministry is that there is a total shortage of technical persons. There has not been a Chief Engineer in that Ministry for

the last three, four years, and this I think was a deliberate act on the part of the former Minister to keep the Ministry under his tight ranges and control. Took an architect and put him as acting Chief Engineer and paid him above the normal payment, we want to pay a local man we have so much trouble to get him in that place. But I will find a Chief Engineer. There are four engineers out of seven that are short within that Ministry, but again Mr. Speaker, for the purpose of personal control these things were allow to slip by so the people could do what they want within the Ministry. I am not making any apologies for these things I am saying, Mr. Speaker, because I have been there for three months, I said very little on these matters, but wrongs have to be righted. The Prime Minister righted one yesterday, I will right some. There is a road in Bequia that I want to tackle too. All these things that they built up in the middle of the road, blocking people, this that and the next. I am putting Bequia on notice. I am visiting on Saturday. We work weekends. I will be visiting Bequia on Saturday to see what is what is happening down there, I have not had a chance to go down there yet, and on Monday I am going to Canouan to visit with Vinlec and find a new contractor to finish the work down there.

Mr. Speaker, so 84 contractors on the schools. I am saying that an average contractor will be having about 10 persons, and I have listened to the Prime Minister understate the employed figures on this and I would give him the current figures this morning, Honourable Prime Minister, 84 with an average of 10 would give you 840 jobs, then there are 84 Clerks of Works, that is for each contractor we are putting a Clerk of Works, the reason being, Mr. Speaker, materials for this programme will not be delivered to the contractors, and I know I deliberately chose to speak this morning because I know that in all the schools that they work is going on now, the radio is turned on and I want the message loud and clear again. The Clerks of Works will be the ones receiving the material, and they would be accounting for the material. They will be delivering the material to the contractor, so that when you send down 54 sheets of plywood to one school to reseal the school, the Clerk of Works would sign for receiving them and when they put up 20 sheets today, the Clerk of Works would record that in a book, on the 20th of July 20 sheets were used, on the 21st 20 was used and so on. The Clerk of Works will be maintaining a daily record of the material distributed on site. I want to say this loudly because, Mr. Speaker, there are certain elements out there and the Prime Minister spoke of one incident yesterday, a lot of the corruption that went on previously within the Ministry of Works, Mr. Speaker, had to do with the procurement and the delivery of materials. In this programme although within the official programme there is not procurement officer, I have ensured that within the resources of the Ministry procurement officer was procured. And was put in place. We would pay him if we don't have funds out of the project to do it, we would find funds within the Ministry because it is absolutely necessary to have procurement officer in this programme. I have been told that orders have been brought to procurement officer and to the person signing orders in a school where you want 25 sacks of cement, but the individuals are bringing orders for 100 sacks of cement, where they

want two lengths of two by six, fourteen they bringing 20 lengths of 2 by 6 by 14 and so on, Mr. Speaker this would not be allowed to pass the project manager and the procurement officer and the accountant. I would give you the structure of the implementation unit that was explained to you yesterday. But out there when materials are delivered, Mr. Speaker, whether they are over ordered or not, they will not have the opportunity to do as they used to do within the Ministry, because the Clerk of Works is representing the Government, not the contractor. One of the differences also with this project, Mr. Speaker, is that we have employed within the different constituencies and the individual villages persons from within the village. It is the first time that this sort of thing is being done. You would find that you will take a contractor from Kingstown and send him down to Sandy Bay to build a school or to repair a school or to build a back wall. This is a labour intensive project and each contractor is from the area, so that in Rose Hall, the contractor would be from Rose Hall and he would employ people from Rose Hall. So that there would be no excuse for a vehicle leaving the compound to go back to town with 10 sacks of cement in it, and two lengths of two by four, saying that this was going to be used by another school, because the contractors are in there, the work people inside there, the Clerk of Works from inside there, there is no need for it to leave the boundaries of the village or the boundaries of the school and I am saying that anybody who sees material leaving the school you are free to report it to the police station or to the Minister of Transport, Works and Housing.

Mr. Speaker, beside 84 Clerks of Works each contractor is out fitted with a truck at his disposal, not full time. I must say that. They are working on a trip basis. Because once you start the construction at the initial stages there would be a flurry of trucking activity, it will slow off, when you start to move the old materials it is going to speed up again so there is going to be a fluctuation in the trucking, but even so there are 84 truckers involved in this project. And on each truck there is a foot man which means another 84 foot men involve in this, so Mr. Prime Minister, Mr. Speaker, other Honourable Members I put the total number of jobs on this project at a minimum of 1,092.

Mr. Speaker I want to say also on materials and I said so in the press conference I had, some of the materials that would be removing from the schools would be usable. But I am a practical man of affairs, this Government is a practical government of affairs and understand our people with regards to materials, galvanize, lumber, cement and so on, --.

HONOURABLE MR. SPEAKER: 10 minutes remaining, Honourable Member.

HONOURABLE JULIAN FRANCIS: 10 minutes, you only give me half an hour today, Sir?

We are going to be storing those materials and controlling those materials, Mr. Speaker, they will not be given away at the work site, they will be stored, and the programme will be put in place at a later stage for the use of these materials. I know

that some of the galvanize may look good when they come off, and give me a two sheets Sir, give me a three sheets, Sir, please I am appealing to the public to stay out of the way of the contractors, and please do not get involved in asking for materials at this stage. Give me that door, give me this window, the toilet still look good, I could use it and so on, let us called the materials, store it, and later on trust your ULP government we will have programme will implement so you can get the use materials to do what you want to do at your homes, there would be lots of it, so give us a chance to manage it properly.

Mr. Speaker, the project implementation unit and I have to go through this because I heard yesterday the skepticism of the Leader of the Opposition on this project. I want to say, Mr. Speaker, that we have taken on practical mentor on this project. We have put as project manager, and the project implementation unit is set up as follows. We have a project manager, we have four field supervisors, we have two accounts clerks, we have a secretary, computer operator. Those are the persons within the project implementation unit which is an aspect that has to be established, and has already been established to facilitate the funding. Mr. Cornelius Ollivierre is the project manager. Mr. Cornelius Ollivierre is a very hard worker, a practical man on the ground. He is a contractor, he has built many buildings in this country. The Golden Rock investment that you see out there is his handy work, he constructed every single building in that compound. He has done substantial, private and public sector buildings in this country. He is a man who knows contractors. He is a man who knows the people and it is very important that we have as the head of this unit a man who knows the flesh and blood people on the ground. You can take somebody and put them in charge of a product like this where you have people in the villages doing the work and the project manager doesn't know who the people in the villages are, hence the reason the man Cornelius Ollivierre was selected. We have four field supervisors directly under him and we have zoned the country. In addition to this Mr. Speaker, the Buildings Division with the Ministry of Transport Works and Housing headed by one Elroy Francis, and I heard the de facto leader of the NDP on radio, I heard somebody say that he said is a Francis project. A Francis is in charge Buildings, Con is a Francis, and Francis is Minister, well once I get results I did not put these people in place other than Cornelius Ollivierre, Elroy Francis has been within the Ministry of Works forever and every since I know myself, he is now the Senior Engineering Assistant, a very capable and competent young man I must say. His Division with the Ministry of Transport, Works and Housing is the implement thing agency, and they are the overall supervisors of the project. So that you have double checking, so when we have Cornelius Ollivierre and his men going out we still have the buildings division going back and double checking what was being done and supervising generally what is happening there.

Mr. Speaker, I am convinced that way we have put this project together that we will complete these repairs and have our schools ready, fit and able for our children to

attend school on the 3rd of September. I want to add Mr. Speaker, that there is another component not to this but a sister project that is the computerization of schools which Minister Browne touched on yesterday. This involves 15 schools, Mr. Speaker, and we are also taking that on in conjunction with this. This administration is not afraid of hard work, Mr. Speaker. We have shown this during the years in Opposition, we did not work hard to get into government to sit down to sit when we get in government. We work hard in Opposition so when we get in government we will continue to do the people's work that they are paying us to do. We are getting salaries, Mr. Speaker, which I think are reasonable, we have to put in extra hours, there is nothing for overtime within the Ministries in the government service. But we are prepared to put in the extra hours. I am asking the contractors, Clerks of Works out there to put in the extra hours. I would be making frequent visits to these schools during the next couple of weeks because I want to make sure that the Ministry of Transport, Works and Housing and the Unity Labour Party Government is embarrassed in no way with this school programme, and I guarantee you, I give the guarantee to this Honourable House and to the people of St. Vincent and the Grenadines that even though it is a first we would make the first one very good. Thank you very much, Mr. Speaker.

HONOURABLE SELMON WALTERS: Mr. Speaker, Honourable Members, I rise to give my support to the passage of the Supplementary Estimates 2001, brought to this Honourable House by the ULP Government. I am pleased, Mr. Speaker, because in March 2001 we promised the people of St. Vincent and the Grenadines that if they elect us to be the Government, we will be a Government with a difference, and so far,, Mr. Speaker, I am satisfied and convinced that we have performed as a Government with a difference. These Supplementary Estimates, Mr. Speaker come in addition to the Estimates that were passed in December 2000, there are minor changes and additions as were expounded yesterday, and will be so today again, all in the interest of good governance for the people who elected us to serve. Mr. Speaker, some of the differences between the ULP Government and former NDP government are clear for all to see. But for the few minutes which I would stand, I will point out some of them.

Mr. Speaker, this government that is radically against corruption. And to this end, Mr. Speaker, you would see in the Supplementary Estimates some monies are allocated for the establishment and the financing of a white collar crime unit, and this is so, Mr. Speaker, because we campaigned in March \$10,000.00, we campaigned in March that we will move against corruption, we will move against crime and the causes of crime. Mr. Speaker, it would go down in history that the NDP government of the past was easily the most corrupt government ever to administer governance in St. Vincent and the Grenadines. Exceedingly corrupt.

Mr. Speaker, not too long ago in this Parliament the Honourable Member for Social Development, responding to a question from Senator Shallow, exposed a very well hidden scamp where some materials were taken out for the construction or the

refurbishing of a phantom community centre at Questelles, a centre that never existed. We intend Mr. Speaker, to find out who got those materials and where they went to. We intend also to find out, Mr. Speaker, who got the windows that were ordered for the refurbishment of the pavilion at the Arnos Vale Playing Field. We understand that the pavilion has about 21 windows and over 100 of them were ordered. We intend to find out. Mr. Speaker, the social welfare programme under the NDP was riddled with corruption. So we are looking closely at the programme, Mr. Speaker, to make it clean, to clean the list. Yesterday we heard of people who died since 1986, and monies were collected on their behalf. What a shame, Mr. Speaker. What a shame, what a disgrace on those people who went willingly to collect those monies. Mr. Speaker, we know also of people in some homes, all 11 members in the household go every month to collect \$100.00 each for public assistance. I know also Mr. Speaker, for my own part where certain people who are returnees from England, they collect every month their pensions from overseas and they go also at the end of the month to collect their public assistance. Under the NDP, Mr. Speaker, the programme was more geared for the greedy. But under the ULP we will ensure that only those who are needy would receive public assistance. If that is victimization Mr. Speaker, then so be it. The monies would go to the needy.

Mr. Speaker, I know of others also who make big brag that their public assistance goes straight to the bank. The programme is not designed for that. The programme was intended to reach the people who need it most. Mr. Speaker, also through the government, we intend to clam down on the abuse of government owned vehicles. Under the NDP it was a free for all. The maintenance costs of those vehicles skyrocketed, since we came to office we made it clear that the vehicles would not be on the road when they are not on government's business. Mr. Speaker, for my own part, I promised the people of South Central Windward should they elect me I would not do like my predecessor and abuse State owned vehicles. I would buy my own vehicle, and Mr. Speaker, I have done so and I am proud of it. This is a government with a difference, and the difference is already seen and will be seen for the next 25 or so years, because we intend to be in office for that long. We intend, Mr. Speaker, to deliver.

Mr. Speaker, this is a government that has confidence in the people of St. Vincent and the Grenadines. I listened yesterday to my friend the Leader of the Opposition, when he questioned whether or not our people possess the capability or the capacity to implement the school refurbishing programme. He had doubts. He said it is fraught with great danger, and he questioned the capacity of the people to implement it. And I recall Mr. Speaker, that under the NDP there was really no confidence in our people, and that is why they were booted out, I believe, in March. In fact they were booted out in 1998, but they managed to hang on by skin and teeth. Mr. Speaker, in legal terms we have many lawyers in St. Vincent who as far as we are concerned are quite capable, but under the NDP when legal work is to be done, they have to go down to

Trinidad and bring up Karl Hudson Phillips, and when we were in Opposition we spoke about it, because millions of dollars went to Mr. Phillips that we felt should have stayed here and our people should have done the work; over \$9 million. Mr. Speaker, this government ably managed by Comrade Ralph would tell our people that we have total confidence in them. And the Ministry of Works would implement that programme in its schools and let all the contractors, the labours, the masons, the carpenters, the lawyers, the policemen, the nurses, the teachers that the ULP has confidence in their ability to perform, to implement and to take our country forward.

Mr. Speaker, this is a government that has tremendous concern for our poor people. My friend again, the Leader of the Opposition takes umbrage when we say that in paying out the severance payment that we are righting a historic wrong, but it is true, Mr. Speaker, we are righting a historic wrong, because the land reform programme implemented by the NDP had core problems that prevented it from maximizing its benefits. And I will explain Mr. Speaker, some of those core problems. For example in the Orange Hill Rabacca Farms, we were made to understand by the Leader of the Opposition that there was no need to give severance to workers because they were given lands. Mr. Speaker you would get the impression that they were given the lands in lieu of their severance payment.

HONOURABLE ARNHIM EUSTACE: Mr. Speaker, I have been listening very attentively to the comments, and I am concerned about the amount of distortion that is being given to the public. Nobody on this side of this House including myself said that we do not agree to the payment of the money. The point that we were making, Mr. Speaker, is that we taught that the most important wrong that was corrected that was after hundreds of years of our people not owning land it was more important to deal with the question of land. We did not say what we were not supporting the payment. I want to make that absolutely clear. I know the little politics that is being played but I want to make it clear, Mr. Speaker. So I think it would be wrong for the Honourable Minister to make that statement.

HONOURABLE MR. SPEAKER: Okay, so you are supporting the programme, so if I hear him say otherwise I should stop him.

HONOURABLE SELMON WALTERS: Mr. Speaker, the Leader of the Opposition said that the people were given lands and you would get the impression that, yes I understand, Mr. Speaker, I know what he said and the people heard him. You would get the impression that the people were given the lands and they were not to pay for them. Mr. Speaker, when they get their severance money it is their monies. When they got lands under the NDP they had to pay for those lands. There were leases drawn up to which they agreed. And Mr. Speaker, the fundamental error in their arrangement was that you give people lands who were not entrepreneurs in their selves, all the years they work as labourers, and now you gave them lands, no training to become

independent entrepreneurs, no financing to assist them in the management of the lands and they are supposed to pay exorbitant amounts to the Government and that is the core problem, Mr. Speaker and that is why the programme failed, and yesterday, Mr. Speaker the Minister of State in the Ministry of Agriculture gave us the figures of those people who sold their lands, or their crops or their leases or what have you and maybe they had a right to do so. Because Mr. Speaker, when you give them lands like that it is like you have taken a man who has never seen seawater all his life, you take him out into the ocean a few miles, throw him overboard and tell him you must swim back to shore. Of course he would drown. And so that is why many of them the people who got the lands sold them to people who were able to manage the lands, and so Mr. Speaker, a righting of the historic wrong did not occur when the lands were given the righting of the historic wrong would take place in a few weeks from now, when people who deserve their monies would get their monies by a ULP government.

Mr. Speaker, this is a government that is employment oriented, we said in our programme, in our manifesto that we intend to create 1500 jobs in the first year and I think, Mr. Speaker, we are well on course in doing so. But perhaps Mr. Speaker, before I develop the point, let me just say that the greatest beneficiary of the land reform programme at Orange Hill is the chief sycophant and apologist for the NDP. Because before anybody benefits he was able to pocket a check for over \$231,000.00 and having pocketed those monies the NDP was always right. I am so happy that the people brought an end to such sycophants. They can always talk this week.

Mr. Speaker, we are on track to fulfilling our pledge of providing employment for the people of St. Vincent and the Grenadines, because I believe that was one of the principal reasons why we were so overwhelmingly selected on March 28th. The Minister of Works a while ago said that the refurbishing school programme we would in those two months create over 1,000 jobs. Mr. Speaker, I am talking about a Government with a difference, because the school refurbishing programme would take place during the school vacation. Under the NDP, Mr. Speaker, this was not so, I came out myself out of the school system and I know Mr. Speaker, sometimes in the height of the school term, the height of your lessons you would see work men move in starting to rip apart the louvers, chipping the floor, ripping up galvanize they were sent to refurbish the school while classes were in progress. Mr. Speaker, not too long ago at Lowmans during the school term this year, the Ministry of Works turn up, they start chipping the floor and doing floating of the walls while school was in progress. I was contacted by the Management of the school, they said they had a problem, the mixing of cement, the pounding of galvanize and walls during school is affecting the performance. I got on to my colleague the Minister of Works and I said would you halt this work until school is on vacation. He did that, Mr. Speaker, and the work is now going forward at Lowmans quite well. This is a government with a difference. We must do things decently because the people depend on us to take the nation forward.

Mr. Speaker, in the Supplementary Estimates monies are allocated to look after the shareholders in the Diamond Dairy. For a number of years the people who invested their monies got no return. But I am happy to say that we will find the money to look after the shareholders of the company. Those people who lost their investment in the sugar industry have not been looked after, that's how they were treated under the NDP. Mr. Speaker, whenever I go to Georgetown and I look at the skeletal remains of the sugar industry compound within my inner most soul, I feel bad. Because I said that is a legacy of the NDP, destruction and total chaos, and those who invested their monies lost it, under the NDP. I believe, Mr. Speaker, all those wrongs will be righted. All those historic wrongs will be righted one by one, under a ULP Government.

Mr. Speaker, in the area of fisheries, again monies are allocated for the refurbishing and further development of the fisheries complexes at Bequia, and the one at Union Island. The fisheries complex at Little Tokyo has been down graded by the European Union and so we are not able to export fish from the facility and the thing, Mr. Speaker, is that the NDP was aware of the unsanitary conditions of that complex for a number of years, and they did absolutely nothing about that, until the facility was black listed and the fishermen lost quite an amount of revenue by not being able to sell their fish to the EU. But, Mr. Speaker, we are going ahead to create some redress where this is concerned. The Minister of Finance will tell you that monies are secured for the refurbishing of these two facilities in Bequia and Union Island so that the fisher folks of those areas can once again export their fish and make monies. Mr. Speaker, if this is not progress within a short time then nothing is progress. I believe we are on tract, Mr. Speaker, and this government is a government of difference would perform with a difference, and that is why we were elected.

Mr. Speaker, going back again to the Rabacca Estate, Orange Hill, one of the reasons too, why the agreement with the lease holders failed is that as soon as the people got the lands, the NDP presided over the demise of the Copra Industry, because we know, Mr. Speaker, that the Orange Hill Estate is one of the largest coconut estates in the world. You gave the land to the people with tremendous amounts of coconuts. They planted bananas, earnings from bananas declined and so the people relied on the copra to pull them out. The NDP presided over the demise of the Copra Industry. And so the people couldn't meet their agreement to pay their leases and right now there is a backlog of monies owing to the Government that we have to find some ways of redressing, and the Ministry of Agriculture would find ways of addressing the situation. Mr. Speaker, also there are problems with people who sold their lease agreements, the people who bought them are wondering whether or not they have legal status, again Mr. Speaker, we have to find ways of creating redress where this is concern. And I am very happy that within the Ministry of Agriculture, Minister Daniel and myself, and the technical people would find ways of redressing, of finding redress to these problems.

Mr. Speaker, finally though, let me mention a couple of things about the Marketing Corporation. The Marketing Corporation, Mr. Speaker, under the NDP, functioned like a free for all. Large amounts of monies are owing to the Corporation and we have in our possession, Mr. Speaker, the list of people who owe monies to Marketing Corporation and to the fish market. And many of these people appeared to be decent citizens of St. Vincent and the Grenadines, but for a number of years they have not been servicing their debts. They have not been meeting their obligations. And let me sound a warning here, Mr. Speaker, to those people, because I know they are listening. Those of you who know they owe the Marketing Board, or you owe the Fish Market, you must go quietly and meet your obligations, if you don't do so, we will take steps to collect the government monies even though it means publishing the names of those people we are going to do that to make sure the monies are collected.

Let me say, also Mr. Speaker, that on the document before us about the receivables for the Marketing Corporation we have names of people of the former administration and sounding a warning to those people. In some instances Mr. Speaker, Ministries are seen to be owing in excess of \$30,000 and \$40,000 to the Marketing Corporation, and when we say Mr. Speaker, when we investigated the accounts division in the Ministries the people who make requisition say to us they know nothing about those debts. When we check with the Marketing Corporation, Mr. Speaker, we are told that the Ministers sent down there to collect groceries on behalf of the Ministries. And we say well why did you allow them to accumulate such great debts. I was told Mr. Speaker, that if the Minister sent a note and say send X, Y, Z amount of groceries, who I am to deny him or her. Corruption galore, Mr. Speaker. I am saying we are going to get to the bottom of this, because we intend to turn around the Marketing Corporation. We intend to make it a proactive marketing agency because we pledge to the farmers, Mr. Speaker, that we would work hard to find markets for their produce. The Marketing Corporation is going to be one of the principal agencies for finding those markets. Mr. Speaker last year the Marketing Corporation turn around over \$23 million and lost, turn around \$23 million and lost, and other state owned agencies turn around far less and made a profit, \$23 million and lost money. That would not be allowed to continue Mr. Speaker, under a government of the ULP. We would ensure that we restructure that Corporation and make it more profitable. We will collect the receivables and all those prep people who got a free for all, even though we have to collect the monies from their gratuity and their pensions it will be done under this government.

Mr. Speaker, so I urge that the Supplementary Estimates be given an easy passage through this Honourable House. And we pledge to the people of St. Vincent and the Grenadines that we will operate a government with a difference, a government that would engender national pride, a government of which all of us would be proud. Mr. Speaker, thank you for listening to me, we do our best to make St. Vincent and the Grenadines a better nation. Thank you, very much.

HONOURABLE RENE BAPTISTE: Mr. Speaker, Honourable Members I too rise to give support to the passage of the Supplementary Estimates brought to this Honourable House of some \$20.7 million. I have listened and made notes, I wouldn't wait for the Hansard to come out, to the contributions of the debate, and I am a little concerned about whom some of us understand are poor people. Perhaps I was fortunate in working with organizations whose primary goal was to uplift the status of poor people, to work with the churches, Red Cross, and the Salvation Army, so I can empathize with the needs, the plight and the real conditions of poor people. A thousand dollars, four thousand dollars in the hands of poor people mean a great deal to them. Perhaps for those of us who have been fortunate up to now, it means very little, because it takes about \$600.00 I would spend in gas, poor relief is a hundred dollars a month, it is not much to my gas bill. What is even more upsetting is that I find it rex no evil to be pleased that poor people are getting some money. It is one thing to say you giving them a fish, you didn't teach them to fish, you didn't give them land, you made provisions for them to get land. There were not deeds of gift. They got the land and they must grow crops, you grow the crops and you have a Marketing Board that can't sell their crops, so they remain in a vicious cycle of poverty, and then you decry agriculture where young people will get their hands dirty, well we import pig feet and chicken, and I think they still rear animals on farms overseas so those other people get their hands dirty too. But we pay them \$21 million to import chicken. Do you sometimes really think about what we say, or do we think that everybody is stupid. Young people pay more attention than we give them credit for, and they listen very carefully and we have to reckon with them not with us.

The severance payments are being calculated under the formula under the Protection of Employment Act, it would be interesting to find the date when this Act was passed in this Honourable House, the greater question is to ask why wasn't the formula changed in so many years, I suppose that is also a forgettable historical fact. I therefore, can understand that it is difficult to claim what history can and cannot do but we must read very carefully. I remember telling somebody on an 'Inside Out' programme that history has a habit of repeating itself, and that it takes particularly in these small island States, a shorter time for prophecies to be fulfilled. They laughed at me on 'Inside Out'. But I am standing here today to see what I said that is a historical fact.

Mr. Speaker, I wish to congratulate the two Ministers, the Minister of Agriculture and his Minister of State for moving so quickly in getting the list organized, and the Minister for Science and Technology, who likes to move about like a busy body, but you can't beat him for research, you can't beat him on that and he make sure that he got the documents in order. And I would also like to state, I knew, I listened on the street during election time, blah, blah, blah, blah, blah, blah, the 100 days programme, they used to stop right at my house at the hill at Kingstown Park to make sure that I heard them loud and clear, Mr. Speaker. But we are all standing here today to see what was said on page 9 paragraph 26 is now going to be fulfilled. I am happy for the

people of North Windward and North Leeward, I am happy that Minister Thompson would be able to take his video camera and go through with a difference. Not with so much despair and frustration in his face, but being able to show the people that the confidence they place in him, the confidence placed in the Ministry of State in the Ministry of Agriculture was not displaced, that is a truthful one and now they are going to get what we promised.

Mr. Speaker, I listened with interest on the school repair programme, I can understand the reservations that were spoken about because I can understand even the work ethics, we are hoping, Mr. Speaker, that we would give leadership in our Ministries so sufficient to motivate people who are otherwise just going through the motions. They are strangers to me who come into the Ministry now, and I can call a name, Mr. Charles Maynard who is doing some work with the Ministry of Tourism says when he walked into the office there was a different breeze blowing. The step was a little smarter, the attention quicker, and people are motivated and happy. Charles Maynard from Dominica, served 20 years in Parliament, Ministry of Tourism, Agriculture, Education and Health, under Eugenia Charles, he picked it up. Therefore under the Ministry of Works who has a leader who is well known for getting the job done, do you remember paving this Courtyard outside these premises here was supposed to be a miracle, but it was done in seven days. The clock couldn't get fixed, Mr. Speaker, is it working? That was also going to be another miracle. The carpets are red; they are not, a mere pale pink. Yes, superficial, but if it was so superficial why you couldn't do it. Mr. Speaker, leadership is a difficult thing, it appears to be easy. In our party we put great stock in training and doing the same work we will ask someone else to do, therefore we attack our programmes with gusto. Minister Francis can use a hamper, a saw, he was even a plumber a few weeks ago when he had to go into the Community College when it was flooding. But some of these things require miracles. I recall listening to 'Shake Up' and hearing Teacher Ferdinand have to say 'I will close the school, it was into the second week of September, furniture not repaired, but we will say the public servants are to be blamed. As I say Leadership might sound easy, but it is not as easy as it looks. We are not waiting until September to start the school repair programme, instead \$5 million, all the schools are going to be repaired.

We started a programme in West Kingstown as in other constituencies, of getting communities and community leaders, business people to adopt schools and they have readily come forward in several constituencies to give that assistance, because we told the people that we are going to be a government that is going to work hand in hand with the people, and we have demonstrated this in the 100 or so days that we have been in office. So we have our school repair programme with community assistance, and in some instances, the community assistance is not yet forth coming, but what pleases me is that carpenters, masons and plumbers will get some money in their hands to help their families, and when they finish the school repair programmes there

are other building programmes to come, Mr. Speaker. Thank God, I would not have to fight teacher Ferdinand.

Mr. Speaker, the Public Assistance Programme is something that we always knew from outside was a scandal, but it is a little difficult when you sit and look at the people collecting it, you wonder if they know the meaning of corruption, because it has become a way of life. Still are, girlfriends, dead people. What do we know. The list is being perused, Mr. Speaker, and the house hold in West Kingstown who boasted to me that every member in the family is on poor relief, but they are under different names, somebody has been tutoring people well in how to cheat and undermine the system, intended to help poor people. It would continue to be investigated until we get the list as clean as possible, and then they still shout victimization. It is unbelievable, Mr. Speaker, that corruption is victimization. And I keep on wondering what is it that is preventing us, Mr. Speaker to move a back to get a public library in this country. One fitting and suitable for this century. We hopped and skipped the public library from here to there, purchasing buildings which we know couldn't in all good conscience serve as a public library. You know what a shame and disgrace it is, Mr. Speaker, to go to Barbados and see the public library in Barbados. No wonder our people have the mind set, things are better in Barbados. We wonder why? Very soon we again demonstrate to the people when the sod is turned on the grounds which should be about three acres or more for the public library. Minister Francis insisted that he has competent technical staff in his Ministry who could prepare the drawings and plans and he didn't have to send overseas to get somebody to do those plans for us. He came into Cabinet last week and he handed one set, the set for renovation of the Peace Memorial Hall and the other set for the Prime Minister and the committee on the economy to look at in respect to the public library. Magic! This was also suppose to be magic, -- 'can't do it, take too long, don't have the capacity.' 'Manpower capacity is missing.' Manpower capacity is right there. The question is motivation, using them, putting them to work and giving them your confidence and that is what this administration has done, allowed people to use their competence and their qualifications. We haven't overlooked them and leave them to twiddle their thumbs. I walked into the old public library, which is under a lease arrangement for 25 years or their about to the French Alliance Frances from the Kingstown Town Board and the ground floor is rotten, boarded up, it actually has piece of board across one of its windows on the front street when you are driving along. What a scandal, what a disgrace. I worked at the Public Library when I left the St. Vincent Grammar School in 1971 doing cataloguing of Vincentian Works and the West Indian Section of the library, and that's where I read all the old flam boo and all those articles written by people. It's amazing, you should go and read them Mr. Speaker. You will have 'an historic experience' quote, unquote.

Mr. Speaker, we are going to utilize the ground floor and give some secretarial space to the National Trust, so that they can do their work once again, that was intended for

them under Statute on the Books since 1969. They have done some work and then they were put to hibernate for the last seven years.

Mr. Speaker, the Carnival Development Committee, year after year you sit and hear about the Carnival Development Committee report after report, they are going to be a statutory body, again Mr. Speaker, it does not require nuclear physics to prepare a draft because you already have the reports, you have already spoken with the people who are involved from the ground floor up. Demonstrate once and for all, it's not a difficult thing to do.

Mr. Speaker, let me turn now to the hospital which is in West Kingstown. And I see funds there set aside for the programme of rehabilitation and pleased about it, I am just a little worried about the big trucks when they are coming down that road in New Montrose, that the centre portion of the building appear to shake, I don't know if it is a psychosomatic experience of some persons, but we will have to examine the integrity of the allegation, and it would be good to see that you can walk into the wing that used to be the old casualty, and it would be a refurbished building. But we don't want it to end up like the structure across from us with an official opening and it still isn't complete. These things I don't understand. I thought when you have an opening the building is finished. That's what I thought. But these works are going to be supervised by the Minister of works and his team. It is not going to allow and he will not do it since we have all worked on this premise as the Ministry of Agriculture has said putting in mileage for work that hasn't been done. Nobody is going to use Government property and can't account for it. But then again that was the normal way of doing business, but not in this administration.

Mr. Speaker in these Estimates provision has been made for a white-collar crime unit that was also set in the 100 days programme and in the manifesto, but that was another blah, blah, it wouldn't happen. We have tapped the expertise of those who have the long experience in operating these types of criminal units, investigative units, and we have persons sufficiently trained for this to come on stream very soon. The funds are there and I am sure people can come back and ask, has it started when did it start, who is going to run it, how it is going to be run? And they will get answers to those questions, Mr. Speaker.

The next matter I would like to turn my attention to is in respect to the Ministry of Tourism and Culture. There are two things that must never escape us no matter how jaundiced our views may be. The Ministry of Culture used to be a second department in the Ministry of Foreign Affairs, Culture, Tourism and Information and Culture used to be a third department, in the former Ministry that had Ecclesiastical Affairs, the other Ministry whose major attention was to Education Youth and Sports, and Women Affairs. So this Administration has created a Ministry of Tourism and Culture so that there can be more focus attention on the needs of these two aspects of Vincentian life

and livelihood. In the Supplementary Estimates you would see provision is made mainly for dealing with the framework, the administrative framework because we like to set plans in proper motion, not just hop along, skip along, vokie, vokie, willy nilly. Disciplined, planned scientific approach, that's the approach of this administration. Already we have undertaken exist audits and interviews and examinations of the offices overseas. I would not make any disclosures at this time, Mr. Speaker, since I got that information just on Tuesday, the report, and I have handed it to the Office of the Prime Minister, the Office of Public Service and the DGFP for us to discuss. It's amazing when you hear what is contained in that report. Where the files are, who has the information, how the money was spent. Terrific information, Mr. Speaker, no system in place, no wonder requisition can go from Ministry to the Marketing Corporation and then you find out whom it was intended for. As I have indicated, we are having a planned approach we are dealing with administrative framework, ensuring that we have the requisite capacity and human resource to carry out the further sixty something aspects of programming in the Ministry of Tourism and Culture. We are not just going to jump, oh, cruise tourism because there is a cruise ship berth in the wrong location in this country, which we have to work with and so we have set about a planned approach in relation to the cruise tourism development. Of course, if another hurricane comes it will get lick up, especially if it is left-handed. We have opened lines of communication with the FCCA, we are encouraging persons who are actively involved in that industry to come under banner of national cruise tourism committee because, Mr. Speaker, loan funds or grant funds, they all come with strings. And the strings indicate that you must have the capacity and demonstrate you have the capacity to carry through. It is no longer the hit and miss, I put up five rooms and will get people from Grenada to come. As far as event tourism is concerned we are preparing some plans in respect of that so again their will be a planned approach the capacity attached to the approach, the implementation and execution.

We come to the stay over visitors who use the ET Joshua Airport. Did you notice that it didn't have an area marked arrival and departure. I suppose that's another miracle. That required a miracle, uh, to put on a coat of paint, cosmetic, but it has happened. To clean up the VIP Lounge where you were receiving people, in a little pigsty, rickety fridge and dirty looking toilet. What do you think the diplomats say when they leave here? What exactly do you think they say, Mr. Speaker? Like you and me I think if you cut them they bleed red. That you and me we belong to the specimen known as homosapiens.

Mr. Speaker, we have worked in concert with the Ministry of Works and a group of persons forming a beautification committee which is under the rehabilitation and beautification, not only of Kingstown but of certain sites designated and specific sites and it didn't take that long, Mr. Speaker, to have the paint to put in the mirror, fix the things against the wall that had paspatoo, when is the last time you saw, paspatoo, Mr. Speaker? These things were so little but they required a miracle. The immigration

desk whenever you came in you are looking at the piece of pine, ripping off. No wonder you don't even know what is poverty in St. Vincent, because that looked good. Those are what you call improving the working conditions of the people who work there. Improving the first impression of the local visitor, the Caribbean visitor, the foreign visitor, the diplomats, the potential investor. What do you think they really say when they sit down among themselves sometimes, they chose to speak in French or Italian or German and it behooves all of us when we are going to be involved in this, that we could speak some of the language so we could know what they are actually saying when they are speaking with each other and smiling. It's not often complementary.

Already you have heard that there will be some more rehabilitation work done to the ET Joshua Airport, so that we could deal with the delivery of services within the Airport. There are complaints about baggage handling, custom service, the immigration service, all those matters we are taking in hand in partnership with the office of Customs and Immigration and the airlines. The Hotel Association came to see me and lay their cards on the table, we have a working relationship, and we have set up a Board of Tourism that had been abolished just under twenty years ago, on the whims or is it fancy, or the blink or the nod. And they have terms of reference in which to work dealing with specific interest in the tourism product. So that if you don't see what you imagine should be in the Supplementary Estimates, we have our Estimates coming for 2002, and in the Supplementary Estimates we are trying to set a framework, because we don't believe in hoping and jumping. We believe in plan scientific approaches.

The overseas office in Miami is being established, not just for cruise tourism but for trade and investment, and we are trying to get a step ahead in partnership with our regional bodies and regional governments, this one with St. Kitts, so that we can try to capture some of the business heading to Latin America, because we all follow CNN, so we know what is going on, and we all go on the net and understand what will happen with the free areas of the Americas and St. Vincent and the Grenadines will not be left behind. As the Minister of Telecommunications said, we are playing catch up. There is a boast about computerizations of schools. Do you want to know what generation of computers that are in the school, Mr. Speaker, I invite you to go and visit those that are already computerized and you will see the generation. The things of the past are the things of the past, and therefore we are moving forward to the future.

Mr. Speaker, I give you the assurance that as we go through, what our ministries need to have done, because I am here today. I spent half day with my Ministry officials, those from New York, London are with us, having our annual planning meeting, so we can get the reports other than in writing, because the, furnish written reports, but it is always good to be able to examine the reports with the persons present. This is the one from the London office, and yesterday they had another planning session and they

are winding up today. So we are going to be prioritizing what will come under National Parks, you see there is a bill before this Honourable House, and how we will organize the National Parks authority, what we will take into hand where some community has been struggling to keep as a national park, because we get these sparks of fancy, so we say we are going to do up something as national park and then leave it, and then some good hearted citizens will come and say let's see what we can do here, clean up a river there. Mr. Speaker, we have a programme to deal with the historic sites and the petro-cliffs, to sensitize, it is called public education. To sensitize the public not to scratch on the petro-cliffs, not to hang out clothes to bleach on the petro-cliffs, all those matters we will be having in hand within the Ministry. There are community groups that have already submitted things to us, so you will see those things reflected, the next time we are around, Mr. Speaker for the 2002 Estimates.

I wish at this time to congratulate the planning and finance officials in the Ministry of Planning and Finance for the long hours they have put in, in putting this together. The planning sessions we have had and the amount of energy that they have put in to putting this programme together, Mr. Speaker. In my Ministry we would be working with a plan approach also with the persons in the communities, Union Island, Bequia, Canouan, Mayreau, North Leeward, North Windward, the Kingstown areas and from North Central Windward down, you will see more reflected. What you see here is to take us through our administrative portion, we are not planning the year in this.

Mr. Speaker, I would like to wish the Supplementary Estimates quick passage through this House, so we can get about doing the people's business that we have been elected to do in this Government, I thank you.

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, Honourable Members I would like to congratulate each member of this Honourable House who has contributed to a most enlightening discussion and debate on the Supplementary Estimates. And in winding up this debate, it is my duty to clarify and answer some queries by Honourable Members.

First of all, Mr. Speaker, I think it has got to be acknowledged that if the Unity Labour Party Government were not in office we would not today in St. Vincent and the Grenadines have 1,092 persons at work on the school repairing programmes throughout St. Vincent and the Grenadines. That is the first point [applause] Secondly, if the ULP was not in office there would not be the approval today for \$2 million to the former agricultural workers at Orange Hill/Rabacca, at Wallilabou and Richmond Vale. If the ULP Government were not in office 843 workers would not be getting checks next month for their sweat, for their severance if the ULP Government were not in power, we would not be righting this historic wrong [applause]. If the ULP Government were not in power there would not be available for 350 young people in this country a programme for the rest of this year known as the Youth Empowering Service. If the

ULP Government was not in power we would not, Mr. Speaker, have had the \$1.69 million for the 27 secondary and primary schools for the further computerization of the school programme. If the ULP Government were not in power you would not have had in the Estimates today close \$1.3 million for the carrying out of further phase of the development of the hospital. The NDP government probably would have done it year after next, but not starting it this year. If the ULP Government were not in power you would not have the turning of the sod for the new public library in September, and the allocation here for the first \$800,000.00 for the balance of this year for the construction of the library. If the ULP Government were not in power the close to \$800,000.00 allocated and which would be done this year to improve and bring up to European standards the fishing facilities in Bequia and Union Island. Those are unvarnished facts. It is for the public now to make their judgment. Let us put the \$5.5 million school repair programme from the standpoint of its employment in context. And I want to say this, and it cannot be contradicted by any reasonable person, since Universal Adult Suffrage in 1951 there has never been, never a single public sector investment programme carried out by the state where you would have as many as 1,092 people working at one time. [applause]. And we have done this after just 100 days. If the ULP Government were not in power, the Member for the Southern Grenadines would not have had the following schools repaired. Canouan Government, Union Island Secondary, Mayreau Government, and Marry Hutchinson Government Schools. Those four in your constituency the Honourable Member for the Southern Grenadines you would not have had them repaired, and I forget Clifton Primary. You would not have had any of those. The Honourable Member for the Northern Grenadines would not have had Port Elizabeth Government, Paget Farm Government, and the Bequia Community High School. You would not have had any of those. If the NDP were in power, and if the NDP were in power the Leader of the Opposition would not have had the school buildings in his constituency repaired, Sion Hill Government, Teachers College, Technical College [Interruption] Oh that is why you wouldn't have done them. They just across from your constituency. All right, but they serve your constituency.

HONOURABLE ARNHIM EUSTACE: But I said they are not in my constituency.

DR. THE HONOURABLE RALPH GONSAVLES: And I will go further, Dorset shire Hill, Girl's High School, Grammar School, Richmond Hill, CW Prescott, Prep School, Multi Purpose Centre, do you want me to down, what is serving your constituency. Mr. Speaker, the wage bill alone for the workers for just over two months work would be \$2.076 million dollars. Those are the facts, unvarnished. When I introduced these estimates, I introduced them in a measured tone, to offer the Opposition a chance for together now. No but they turn their back askance at such an inclusive aspect and behaved in a real awful way. Imagine the Leader of the Opposition, the formal Leader of the NDP, perhaps he didn't get proper instructions from his de facto leader, or maybe he got from his de facto leader who is leading him astray. Because his de facto leader has said, and if I may say parenthetically, Mr. Speaker, that what kind of cocktail

party I give for sanitation workers, I held it down by the Environmental building why I didn't hold it by Sunset Shores. When the Environmental building I have had a social function earlier this year since I became Prime Minister, and why I chose it, is because there is an area which is suitable and why go and rent space at Sunset Shores. Mr. Speaker, you see when you look at what I would call the mealy mouthed ness. Mr. Speaker, the Honourable Leader of the Opposition and the Member for the Northern Grenadines. They are supporting the \$2 million dollar payment to the workers with water in their mouth. They are talking from both sides of their mouth. They begrudge poor people to get the \$2 million, that is only bad mindness. I want the people to know that the money which they paid to Kenneth John to prepare the leases at Rabacca is more than 15 % of what of what 557 workers will get at Orange Hill/ Rabacca. They didn't wait any length of time. You know how they brought the money for Kenneth John, not too long before the last election, by way of a special warrant. Under the Finance and Audit Act which calls for urgent and unforeseen expenditure they paid Kenneth John nearly quarter million dollars to prepare the leases up there, and they fixed him up under the provision, urgent and unforeseen. They didn't foresee that Kenneth would have charged them so much. The money that Kenneth John got could have paid the 214 workers at Richmond Vale, those are the facts. I have them here. Three hundred and ninety-four workers will be awarded severance pay at an estimated cost of \$1.392 million, at Rabacca/Orange Hill having worked beyond 1985 when the Government acquired the estate. It isn't me who wrote this you know, this was sent by the public servants. I gave the instructions on behalf of the Government and the Public Servants they are the ones who did the calculations in accordance with the policy of the Government and the law of the land in relation to severance pay. One hundred and forty-four workers would be awarded ex gratia payment having worked on the Orange Hill Estate up to 1985, but who have not received any severance pay, this is an estimated cost to the Government of \$210,000.00 EC dollars are they begrudging those 144 workers who I am giving an extra piece of change for \$210,000.00 when Kenneth John get \$240,000.00. And then there are 21 workers at Rabacca/Orange Hill who worked before 1974 but who have been recommended and we have accepted the recommendation to give them ex gratia amount to just over \$23,000.00 between them.

On the Richmond Estate 214 workers would be getting \$221,658.00, and 70 workers at Wallilabou Estate who worked for the 10-year period from 1983 to 1993, this Government was in power in 1993. That is a cost to us now of \$126,900.00. \$2 million dollars roughly. This is the first time in the history of the Caribbean, not St. Vincent and the Grenadines, I have gone further. The first time in the history of the Caribbean that a Government has gone and paid out severance pay, which workers should have received some 16 years ago, but whilst they don't want me to do this, they all harassing me. Telephoning me to pay for the NDP parliamentary who left, their pension and their gratuity which is coming up to more than \$2 million. Have the files

on my desk. And this is why I don't understand the unconscionable nature, unconscionable nature of the NDP and the current Members on that side of the House.

Mr. Speaker, I want to explain how these matters have come about the way they have come about. In 1980 the Labour Party Government led by Robert Milton Cato, our blessed memory, past a law in this House called the Protection of Employment Act, it is a Labour Party Government which gave the people of this country the right to severance pay for the first time. Over the last 16 years the workers have been demanding and their representatives, the trade unions have been demanding that the law be amended to tighten it to make it better. Nothing was done. The only reason why the New Protection of Employment Act is not on the Order Paper is because as the Minister responsible for Labour, I gave instructions that there be further discussions among the workers and the trade unionists and employers in this country, and that Bill is currently in circulation, but I am hoping to get it on the Order Paper for Emancipation month, 2001. And what does the law say, the law says that you will get severance pay at the following rate. If you work for a minimum of two years you will get two weeks pay for each year worked for a maximum of getting payment for 26 years. So even somebody works for 40 years they can only get pay in relation to the last 26 for severance pay. So they get the equivalent of a years salary. But the year's salary which they will get if they reach the maximum would be calculated on the basis of their last salary. That is why some people getting more than others. Despite the fact that they might serve the same number of years because of the last salary which they were paid. I want to clarify all this, so the propagandists won't have a chance to say well you see, Mary worked for 26 years, she only get two thousand and something, and Isabel worked for 20 years and she get \$4,000.00. It has to do with years and your money too. Trade Unionists are in the audience here, and they can confirm what I am saying to you.

Further to that, the Leader of the Opposition raised this question. He said he wants the Prime Minister to reply to this, is the Prime Minister bailing out the Danes or the Barnards. That is the question he asked. First of all there is on record that some persons have received severance pay from the Barnards. I have been so advised by the Ministry of Agriculture, and where those persons have received severance pay from the Barnards, because they have been dismissed earlier, laid off earlier but yet some of them may have come back but stayed on until the Government took over, they will get the severance pay for the new period, because the people in the Ministry of Agriculture understand the law. The Public Servants understand it and they do the calculations. Look at this; what the law says is this. If Barnard sold the estate, as they did to the Danes, the workers went from the Barnards to the Danes and the Danes had them, the Danes are responsible under the law for the severance pay for the years acquired under the Barnard period. And when the Government took over the lands from the Danes and the workers from the Danes went over to the Government the Government, is responsible for the severance pay for those workers. That is the law of

the land. So I do not understand the point where the Leader of the Opposition is coming from. Perhaps he had not consulted Dr. Kenneth John adequately as a matter of the law before he came here. Or maybe he consulted his de facto leader who gave him the legal position.

Mr. Speaker, Honourable Members we have at Rabacca some 557 workers who are getting severance pay and or an ex gratia payment but as the Honourable Minister of State one of Chatoyer 'pickney' he pointed out that it is only 230 had received lands. In fact I myself pointed out to the Honourable Leader of the Opposition that the formulation on the list marked BLRP that mean Beneficiary of Land Reform Programme that what BLRP means and they are identified and he can count them. The Minister of State, the Representative for North Windward counted them and say there were 220, but I recall after the Government had taken over the land at Orange Hill the workers up there bind themselves into a committee, Pat Frazer was one of the leaders. They sought to get assistance from the trade unions, including CTAW, they went and they made representations to the then Prime Minister, Sir James Mitchell, for their severance and he told them then as he said in the House here, they get land, what they want with severance. That is the language for someone who is not a member of a Labour Party. That is the language of a person who is not a part of a working people's government. That is the language of someone who is not part of a national government. Those people who receive lands at Rabacca, and that issue has been well canvassed here on this side of the House. They have to pay right now for a parcel of land \$1,520.00. They did not get it for anything, per year. Severance pay is for your sweat. Land you have to pay for. And they paying for it. I want to say to my friend Promise Bentick who might be listening to me down Fitz Hughes. During the election campaign, I went to Promise house and I spoke to him about this, how the severance payment would be made. He said politicians always make promise at election time, why is it you now saying so. His wife said no Promise, that is nickname, Promise; Comrade Ralph talk it on television long time ago, I heard him. He was not convinced, I want to tell him that his name alphabetically on the list is number 16 and in August he will get his money. And now at Rabacca there are people up there who are getting on an average more money than those at Wallilabou and down at Richmond, for the simple reason you have more of them working later at Rabacca for some higher wages than say down at Richmond Vale. And I want Mr. Speaker, I want to say first of all of the 557 workers at Rabacca close to 200 of them getting in excess of \$4,000.00. I repeat of the 557 workers who are getting money at Rabacca close to 200 getting more than \$4,000.00. And I know the Leader of the Opposition called out a couple people's names who are getting certain amounts of money, and I will follow what he is saying there and call a few names, so they that they will know. I am going to call some big one. John Ballantyne he is getting \$6,500.00. He is from Sandy Bay. Carlos Bentick he is getting \$8,320.00. Magdalene Browne getting \$16,224.00 she is from Mt. Bentick David Caesar from Overland getting \$9,000.00. Roberta is the one getting \$4,500.00. Tyrone Cyrus from Orange Hill he picking up \$11,680.00 and I can go

down the list. And I don't know if any of these persons support ULP or NDP because I am a together now man. That is how this government functioning [Applause] They talking about the ULP even, when the Minister of Social Development take off certain people from the Poor Relief list, from the Public Assistance who already died. They say you are discriminating against dead people. Political discrimination against the dead. You are victimizing them. Politically victimizing the dead. That is a new concept. They have nothing to hold on to so they clutching to straws.

Mr. Speaker, I believe that that should put the issue in relation to this severance payment to rest. I have the list here. During the lunch time I am going to sign them as Minister of Finance and Prime Minister, because the people of the country give me the power after we pass it here, and then this is going to be sent to the Director General of Finance who will send it on immediately for the cheques to be started to be prepared that when I come back from overseas, I have two sets of meetings overseas, this week and the following week, that in emancipation month I will be at Rabacca where the cheques will be delivered. I will be at Wallilabou and I will also be at Richmond where the cheques will be delivered. [Applause] I promised the people that, and this ULP Government keeps its promise. This ULP Government keeps its promise.

Mr. Speaker, they said that we are taxing the people, now you know I am amazed, I am amazed Mr. Speaker, the tax to help pay this money is on rich people from overseas who buy land in St. Vincent, what happen the Member for the Northern Grenadines don't want for me to do that. The measure in relation to increasing the amount of money which aliens pay to reside here and to get their citizenship, that is not an imposition on St. Vincent and the people in St. Vincent and the Grenadines, they don't want me to do that? But the point, but you are the one who brought it up. [Interjection] No, no, no, one of the things about you, you come here as a young upstart, you have to sit and learn, learn, learn, you are a young upstart, learn from the masters, learn from the masters. And in due course you will give your elders and your masters the requisite respect, but at the moment, you can't even calculate percentages. Learn. Listen and if you listen you will learn. Listen.

Mr. Speaker, because of my knowledge of the law I am closing the loopholes where people used to take advantage in relation to mortgages and transference of shares and avoiding the 10% transfer tax, but he don't understand that even though he is a lawyer, he is a theoretical lawyer. He is a theoretical lawyer. Civil Servant type lawyer, pushing men and paper, come into the jungle like me and you will learn some law. This is the first day he is getting a little spanking. But there is more for him. There will be more for him. And I may well, because he is behaving like an upstart I may well have to give instructions, I have to consider it, it depends on how he behaves henceforth, I may well have to give instructions to the people who work in Public Works in Bequia that he must not be seen around there trying to point what is to be done and what is not to be done. That is the business of the Executive, raise them in Parliament if you want, you

are only a Parliamentarian, you are not part of the Executive. If you want to behave like that, I will put you in your place. I have the authority to do it. So far I have been nice to you. But because it is 'together now', let me see how you are demonstrating. Let me see how you demonstrating yourself.

Mr. Speaker, just two other matters briefly, you have indicated that I have five minutes more. They make the song and dance about the excise duty put on whiskey, vodka and gin, look the people in Rabacca, Wallilabou and Richmond must know that the NDP representatives here are against me putting on a little something extra for whiskey drinkers. They are defending whiskey drinkers; it is only rich people drink whiskey in St. Vincent. But that is what they are defending, and the reason why in relation to the vodka, why we put it on, I am a man with my ears on the ground. There is a particular vodka name Najak, the fellows drinking it instead of strong rum, and giving it an unfair advantage over strong rum, that is why I had to put the \$12.00 a liquid gallon increase on the Najak so that it doesn't take advantage over the strong rum which is produced here in St. Vincent and the Grenadines. So you see you think Comrade Ralph in an ivory tower since he became Prime Minister, I am most root-ical leader in the Western Hemisphere. Root-ical. It isn't me who say so it is the Rasta men them who say so.

Finally, Mr. Speaker, I want to say that in relation to the question of air transport access, you would notice that there are \$70,000.00 in the Estimate to buy shares in LIAT. We have already decided for the \$2.48 million that LIAT owes. We are converting that into accumulated preference shares for LIAT, we have agreed on that. But beyond that there is a rights issue, new shares being offered, if the Member for the Northern Grenadines wants me to go a little slower and explain that I could explain that. We are taking up our proportion offered in the rights issue and we have indicated that we will take up the other island shares if they do not want to buy more shares in LIAT, because we are expressing confidence in the future of LIAT. LIAT is important to us, so is CARIBBEAN STAR, so is BWIA EXPRESS and of course SVG AIR and the other airlines. It is this Government, which has engaged in the 100 days so far negotiations on the matter of a hub with St. Lucia. Officials have already gone but the jaundice views of the Opposition can't see the progress being made.

And Finally Mr. Speaker, I want to make the point that savings would be made on the recurrent budget, we are being very tight with our spending in certain areas. For instance as I pointed out in my speech, I have identified areas where we would be making savings because we have to be prudent in dealing with the resources. We have to cut out the waste and the corruption. Nobody sees anymore any ULP person, you wouldn't see a ULP official, Minister, you don't see public servants driving about in Government vehicle anymore, after work. There are only two offices of State to which vehicles are attached to their offices, we are talking about people who might get them by contract, two offices of State, that of the Governor General and that of the Prime

Minister, and the Representative from the Northern Grenadines is so mean, mean spirited he is begrudging the Office of the Prime Minister acquiring a new car after the old one 12 years old broke down and it cost only \$100,000.00 Barbadian dollars, base price, after the discount and you see it, it is an elegant car, nice family professional car. I must, except the Leader of the Opposition who has much more breeding and taste, and would not have complained about the purchase of that car. He rightly asked the question but did not complain. Comrades, sorry, Honourable Members, [laughter] I am very grateful for all the comments, and I am grateful particularly for the contributions of the Leader of the Opposition and the Member for the Northern Grenadines for offering us on this side an opportunity to clarify the position regarding the Estimates. I am obliged, Mr. Speaker.

Mr. Speaker, the debate having concluded I move that this House approve these Estimates.

HONOURABLE LOUIS STRAKER: Mr. Speaker, I rise to second the motion.

Question put and agreed to.

St. Vincent and the Grenadines Supplementary Estimates 2001 were approved.

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, Honourable Members, I move that an act to sanction payments made from the consolidated fund for certain services in excess of the Appropriation Act relating to year on the 31st December 2001 be read a first time.

HONOURABLE LOUIS STRAKER: Mr. Speaker, I rise to second the motion.

Question put and agreed to.

Bill read a second time.

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, Honourable Members, the bill having being read a first time and we would wish it to go through all its stages today, I move accordingly under the appropriate Standing Orders of this Honourable House that this Bill go through all its stages under Section Order 48 (2).

HONOURABLE LOUIS STRAKER: Mr. Speaker, I rise to second the motion.

Question put and agreed to.

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, Honourable Members, I don't think that there is anything new that I can really add to the debate in the sense that we had proceeded, that we had agreed upon earlier for an omnibus discussion. I

accordingly, Mr. Speaker, move that an act to sanction payments made from the Consolidated Fund upon certain services and excess of the Appropriation Act relating to the year ending on the 31st December 2001 be read a second time.

HONOURABLE LOUIS STRAKER: Mr. Speaker, I rise to second the motion.

Question put and agreed to.

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, Honourable Members, I have nothing really new to add at this stage of the debate, save and except to repeat that in this Supplementary Appropriation Bill we are asking for the issue of the sum of \$20,517,365.00 from the Consolidated Fund for meeting the additional expenditure on the services of St. Vincent and the Grenadines for the year ending the 31st December 2001 and the schedule list, the recurrent expenditure services of \$6.7 million and of the Supplementary Estimates of Capital Expenditure of \$13.79 million. The debate has been an omnibus one, Mr. Speaker and I have nothing more really to add at this stage.

HONOURABLE ARNHIM EUSTACE: Mr. Speaker, it is true that we have had a long debate on the Supplementary Estimates. It is true also, Mr. Speaker, that a number of issues have been raised, and some of them have been clarified. It is also true, Mr. Speaker that a number of statements and comments have been made which went far beyond those required for the discussion of this Bill. It is also important for me, Mr. Speaker as Leader of the Opposition to make some comments on the Appropriation Bill in light of what has transpired. I want to, understand Mr. Speaker, that we are in the world of politics, and I want to clarify Mr. Speaker, for the public out there some of the, to my mind the deliberate attempts to give the impression that on this side of the House we were objecting to the payment of the severance pay to the workers of this country. I have to do so, Mr. Speaker. Mr. Speaker, in the NDP administration which is maligned in every sitting of this Honourable House. There is a period time through out the course of each year over the last five years when numerous ex gratia payments were made to workers through out the public service, and I think we presented evidence of that in this Honourable House before, so I have no problem Mr. Speaker, with ex gratia payments being made to anyone. I have no problem, Mr. Speaker, with the payments being made to the workers in this case, what I had a problem with, Mr. Speaker, is the characterization of these payments in terms of righting a historic wrong, and it was in that context that I put my remarks, and I believe that in the cut and trust of politics, Mr. Speaker, this will be distorted for political gain, and I expect that so I will now have to defend my turf in relation to this matter.

Mr. Speaker, through out the whole of this debate, and it has been so for a long time the wide brush of corruption and accusation of corruption has been cast on every Minister in the administration of the NDP. As a matter of fact, one Minister this

morning, the Minister of Agriculture said, and I want to quote him that this NDP administration is easily the most corrupt administration that this country has ever had. Mr. Speaker, I know in this House we can make a lot of broad statements and we have the privilege to do so. I have heard all sorts of allegations, Mr. Speaker, and it seems to me like we are still every day in throws of an election campaign. I heard constant references to ethics. I heard the Minister of Transport and Works this morning speaking about ethics and what is unethical in terms of the role of the former Minister of Communications and Works.

Yesterday, Mr. Speaker, I asked a question of the Minister responsible for the Port in relation to a transaction at the Port involving the sale of the Launch, and in his response Mr. Speaker, before dealing with the question he sought to bring me into some disrepute by indicating that I made a deposit of \$40,000.00 when the boat were up for sale, the trawlers, and that money is still owing on the boat. It is important for me, Mr. Speaker, because like all of us in this House, I think we value of reputations, it is important for me Mr. Speaker, to make that matter absolutely clear. First of all I was not here when the boats were first sold. Secondly my involvement came through the purchase of shares in a company which owned one of the boats, that is when I was not in politics, and any funding therefore that may have occurred in relation to my owning was in respect to the purchase of shares in the company. It is true, Mr. Speaker, that in every instance of those trawlers there are arrears because there has been numerous problems with those boats, and that is a fact of life. And it was in that context, Mr. Speaker, that the trawler owners had approached the Government because it was found out that the costing of the trawlers was done on the basis of the entire package of assistance made by the Japanese rather than the cost of the trawlers themselves, and that is why they have been set at the price of \$400,000.00. So Mr. Speaker, I just want to make that clear.

Secondly Mr. Speaker, in all the talk of corruption and the lack of ethics the question I posed yesterday was answered, the conclusion drawn however Mr. Speaker, was erroneous; here you have a port launch which was repaired in 1996 -'97 with a new engine costing \$35,000.00, the boat itself was repaired and now being sold by the Port and some people express their interest in writing as requested by the Port, and they put in their offered price. Some people offered \$6,000.00 and one person who was identified yesterday as Adolphus Adams, better known as 'Famo' one person in a lower price, of \$4,000.00 for the launch. I believe, Mr. Speaker, that the Port also had a valuation done on the boat prior to that exercise which I understand valued the boat in the order of some fifteen or so thousand dollars. I can't remember who did the evaluation, but the point I want to make, Mr. Speaker, is that the person who put in the lowest bid which was \$4,000.00 as compared with the other bids of \$6,000.00 was then asked because apparently he had some interest in the boat whether he would reconsider his bid and in fact as I understand it from the presentation of the Honourable Minister, he brought it up to the same level of the other higher bidder. But

Mr. Speaker, if such is the case then those higher bidders should have been offered the same opportunity Mr. Speaker, and that is the normal practice if you are to bring up the lower bidder, you have to give the offer to the higher bidders, they might want to increase their bids. In fact, it was illegal to ask the lowest bidder in this case to raise his bid without any reference Mr. Speaker, to the other bidders. [Interruption] It amounts to the same thing. The reason to offer for sale is that you get the highest amount of money. This is a public asset which you are talking so much. The point is that there were offers which were higher and you go to the person who made the lower offer and asked him to match it. But then you must go back to the highest bid and say listen, we had somebody who was really in here before you, but he has made a higher bid, he is now up to you, what are you going to do, you going to go to \$7,000.00, \$8,000.00 that is only fair. That was the ethics concern there. So Mr. Speaker, we have to be careful when we make these broad accusations against people and you must be careful that you don't do the same thing that you are accusing people of doing.

Mr. Speaker, I don't want to call names I have other things I could speak about it is not my normal way of doing things. And I sit here in this House, Mr. Speaker and every time we come in here I hear that all of us are corrupt. Every time we come into this Honourable House I hear that. Mr. Speaker, I do not think it ethical that a Minister of Government as is the case today in this administration should be a legal adviser to any government entity, neither a Senator in this House, Mr. Speaker. I don't want to call names.

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, there is no Minister in this Government who is a legal advisor. None. That's not true.

HONOURABLE ARNHIM EUSTACE: Mr. Speaker, let me just, -- Okay, we leave it at that. You know what I am talking about.

Mr. Speaker, I also listened to the comments of the Marketing Corporation, and I will like to know from the Honourable Minister who are the Ministers of the NDP administration that owe the Marketing Corporation and how much that they owe.

DR. THE HONOURABLE RALPH GONSALVES: May I, if the Honourable Member would give way. May I? Mr. Speaker, I think there needs to be, the Minister of Agriculture says in due course when all the auditing is done those matters would be known on the Marketing Corporation. I want to address the question of the law. There is no Minister of Government who is an advisor to any, any entity of Government. None whatsoever. A Senator who does not hold an executive position can in fact practice her profession and in this case, the only Senator who is a lawyer is Senator Young and she can practice her profession. The law specifically allows that. I just want to make that as a matter of clarification. The same way Senator Glenford Stewart was an engineer. The same thing

HONOURABLE ARNHIM EUSTACE: I hear the clarification. I have not conceded anything. I know what I am talking about. Mr. Speaker, yesterday, you know, I listened carefully to the presentation because I believe when we come to this Honourable House Mr. Speaker, we come here because we are elected by the people of St. Vincent and the Grenadines to look after their interest. And I listened to every presentation Mr. Speaker, it is rare Mr. Speaker, that I find it necessary to interrupt. It is not my nature, Mr. Speaker, to complain. But sometimes I have to do so. I have listened in this House and outside of this House, Mr. Speaker, time and time again. I have come here, I have said I have moved a motion in this House about political victimization, that has been denied. I was expecting to see a Supplementary Appropriation on this Bill to pay the severance pay of those persons who have been victimized but the Minister of State in the Ministry of Agriculture challenged me yesterday to name some names in his constituency, so I am going to do so now. I will oblige him now. Mt. Bentick, Willimina Antoine, Melina Browne, Terry Browne, Marcia Charles, Mt. Bentick, Eucacia Patterson. They are all road drivers. [Outburst of Laughter] Rotational what. Let us see the rotation. Let us see it.

HONOURABLE MR. SPEAKER: Order, order.

HONOURABLE ARNHIM EUSTACE: Let us see it. I have said in this house you know, that is one thing I don't believe and I still don't believe it. Don't worry about that. I am not embarrassed at all. Thaddeus Browne, Charles Nero, Joel Derby, Rudolph Lavia, Sandy Bay, Elton Baptiste, Charles Nanton, Ezekiel Roberts. Overland, Simon Edwards, Charles Edwards, Maureen Johnson, Irene Baptiste and the list goes down Mr. Speaker. I have the 164, and in addition to that Mr. Speaker, time keepers, Marcia Baptiste, Norissa Williams, Elonis Baptiste, Elsia Thomas. Sandy Bay, these are timekeepers. There are timekeepers all over this country who are now at the CTAW having a meeting to see how they will be dealt with. Elizabeth Baptiste, laid off? Well, let's wait and see.

Mr. Speaker, we have the list here, and today is the last day of work for two other persons in that constituency. Mavis Laborde, oh you know, I know you will know that. And Rual Williams, two others who today, and there are others, Mr. Speaker, in East Kingstown and other areas who today are their last day of work. [Interruption] You can say what you want; I know that these are people who have been sent home. But I know that there are people who work at different time during the course of the year. I am aware of that. Mr. Speaker, the same way you can find ex gratia payments for the workers at Rabacca, you can find ex gratia payments for these people also. [Interruption] Don't bother with that, we have been giving ex gratia payments in the NDP administration, so don't bother to give me that. So don't give me that talk at all. I didn't object to any ex gratia payments. There hundreds of people in this country who

have lost their jobs. I repeat that once. I repeat that twice. Hundreds of people in this country who have lost their jobs.

DR. THE HONOURABLE RALPH GONSALVES: If the Honourable Member would give way because this is an interesting issue. May I please?

HONOURABLE ARNHIM EUSTACE: Mr. Speaker, I really cannot give way again. I will give way a little later.

DR. THE HONOURABLE RALPH GONSALVES: Well I have an opportunity to reply.

HONOURABLE ARNHIM EUSTACE: Precisely, the Prime Minister has an opportunity. I will like to shorten it too, but the kind of comments that are being made is a different matter.

HONOURABLE MR. SPEAKER: Order. Order.

HONOURABLE ARNHIM EUSTACE: Mr. Speaker, yesterday I heard a lot of comments about the cost of a various sections of lands. Oh, some people got two acres, others got three and they paid the same amount of money in the lease. And when I heard it I said well, the Government has a point in that, if that is in fact so, and if that is in fact the basic situation, only to check and to discover Mr. Speaker, that fertility tests were done on the areas of Rabacca Farm, and where the lands were more fertile people got less, and where it was less fertile, people got more, and that is why the payments were the same, and I think you should have had the courtesy to explain to this Honourable House, rather than give the impression. [Interruption] Don't bother. The less fertile areas you got more lands and that is the principle behind it. I don't know what you are talking about [Speaker bangs gravel.]

I also heard, Mr. Speaker, in this Honourable House that no Daniels got lands. I have the names of seven who got land, Sandy Bay, Mt. Bentick and Orange Hill, I have the names of seven here who got lands. You are not the only person who makes that comment, Honourable Minister. I have the name of seven who got lands, and some got more than once. So I listened, you know, Mr. Speaker, I listened to these comments all the time.

Mr. Speaker, I heard Honourable Minister of State in the Ministry of Agriculture about the sale of the arrowroot properties in Kingstown to the National Insurance Scheme, just before the elections as if there was some political gimmick. The National Insurance Scheme approached the Government of St. Vincent and the Grenadines several months ago making a representation that they would wish to buy those properties, refurbish them for their offices, and have some space to sell for persons interesting in the cruise tourism business. At the same time, Mr. Speaker, we had a

situation in which a study had been done on the Arrowroot Industry, by a consultant financed by the Caribbean Development Bank, and they made certain recommendations. And after this has been completed Mr. Speaker, and looking at the proposal of the National Insurance Scheme we found that the offer that they were making was something that was acceptable to the Government of St. Vincent and the Grenadines. Bearing in mind that the National Commercial Bank was carrying the debt of the Arrowroot Association. No the NIS offered, asked to buy it. It was not out to bid. They offered to buy the property. So that is the government institution. Nobody tampered with what was offered. Mr. Speaker, the price that the NIS offered, the decision, and I want the Minister to ask the Cabinet Secretary to give him a copy of the minutes, and he will see that the bulk of the proceeds are to be used back in the Arrowroot Industry. I want him to check that and he would find that is the case. [Interruption] Well you have the wrong information if you made that kind of statement yesterday.

But Mr. Speaker, we in this House of Parliament, Mr. Speaker, we really make sometimes a lot of statements for political reasons, and I understand that, Mr. Speaker. You know, I understand fully, the Prime Minister made a presentation in relation to his perception and his belief as to how he saw the payment of the severance pay. That is his opinion. We also have an opinion, Mr. Speaker; we on this side of the House have our own opinions. One must not assume that we are simply here to accept what is sorted out, what is offered; it is our role Mr. Speaker, to examine and to determine whether we can support, and I have said that the policy of the New Democratic Party in the Parliament is to support those measures that we think are in the interest of the people of St. Vincent and the Grenadines, and those that we do not think so we will not support. In addition to that Mr. Speaker, there are times when there are things which we wish to support, but we will have some reservations and make some comments. This is normal. But yesterday I got the impression that I was not supposed to have any reservation. But I have. I have reservation Mr. Speaker, and I believe, the same way the Prime Minister believes that historic wrong should be righted, I believe to my mind for the hundreds of years that the people in this country did not own land because of the distribution that we had, the pattern of distribution, that is more important to get hold of the land, and that is what. [Interjection] I didn't say it is the first, I did not say that. It is more important, Mr. Speaker, in that case to get hold of the land, and that is what I figure was the more important aspect of it. Not that I was objecting to the payment of severance, and you know that. Why would I object to people getting some money? What I am saying was the most important thing was the land. So that simply was the point I was making. I was not saying that nobody should get severance. But you want to put that out to the public that Eustace. As a matter of fact, this thing got so ridiculous at one stage yesterday, that the Honourable Deputy Prime Minister was questioning my ability to peel a roast breadfruit. [Outburst of Laughter] That is what this Parliament has come to Mr. Speaker. I took it as a joke; I took it as some humour.

But I know he was trying to impress his wife. [Outburst of Laughter] I was fully aware of that.

Mr. Speaker, but to get back, Mr. Speaker, to more serious matters, it is really twisting my words and the words of the representative for the Northern Grenadines to say that we don't want the people to get the money. We are not idiots. We are not idiots. But we are not going to accept whatever you say on that side, if we think it is good we will say so, if we think it is bad we will say so. If we think it is all right but with some reservations we will say so. We know that you have the vote, you will outvote us anyway. We are aware of that. But we have the right, Mr. Speaker, in this Honourable House to put our own positions.

Mr. Speaker, I want to come to one other area Mr. Speaker, in relation to the Supplementary Estimates, and the Appropriation Bill.

HONOURABLE MR. SPEAKER: Honourable Member could I invoke 12 (6) for 5 minutes?

HONOURABLE ARNHIM EUSTACE: Okay.

HONOURABLE MR. SPEAKER: Adjourned for five minutes.

SUSPENSION OF SITTING 12:35 p.m.
RESUMPTION OF SITTING 12:45 p.m.

HONOURABLE ARNHIM EUSTACE: Honourable Members, I heard, Mr. Speaker, several references to the decimation of agriculture under the New Democratic Party administration. I heard references, Mr. Speaker, to the sugar industry which I believe that this government has promised to look at again with a view to bringing back sugar into production. I simply want to say one thing Mr. Speaker about sugar. One simple fact. All over the world, Mr. Speaker, the world price of sugar is low. It is lower than the price even when we had the factory here many years ago, and it is still low. Barbados which had nine sugar factories eventually brought them down to three, and now are contemplating having only one plant in that country. For the simple reason is that it is not worth the while anymore. Mr. Speaker, the sugar industry that we had here, was largely dependent for its financing on the National Commercial Bank for its operations, and Mr. Speaker, the National Commercial Bank was running a significant over draft for that industry which was increasing all the time, and at the time of closure it was about \$26 million. Mr. Speaker, one of the things about the National Commercial Bank which I think we must never forget, citizens of St. Vincent and the Grenadines must never forget, that they must always be aware of Mr. Speaker, and that is that institution is the major recipient of the funds of the National Insurance Scheme. And it is very important, Mr. Speaker, that we bear that in mind, any time we are dealing with that institution. Anything that is likely to trigger losses, and we have

had that problem in the NDP administration too, I am not hiding from it, it is a matter of concern to me, I have been in developing banking for a long period of time, so it is a concern to me, we have had it there too, and I am saying, [Interjection] They didn't have any there when I was Minister of Finance. They didn't have any when I was Minister of Finance. Mr. Speaker, the Honourable Minister, I think knows a little more about this matter than he thinks. Yes, you help to destroy it too.

Mr. Speaker, I am saying to this Parliament that whenever we deal with the NCB, and I think the Prime Minister recognizes that as Minister of Finance. We recognized at all times that major recipient of the funds of the National Insurance Scheme. [Interruption] I am not making any excuse for NDP or PPM or ULP. I am speaking as a person who has some knowledge in that area and all I am saying to this House, Mr. Speaker, is that we have to be extremely careful with how we deal with the resources of the National Commercial Bank of this country. Anything that threatens the viability of that institution, Mr. Speaker, threatens the NIS, because as you know, most except for the last few years, all of the NIS contributions were deposited in the National Commercial Bank. When I was chairman of that institution, Mr. Speaker, I changed that policy. I cut it to 50% of the contributions going to the National Commercial Bank and I let the other banks bid for the rest, and whoever gave the highest bid that institution got the funds. That was the way of diversifying the investment portfolio that we are not totally dependent on the NCB where the NIS is concerned. So, Mr. Speaker, I also looked at the question of sugar in that same context.

Mr. Speaker, with respect to the school programme of \$5.5 million, I heard the Minister of Transport and Works, Mr. Speaker, saying that it doesn't seem that I want such a programme because I raised some concerns. I said it was an ambitious programme, but I had some concerns in relation to the implementation in the relatively short time frame, given the amount of money involved, and I was concerned about possible losses. And Mr. Speaker, when I listened to the Minister's presentation he was virtually saying the same thing I was saying, because he was pointing to all the steps that he has taken to try and ensure the very concerns I raised didn't happen that was the gist of his presentation, so what is wrong, Mr. Speaker, with my saying that had those concerns, it is for him to come back and say well listen, I have already taken that into consideration, I have Clerks of Works, I have several contractors, the materials going to leave the site and would not be given away, so he had the concerns too, so what is wrong with my raising those concerns? I didn't say the programme was a bad one. I said it was an ambitious one, and ambitious in terms of the relatively short time frame that is required for its implementation. [Interruption] I didn't say it was a good one. I just supported it there a while ago when we approved the Supplementary Estimates.

Mr. Speaker, I want to stress again that I have the same concerns about this country, that all of us in this Parliament have, and I recognized that we are going to have the cut

and trust of politics. I recognized that. I don't doubt we are going to have the cut and trust of politics, I recognize that. I don't have a problem with it. Roast breadfruit and all. I don't have a problem with it. [Interjection] Well I said I didn't have enough hair, but yours will soon show the grey hair. That's all and I still believe that.

Mr. Speaker, on the question that I raised, I want to repeat it again, I said to the Honourable Prime Minister in June, at the sitting of this House, that I did not like the fact that he was bringing revenue measures to this House at different times. We have a tradition in this House, Mr. Speaker, that at the time when people's ears are most attuned to the question of taxes in the annual budget. So when you come, Mr. Speaker, and bring these small measures one by one at different times of the year, you are trying to come in behind the back door, and I will still say that at this point in time. This was presented, the Supplementary Estimates tabled in this House, and the Appropriation Bill were presented as Supplementary Estimates basically, but then in the Prime Minister's presentation we then had a glimpse of the revenue measures that he is proposing to bring to this Parliament, or in some cases, it may just be an amendment in the SR&O to deal with funding of some of the activities. [Interjection] I did not say it was unconstitutional. I just simply said it was a guise, and I want him to know that we recognized what he is trying to do, and I want the public of St. Vincent and the Grenadines to recognize also what he is doing, Mr. Speaker, because Mr. Speaker, when he sat on this side of the House, similar measures were crucified. Yes, I brought the diesel tax at the last budget and I was told that what you are doing is crushing poor people, you crushing agriculture, and now he comes today outside the framework of a budget and brought a rise on the price of diesel and the price of gasoline, and I am saying, Mr. Speaker, that is coming through the back door. With all the talk about transparency, I am saying that is coming through the back door and coming in at midnight. And that was the nature of my comment on those matters, and I am saying to the Prime Minister that these measures, especially the one on diesel and gasoline are not appropriate at this time, given the state of the economy, and I maintain that, Mr. Speaker.

I also wish to say, Mr. Speaker, that with respect to electricity I have no objection to the \$2.65 but I want to make sure as you all like to say on the other side that is the poor who are going to benefit, but there is nothing that has been done that is going to convince me about that up to now. Nothing. Because as I pointed out yesterday if you are going to deal with the lifeline rate at Vinlec by reducing it, that flat rate, then you must ensure that it is not people who have apartments to rent and so forth, who are the beneficiaries. That is the only point I was making about it, Mr. Speaker. Not opposing it. And I make the same point at this time around.

Mr. Speaker, the Prime Minister says that he is rootsie and so on, and he has his ears to the ground and he made that in reference to the excise tax.

HONOURABLE MR. SPEAKER: Honourable Member has eight minutes left.

HONOURABLE ARNHIM EUSTACE: Much obliged, Mr. Speaker. I am aware, Mr. Speaker, of what he is speaking about, but I pointed out, Mr. Speaker, that all the point I was making is that I did not like the timing and the manner in which these tax are being imposed. They are being imposed on the population at a time when they do not normally expect to see taxation measures. That was the fundamental point I was making. I was not making any judgments as to the particular tax. The Prime Minister mentioned about he loophole which he wants to plug to prevent foreigners who purchase shares in local companies from avoiding certain charges, I supported that in this House, Mr. Speaker, but I bear the point that that time too, that he was bringing measures at a different time than is normal when the public is not looking. But I supported it, because I recognize the intrinsic value of it, but I didn't support the one on lowering the hotel tax to the level of the five room hotel, because I thought it inappropriate at this state of the economy and for the particular sector and I said so. There is nothing wrong with that, I have the right, Mr. Speaker, to express my own views on these matters, just as you have the right on that side of the House, Mr. Speaker, to make your own presentation. So I don't want anybody to tell me that I have any water in my mouth. You expect, you know, one of you said yesterday, I think it was the Deputy Leader, one of your Honourable Members said yesterday, that you had the mandate to do what you want. That was the statement. But let me just say something, you have a mandate to what you want but not for as long as you want.

Mr. Speaker, [Interruption]

HONOURABLE LOUIS STRAKER: You served your time, that's why they put you closest to the door. The next step is out.

HONOURABLE ARNHIM EUSTACE: Mr. Speaker, -- and they put you closer to the prison. [Outburst of laughter] They put closer to the prison.

Mr. Speaker, I assume that sometime later this year that there will be other Supplementary Provisions but I thought, Mr. Speaker, that in light of the programmes of the Government that I would have seen a provision in the Supplementary Estimates to pay the Civil Servants the extra two weeks pay at the end of the year, but I could only assume Mr. Speaker, that I will see that later on in the further Supplementary Estimates before this Honourable House.

Mr. Speaker, I just want to say something very generally and I really mean it. I believe that people who sit around this table, or the Honourable Members who sit in this House, all have some concerns in relation to the development of our country. I really believe that. I also believe that in the cut and trust of politics we make a lot of statements which we should not be making, although we have the privilege in this

House to do so, and I believe, Mr. Speaker, that it is important to our country that we try as hard as we can to avoid excessive. I sincerely believe that. I close by simply saying, Mr. Speaker, we on this side of the House will support the Appropriation Bill.

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, Honourable Members, in winding up the debate on the Appropriation Bill, I will like to make a few comments on a few of the matters, not all of the matters raised by the Leader of the Opposition, made in his presentation. Because some of the matters we are already joined and as a consequence the public has heard the debate on those matters, and I am quite sure what their judgment would be. I want to speak, Mr. Speaker, on the question of the relief given to the elderly poor on electricity and on water. I want to repeat that by the end of September the latest, according to the information given to me, in a communication left at my office by the general manager of the CWSA, I have been in conversation with him since we have come to office. And I indicated in my earlier presentation the various agencies of Government, Ministries and the CWSA involved in this exercise. By the end of September the latest the elderly poor would receive the relief of \$10.00 on their water Bill. If the NDP were in power the elderly poor would not get that \$10.00 relief, that is a factor of life. [Applause.] It was promised and we have delivered on the promise.

In relation to the electricity, MR. Speaker, I want to say the following, because there is relief for the elderly poor on electricity too. But I want to point out, Mr. Speaker, in addressing the needs of the elderly poor on electricity we have to take a somewhat different approach than that used for water, because VINLEC does not impose a fix charge or a meter charge as the CWSA does. However, in the context of VINLEC's rate structure some relief as I pointed out, will be provided for low-income consumers. And let me make the matter absolutely clear how this is done. And the totality of the reasoning behind this relief. With effect from September the 1st 2001 VINLEC will reduce its minimum charge from \$7.65 to \$5.00 per month. A drop of \$2.65; 2,800 households would receive this discount. It is true and I had raised this with the Chairman of VINLEC and the General Manager that there are some households in that number of 2,800 who are not elderly poor, but there are a small number because they may go away, lock up their house and things like that. And it is not a lot of money that would come there because it is locked up for maybe a month, two months, so the \$2.65 by three months is no big thing. And that is why I want to answer the Leader of the Opposition and the query which he has raised so in excess of 2,000, low income households will get that release, [interruption] Yes, but I am saying in respect to 2,800 households would get it, but in excess of 2,000 households would be the elderly poor.

Mr. Speaker, in addition to this relief all customers who use 17 units per month or less will continue to receive a waiver of the standard domestic charge of 50 cents per unit and will pay the fuel surcharge only such customers are receiving up to \$8.50 discount per month on their bills. Those are persons also the same category will be the 2,800

households estimated would receive that. At consumption levels between 17 units and 50 units per month domestic consumers also enjoy a concessionary rate at present paying 42.5 cents per unit which is 15% below the standard rate of 50 cents per unit. Another 3,500 households at the moment receive the concessionary rate monthly. These discounts from VINLEC coupled with the new discounts will for the time being satisfied the relief to the elderly poor. As I pointed out in my presentation earlier yesterday, we are addressing the issue of reducing energy costs by exploring the Venezuelan arrangements.

Mr. Speaker, I want to address the issue of the gasoline, diesel tax. And I need for the people of this country in a mature way to appreciate what has been happening. Government has been receiving revenue from the sale of petroleum products in the form of consumption tax, custom service charge and the bonus malus system. Good bad system. The amounts collected from the bonus malus arrangements over the last three years, 1998 to 1999 and 2000 are as follows. Gasoline leaded 1998, the Government got \$2.48 million, 1999 \$2.05 million, in the year 2000 minus \$320,000.00. That mean in the year 2000 in relation to leaded gasoline the government in fact was involved in a subsidy of the consumer. Gasoline unleaded, 1998, \$2.41 million, \$1.97 million in 1999, and \$0.45 million in the year 2000 and it is not so much for environmental reasons, but for economic reasons why there was a ban on leaded gasoline, because in respect of the leaded gasoline in the year 2000 we were subsidizing it to the tune of \$320,000.00, whereas we receive a bonus on the unleaded of \$450,000.00. Diesel in 1998, \$1.44 million dollars, the government made on the bonus malus system. In 1999, \$1.29 million, in the year 2000 the government subsidized diesel consumption by \$710,000.00. Kerosene, \$.06 million in 1998 the government got in revenues, \$1.04 million in 1999, and minus \$.03 million, again in the year 2000 the Government subsidized kerosene, and that is why in last years Estimates, in the Budget the Minister of Finance came with a whopping increase of 55 cents for diesel because diesel was the one on which the most subsidy given by the government, \$710,000.00 and for every sent increase in the price of diesel the retail price, he would have calculated when he presented his budget last year that the government would have made \$20,000.00 in the bonus malus system. In order for him to have covered everything properly and in the anticipation increases, he was advised and he had accepted the advice that he had to increase diesel by a dollar and he agreed the evening, but the next morning he came back he got cold feet because elections were around the corner, and that is why he said 55 cents, can't doubt me on that.

HONOURABLE ARNHIM EUSTACE: That is why you increasing it now because election done.

DR. THE HONOURABLE RALPH GONSALVES: No, but I want to say this further than that as I outlined in my presentation yesterday, Minister of Finance then, now Leader of the Opposition, in February this year he awarded an increase of 10 cents a gallon on the

retail margin for all refined petroleum but he couldn't pass it on because elections were coming in March but nobody out here knew, we were talking about doing things quietly, I come to the Parliament in broad daylight, you hear it on live broadcast but not in February he gave an increase of 10 cents a gallon on the retail margin, for all refined petroleum, and did not seek to recoup it, so now when I am now confronted, I become Minister of Finance because he didn't act responsibly all the time, I am now faced with the increase in the prices and the situation getting worse, I cannot be irresponsible, I had to do something to take care of the Government's physical position without burdening the consumer in any serious way, and that is why we say 15 cents on the gasoline and 25 cents on the diesel. But whilst that is happening, you notice we giving the poor people the \$10 on the water and the \$2.65 on the electricity off and we are giving workers 840 something of them money in their pocket to the tune of \$2 million dollars. You couldn't want a better hand than that. And this is how I have to balance it because, Mr. Speaker, much of the recurrent side of the budget which has been increase is to take care of matter which has been left unattended by the then NDP Government, not paying the money to the University of the West Indies, not paying their subscriptions to the OECS institutions. I came in I met \$7 million in debt at the University. \$3.5 million OECS about \$400,000.00 to CARICOM, close to \$400,000.00 to the Regional Security System, we couldn't vote in the United Nations because we owed arrears. I had to pay that off. We couldn't vote at the International Postal Union, we had to pay that, and Minister Walters is going up to the International Whaling Commission and this a largely a Bequia commodity, when I checked it out, because I indicated to them that whaling to Ministry of Fisheries, whaling is a political mammal and therefore cannot be dealt with solely by the Ministry of Fisheries, that the Prime Minister's Office and Ministry of Foreign Affairs must be engaged in any discussion on this political mammal. So when I was discussing and checking out, the NDP had not paid their subscription for the year 1999 to the year 2000, I had to go and pay it on the 26 of June, I paid £38,060.00 to protect the whaling in Bequia, to protect the Bequia whalers it cost this Government a quarter of a million dollars and you know what happen. I have a problem now at the international whaling commission because last time we have a quota of two, last time the whalers caught a mother and a calf, at least that's the allegation, and we have to be defending the infraction. Currently, we have technical man up there now Mr. Ryan, son of Walden Ryan at the subcommittee meeting this week defending this allegation of an infraction, and if it is held that we have in fact been guilty of an infraction our fees will go up about £4,000 to £5,000, and you say I am not doing anything for Bequia. No, but I am talking about the representative for the Northern Grenadines. I respect the memory of Othniel Ollivierre.

So, Mr. Speaker, I want to say that the position in the bonus malus system has deteriorated and I have to come here and take an immediate prudent step to cushion the situation but not to affect the consumer, and that is what you call sensible economic management. And I come and I lay it out to the people.

I really don't understand this complaint about taxes being imposed outside of the period of the budget, I really don't understand that. You see, Mr. Speaker, the measure which relates to gasoline, I explain that. But every single one of the other measures are measures which do not affect Vincentians, that's the point, or to the extent that any Vincentian is affected its Vincentians who are well off. I closed the loophole in relation to the transfer of share in a company where real estate is involved for the company, so that those people who avoid the 10%, and I see a distinguished lawyer is in the audience, is in Parliament here and he would be smiling because he will know why I would block that loophole because there is a lot of money there, I have not been able to estimate the amount, Mr. Speaker, but that's an extra bonus for the people of St. Vincent and the Grenadines. Then the \$300,000.00 for the registration fee of an external company that fee is already there, you know, all I did was to amend the Companies Act, to say that if you are an external company and you own land in St. Vincent, you will now have to register and the people are already beginning to comply even though the law has not yet been assented to, because you know the Printery has not printed the law yet. I had to go up there, and you noticed in the newspaper I met the printers and so on and so forth. Incidentally, I am the only Prime Minister since Milton Cato, of blessed memory, who has ever been to the Printery. The only Prime Minister, the Leader of the Opposition when he was Minister of Finance he went to the Printery, not as Prime Minister, and he went there because the Union called him there because there was a Union problem. You hear, I know the facts, when I speak I research everything I say. This is the difference between me and a lot of other politicians, in this place you know, and particularly those on the Opposition side, I research what I have to say. Is the Leader of the Opposition saying, that I shouldn't block the loophole early against the rich foreigners who buy land in St. Vincent for them to pay the \$3,000.00. He is defending people who drink whiskey, he is now defending rich foreigners that I should put that on it is the wrong time. When is the right time? The earliest time against the rich foreigner is the best time. And I bring it at the earliest opportunity. Why must I wait until I come to December when I could collect the piece of change earlier, for the people of St. Vincent and the Grenadines. That is what you call, top class husbandry and thinking.

Mr. Speaker, Honourable Members, the particular measure which is on the order paper which is seeking to avoid the evasion of the stamp duty in transfer of property by the creation of fictitious mortgages, I am blocking that loophole too. I know some of my lawyer friends; my colleagues would say how is it that we have a lawyer as Prime Minister, Minister of Finance and he closing all the loopholes. Well I represent the whole of St. Vincent and the Grenadines so I have to lock up the loopholes.

I want to say this, Mr. Speaker, if the foreign companies in respect of the transfer of shares decide to play games with the government, I leave one little opening for them you know, that they may have their companies and have bearer of shares and simply, - - so they don't have to do any formal transfer of the bearer shares, if they use that to

avoid the stamp duty, I will bring a law here and say that any company issue bearer shares will not be able to hold real property in St. Vincent and the Grenadines. And those who have it, I will but a stop to it. So I am giving them a fair warning. I don't want to bring down the law in every respect but I am talking it in this way because I understand it and that is the problem with the NDP for the years they didn't understand these things.

Mr. Speaker, I want to say this, there is talk about victimization and there are several names I could bring whom the NDP victimized. We are not involved in any victimization. I brought them here, in the House in 1994, you take a fellow like Lenny Bynoe, he was fired from his permanent work because he came on my platform in Georgetown and said a prayer. That is a matter of record. I have a letter here and I want to read only this one because it concerns my friend Senator Shallow. It relates to a lady whom he knows very well, call Parmis Shallow. I think that's his mama. Senator Shallow's mama, his mother, was written a letter on the 5th of February 1990, by the NDP administration, Ministry of Housing, Local Government and Community Development.

“I have been directed by the Honourable Minister of Housing, Local Government and Community Development to inform you that your services as collecting officer will be terminated with effect from the 28th February 1990.”

The letter was written the 5th February, you know. They didn't give the woman a month.

“I wish to thank you for the services which you render.”

Notice the letter “I have been directed by the Honourable Minister of Housing, Local Government and Community Development.” A politician ordered that Senator Shallow's mother be fired, and the politician who did it was an NDP Minister. That's why I believe he will come over. That's why I believe he will come over when I remind him of these things. Eh! I am reminding you, I know they offer you a little thing to run, and I know they gave you a little senator thing, but your conscience must be troubling you. Remember the letter of the 5th of February, 1990, by Mama Parmis. [Heavy thumping] Remember that letter. You know what job she used to do? A very good job. When men were put in court for maintenance of children, she collected the monies from them. She even had to go to the open Court, the Family Court, sorry the Family Court had not yet been established, she had to go to the other Magistrate Court. You know what they paid her a month, \$30.00 a month for her hard work. NDP paid her \$30.00 a month. She worked for 17 years, I agree with you, bow down your head, you must bow down your head Senator Shallow, bow down your head; seventeen years and she was dismissed. I have all these things you know, but I don't

want to call people's name. I am only waiting for them to bring things to me. "I wish to thank you for the services which you render." Never one half-penny in severance. And now this has been brought to me I will asked the Ministry of Finance to consider this historic wrong to have it righted. [Thunderous thumping]. This was a lady who had lost her husband. And Senator Shallow was a minor when she started to work, the pain and suffering and anguish. Ha, ha.

Now, I could talk about the Minister in that case, Jerry Scott at the time who went to Du Bois, I have a whole list of them and who fire Luther Cottle, this is a man who had a peg leg. Mr. Speaker, I know that the persons to whom the Leader of the Opposition refers, who are being rotated, road workers and the like, not a permanent person like Mama Shallow, you know, hah, when you remember it you got to shake your head in truth [Laughter] Oh, Lord. Oh Lord, eh! Oh, oh, oh, I tell you. Mr. Speaker, these are persons who are not entitled to severance pay. Those you are work three months per year. Rotational, they are not entitled to severance pay under the law of this land. And you cannot consider them properly for a ex gratia payment, for the simple reason they had not been working on a continuous basis year round like the workers at Rabacca, like the workers at Wallilabou and like the workers at Richmond. That is the fundamental difference. But I will say this, if there are certain deserving causes certain elderly persons who have gone passed their productive years, you used to get a little hold on, and because they can't work for whatever reason, I will consider within the budget restraints to give them a little something as a ex gratia payment, because Comrade Ralph has a heart. [Heavy thumping]. So, Mr. Speaker, [Interjection] I know many of the names he called there are on poor relief. And I tell you, you take somebody like Melina, Melina is my friend, the way Melina will want to protect and walk hand in hand with Comrade Ralph, she will not do it with the Leader of the Opposition. Many of these people are people who I know personally, I have soldier with them. No, I do not have, I don't know how the Minister of Finance used to do it in the old government. This Minister of Finance I have nothing to do with the rotation of workers. The people who are involved in that do their rotation because everybody has to get a piece of the gravy. That is the whole point. The 1,092 workers who are getting work on the \$5.5 million project school repair project. I don't know whether they are NDP, ULP, well I can't say PPM because that is hardly a 'P' or any other 'P'. And that is the reality.

Mr. Speaker, I am hopeful that I have answered all the concerns and question raised as I have noted them of the Leader of the Opposition. The issue of the sugar industry that's an on going debate which we will have to be engaged in on another occasion, and another time. And I want to say before I leave here today, this historic document of the 5th of February 1990 in relation to Mama Shallow, I am going to have it photo copied and given to Senator Shallow as a memento. [Heavy thumping]. I understand why the NDP opposition is so much on the defensive with the \$5.5 million project because of the jobs and what is doing for education and he is, and Mr. Speaker, the

Unity Labour Party Government has righted a historic wrong by paying the workers of this country who have not been paid for 16 year by the NDP \$2 million in severance pay, and through ingenious ways I found the money how to pay them. [Thumping]. And when they start to get the cheques next month that is when the NDP going to start to bawl, because the cheques coming. We keep the promise.

Mr. Speaker, I beg to move that this house resolve itself into a committee of the whole House to consider this Bill clause by clause.

HONOURABLE LOUIS STRAKER: Mr. Speaker, I beg to second the motion.

***Question put and agreed to.
House went into Committee.
House resumed.
Bill reported, read a third time by title and passed.***

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, this is perhaps an appropriate time to take lunch. Could we be back by, it is now twenty to two. Could we be back by 3:00 p.m. Is that enough time, or you need 3:15? 3:15 Mr. Speaker.

HONOURABLE LOUIS STRAKER: Mr. Speaker, I beg to second the motion.

Question put and agreed to.

SUSPENSION OF SITTING 1:35 p.m. (Lunch)
RESUMPTION OF SITTING 3:15 p.m.

8. THE PUBLIC SECTOR INVESTMENT LOAN BILL, 2001.

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, I beg to move the first reading of a Bill to authorize the Government to raise a loan of a funding of the Public Sector Investment Programme. This Bill seeks to authorize the Government of St. Vincent and the Grenadines to raise the loan of \$20 million for the funding of the Public Sector Investment Programme.

HONOURABLE LOUIS STRAKER: Mr. Speaker, I beg to second the motion.

***Question put and agreed to.
Bill read a first time.***

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, Honourable Members, I beg to move under Standing Order 48 (2) that this Bill be taken through all its stages at today's sitting, and passed.

HONOURABLE LOUIS STRAKER: Mr. Speaker, I beg to second the motion.

Question put and agreed to.

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, Honourable Members, I beg to move the second reading of a Bill to authorize the Government to raise a loan of a funding of the Public Sector Investment Programme.

HONOURABLE VINCENT BEACHE: Mr. Speaker, I beg to second the motion.

Question put and agreed to.

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

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, Honourable Members, this Bill is to authorize the Government to raise a loan of the amount of \$20 million by way of a loan in order to defray expenses to finance its Public Sector Investment Programme. This is \$30 million, Mr. Speaker, this is number one, Mr. Speaker. Mr. Speaker, the authorization is being sought by the Government to raise the loan locally from the CIBC West Indies Holding Limited on certain terms and conditions which are set out in the credit facility agreements between the Government and the lender, and the loan which shall be raised under the authority of this Act, Mr. Speaker, shall be applied for the purpose of funding the Public Sector Investment Programme of the Government and to refinance some existing loans which are owed by the Government to local commercial Banks. On this particular matter, Mr. Speaker, as indeed on all Bills which have come to the House in this regard, no tax shall be charged, levied or collected upon any repayments which shall be made by the Government pursuant to this particular bill, and this bill provides the authority for the Minister of Finance, or his agents to sign any and all documents or to take any such suitable actions.

Mr. Speaker, this loan facility which has been arranged on basically the following terms. The period is for 12 years, with a fix interest rate of 9% and arrangement fee of 1.5% flat on \$30 million dollars payable at the time of the closing, and there is a moratorium of two years, the interest payments only. The draw down is either full or amount or in tansies to be agreed and the quarterly repayment of the principal commencing three months after the end of the moratorium period and the quarterly interest payments commencing three months after the disbursement.

Mr. Speaker, Honourable Members, it would be noted that at page 410 of the Estimates 2001 which was approved in December last year which Estimates were brought to this Honourable House by the then Minister of Finance, now Leader of the Opposition, and you would see that there are two sets of loans to be raised there, to be financed the Public Sector Investment Project \$15.8 million and \$43.456 million, external loans. What is happening, Mr. Speaker, we are seeking to borrow \$30 million locally and \$20 million overseas, it is just a rearrangement as sometimes happens in these matters. Clearly because we are now at the half way stage, it is not likely that all this money would be spent in the balance of this fiscal year, but we have in a sense spent some monies already and there are monies from the previous administration where we have to use some of these monies to go towards some payments from the previous administration.

The estimated expenditure on the projects in the 2001 Estimates for funding from local loans is \$15.8 million, and as I have indicated this facility CIBC West Indies Limited Holdings will provide a source of funds for these. The expenditure has already been incurred on several of these projects including in the Estimate of 2001, and even some for the year 2000. The annual debt service of this facility would be \$2.7 million in the first two years and \$4.6 million thereafter. The advantages, Mr. Speaker, Honourable Members of securing this loan includes, 1. The funds are readily available and the disbursement can commence as soon as the necessary parliamentary approval is given. 2. There are no procurement conditions as in the case with loans from the multilateral financial institutions. This means that the Government would be free to pursue the cost effective means of implementing the projects to be financed and thirdly, no costly feasibility and environmental studies are required for the project to be financed. This means that more funds would be available for what is called the brick and mortar type of activities.

Mr. Speaker, the law which is governing this particular loan is the law of St. Vincent and the Grenadines, and I would just like to indicate in a summary form. I have them here, of the projects which constitute the source for these funds, the estimate expenditure of \$15.8 million and I won't necessary read the sums, Mr. Speaker, I would read just the heading.

“Prime Minister’s Office, construction and furnishing of Prime Minister’s Residence.”

I should perhaps mentioned that that figure was put \$52,000.00 because in our kind of society when money is being spent on anything concerning the Prime Minister you have to be open and transparent as well as with everything else. And that was approved last year. All these were approvals which were done last year brought by the former government, and we have to find the money to finance these projects. So we have the construction and furnishing of the Prime Minister’s residence and its

improvement. Fire tender aerial platform, purchase of fire fighting equipment. Purchase of coastguard equipment, purchase of the equipment for the Police Department, purchase of police vehicles, purchase of furniture equipment. Purchase and installation of equipment for the government printery. I should point out, Mr. Speaker, that in relation to that \$158,000.00 the order has already been placed for the printery, and we are expecting to get the equipment by November, the monies are there, everything, and for those, and it is good that we broadcasting these matters live for persons to understand how government's work. We wouldn't wait until actually have the money in our hand to place the order for the equipment for the printery, if we were to do that we won't get the equipment until next year, but because we know we have been doing the negotiation, and that is likely that we have gotten the funding so we proceed to make the order and in deed in some cases actually spending the money before we actually have found the source. Under the Ministry of Finance, purchase of vehicles, land reform programme, Three Mountain, Peters Hope. In the Ministry of Housing, Community Developments, and these are titles from the old Ministries, because as I had indicated that the account numbers remain the same for the period up to when the New Estimates come because it would have been cumbersome and problematic to have them shifted around in the middle of the Financial year, so even though a Ministry is not named the same way, the item is placed for the purpose of the convenience for the disbursement of the monies.

Central Market area development, Mr. Speaker I should point out that there is \$450,000.00 there earmarked for that. You know, I want to say this, and if I should just mention this particular fact the markets, this is the whole market area but since we are talking about the market, I should point out that it is close to \$18 million which have been spent on the market. The cost overrun about \$4 million, but I have to find, the Government has to find, the Ministry of Finance has to find about \$1.5 million to finish it, because it is still not finished. Because we have allocated the restaurant upstairs to Slick, who I think everybody would acknowledge is a good man to run the restaurant, because we don't want to run and two bit restaurant there, we want to run a good restaurant. And Slick has ordered his equipment. His equipment has arrived but he can't put them in because we have to find the money to finish it. And that's really. Well, there is more to say about that at another time. Safe and except to say at this moment that there are problems.

Then we have the Victoria Park development programme, we have upgrading of the community playing fields. The Troumaca Primary all age School and the Member for North Leeward the Honourable Minister of Telecommunications, Industry would be please to know that we are finding the money to spend \$1.4 million there. Construction of the Peruvian Vale Primary School, the Honourable Minister of National Security, we have \$1.2 there. Upgrading of school premises \$1.7 million. Post Secondary facility, public library, there is a \$300,000.00 there for the public library that is just really to do some improvements. Rehabilitation of the arrowroot industry. Resurfacing,

rehabilitation of highway and suburban roads. Government offices and quarters in Union Island. E.T. Joshua Airport rehabilitation, Central Leeward Highway rehabilitation construction. That is a relatively small sum of \$100,000.00. Purchase of hospital and dental equipment. 2001 Kingstown Hospital Development phase three well, \$558,300.00 was put in the 2001 Estimates but those monies would not have been enough, this is why we brought the Supplementary Estimates to put an additional \$1.3 million for the hospital. Extension to the Registry, well that has been there for a long time. \$1.5 million. Purchase of equipment for the Prisons. And product Standard, Standard of Bureau phase two. Mr. Speaker those are the sums of the Estimates under the law of this land which this money is being applied to. I don't think we are going to have any particular problem in the House today with this particular loan. I don't think anybody can complain about the terms. I think we have been able to negotiate in the current market conditions, reasonable terms of 9%, two-year moratorium and the arrangement free of 1.5% flat. If there is any query, Mr. Speaker, to the best of my ability I would seek to answer them. I am obliged.

HONOURABLE MR. SPEAKER: Further debate to the Bill. Honourable Leader of the Opposition.

HONOURABLE ARNHIM EUSTACE: Mr. Speaker, Honourable Members. The Honourable Prime Minister has presented to this Honourable House, the Public Sector Investment Loan Act No. 1 of 2001. Mr. Speaker, he pointed to the Estimates, the Capital Estimates approved in the December 2000 with respect to the financial year 2001 and indicates that the borrowing is in accordance with that set out in the Estimates. Estimates provide for approximately \$59 million in borrowings broken out between local and external loans. And this borrowing is part of that projected borrowing at that time. The terms, Mr. Speaker, 12 years is the term of the loan 9% interest rate, and arrangement fee of 1.5% taken off the top and a moratorium of two years and the interest payments are to be made quarterly. Mr. Speaker, I agree with the Prime Minister that the terms of this loan are reasonable, given the current market conditions. I want to point out, Mr. Speaker, that these terms can be negotiated only because traditionally St. Vincent and the Grenadines, whether we want to accept it or not has tended to operate on the basis of a current surplus. We have not got involved over the years in deficit financing. We have not defaulted on any debt during the life of this country over all the administrations. This country has never defaulted on any debt. So, Mr. Speaker, it is the history, the financial history of successive governments which accounts for our ability today to borrow on reasonable terms. There are countries within the Caribbean today, Mr. Speaker, that cannot borrow on these terms. Countries who we often boast in this House have higher per capita income than St. Vincent and the Grenadines, and I want to make that point, Mr. Speaker. Because all I hear on the other side is that we have done nothing, but my maintaining some prudence in our fiscal management of this country over the years successive governments have been able to borrow on reasonable terms. Because this is a hard

borrowing. It is a hard market borrowing. A 9% Mr. Speaker, is certainly not unreasonable in the present climate, but I want to make the point that we are able to do so only because the country has a history of prudent financial management. There have been mistakes. I am not doubting that. I am just making the point that the history is important. The financial history is important. And I am saying to you that there are other countries in the OECS today who they say are doing better than us, and who have defaulted on their debts. And therefore are not able to borrow on these terms.

Mr. Speaker, the second point I want to make is this, and it is a general point. We harp time and time on the level of debt, and one has always got to be concerned with the level of debt in the country, but Mr. Speaker, we do not pay back all the debt one time, and the factor that is most important Mr. Speaker, is the terms on which the debt or the loans are negotiated. If you have a debt with a profile where a large proportion of the debt is repayable over long period of time at relatively low interest rates, then the level of the debt is less significant because it is what you pay each year that you have to provide for on an annual basis; and to the extent that does not use up any significant amount of the earnings, we get from our exports, of goods and services in the economy, to that extent it is not a problem. So it is important to monitor the level of the debt, it is also important to recognize that we must borrow. And the country will have debt. But I reiterate, Mr. Speaker, is the terms on which we get the debt is important. And for a commercial bank borrowing these terms are reasonable, and while it would add over time, some \$50 million to the debt of this country we have to recognize that it is necessary to borrow. So all the criticisms in terms of the debt I am not going to level them here now, because I understand why this borrowing is taking place. There is no way, that in this economy we will ever have the level of savings where we will be able to finance our investments. We will never have it. Long after we have passed from this scene the level of the debt of this country would continue to increase. And hopefully the economy will grow and therefore the annual payments will be able to meet them, that is what is important in an exercise like this, Mr. Speaker. So I am not going to say that this is adding to the debt and the debt already high, because that doesn't make any sense. What is important is our ability to repay that debt.

Mr. Speaker, during discussions, and you know things change rapidly in a lot of things to do with financial management and with the banks. Now the level of liquidity in the banking system at the moment is very high, and this particular institution, Mr. Speaker, and one thing I want the Prime Minister to clarify is that I am not sure, are we dealing with CIBC Caribbean or CIBC West Indies Holdings. CIBC West Indies Holdings, okay. This institution, Mr. Speaker, has high liquidity and perhaps unfortunately for St. Vincent and the Grenadines they are catching them at a good time. So because of the liquidity was tighter, it would be much more difficult, Mr. Speaker in getting terms that you are getting now. So here again the time at which you borrow Mr. Speaker is indeed important. So from that perspective, Mr. Speaker I will have no problem in supporting the borrowing.

There are a number of projects which the Prime Minister has indicated which were included in the Estimates last year and these projects are to be financed by this borrowing and I presumed that we are borrowing on the next bill that is before us. The Prime Minister in his presentation mentioned what he perceived to be some advantages of this type of borrowing. First of all you are borrowing in local currency, secondly you can apply your own procurement rules, thirdly Mr. Speaker, and this one I didn't like his presentation, but I think I understand you are not bound by the traditional feasibility and environmental studies. I don't think, Mr. Speaker, he intend to say that they are not necessary, I think what he is saying is that we are in a position in whatever projects that we do and financed from this funding we can do them here, and I have no problem with that, Mr. Speaker. Perhaps, Mr. Speaker, if I could make an aside, maybe there is something in the budget of the year 2001 that the present administration feels that they could deal with, because the borrowings here is for projects which were included in the Estimates the last time.

Mr. Speaker, I am happy that at least in the case of the Ministry of Finance he has now to deal with the reality of the financial management of St. Vincent and the Grenadines, and many of the things that you have heard hitherto you may not hear again. Mr. Speaker, you know this is a learning process. And the Honourable Minister of Transport and Works this morning in the absence of the Prime Minister, I don't know whether that was coincidental or not, but he mentioned his preference for deficit budgeting on certain conditions, so when you came in, Mr. Prime Minister, and you were explaining that you were going to effect savings as you go along during the course of the year I was drawing his attention to your presentation. And I hope, Mr. Speaker, that that learning process continues, because I want to reiterate what I said earlier in this House, that after all we are elected by the people of St. Vincent and the Grenadines; and what they want from us for us to look after their business. I think they understand that there be cut and trust and I think they also want us to operate in a particular way and therefore I have no difficulty in supporting this particular measure. I do not know, Mr. Speaker what changes may come upon us of a financial nature and those things Mr. Speaker, are never easy to predict but I am in fact reasonable comfortable of the terms and conditions attached to this particular borrowing. Much obliged Mr. Speaker.

HONOURABLE MR. SPEAKER: Any further debate?

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, I would like to thank very much the Leader of the Opposition and for his support to this measure. I would like to say this, that when a set of Estimates are presented, you would find that there are many projects upon which both the Government and the Opposition can agree, any government and any Opposition. And those which I listed I called out, I think that most right thinking persons in the country can agree. There are of course, projects in the

2001 Estimates which the current government would not support, and would not seek to implement and even those which we will implement, what has been demonstrated with the leadership and the methodology used by the Unity Labour Party Government, that we provide better implementation and we provide a focus to particular policies which in some respects is different from the preceding government and other respects a difference in emphasis.

If I may just for a few moments, Mr. Speaker, indicate the manner in which we proceed, and I would like to advert to a memorandum of July 11th 2001 which I wrote to all Ministers of Government, the Honourable Attorney General, Parliamentary Secretary, Permanent Secretaries, all Heads of Department, all Senior Technical Officers, all other Public Servants, Civil Servants, Teachers, Police men, Police women, doctors, nurses etc, and the staff of statutory bodies and the subject the "First 100 days programme and the way forward" and it is a very brief memo, Mr. Speaker and it connects with what we are doing here upon what we are spending money, so that the general public can get the approach which our government is using. You would notice all whom I sent this memo to, everybody, there is no secret from anybody in the Public Service, from the highest person to the lowest must know what this Government is doing. The subject "The 100 Days Programme and the Way Forward reads Mr. Speaker,

"Yesterday July the 10th marks the completion date of the "First 100 Days Programme of the Government. Much has been accomplished so far but much still remains to be done.

I want to take this opportunity to thank most sincerely all of you listed above for your hard work, dedication, commitment and skill in securing the accomplishments in the first "100 Days. I feel sure that during the process you would have identified the strengths and weaknesses and possibilities and limitations in the implementation of the programme.

I urge you to be critical and self critical in your assessments so as to lay the basis for even more improved work in the immediate months ahead. The First 100 Days Programme contains basically two sets of tasks, 1. Those which were capable of being successfully concluded within the time period, and 2. Those that involve initiatives or start-ups but were incapable of completion within the time period.

Accordingly, important work remains to be done on those tasks and programmes which were either not done or which are continuing. The scientific process followed and the techniques

of implementation which were adopted during the first 100 Days must be continued with appropriate and more efficacious adaptation during the remaining five and half months of the current fiscal period. Thus the focus the next five and half months ought to be on the following, 1. The fulfillment of the unaccomplished task of the first 100 Days Programme, including those, which are continuing. 2. The quality implementation of the Central programmes in the 2001 Estimates and Supplementary Estimates which are going to the House of Assembly on July 19th 2001.”

Do you noticed the second point there? The quality implementation of the central programmes of these Estimates because we are about continuity and change and also in respect of the Supplementary Estimates and which we passed earlier.

“3. The fashioning of new and continued programmes for the 2002 Estimates, consistent with the policy framework of the Government as sketched in the ULP manifesto of 2001 and as elaborated by the Government and in full appreciation of the extent realities of the conditions of St. Vincent and the Grenadines. 4. The full articulation and elaboration of public policy which emanate not from the Government itself, but from civil society, the National Economic and Social Development Council the tri-partied committee on the economy or other consultative mechanisms and which public policy is adopted by the Government as its own. 5. The continued improvement of all aspects of Public Sector performance and the quality delivery of top class goods and services to the people and 6. The maintenance and sharpen improvement of the methodology, scientific framework and techniques of policy formulation and policy implementation which has brought us good results so far in this government, in this regard each Ministry must now draw up urgently the tasks with time lines which are to be accomplished within the next five and half months, so the process continues, I expect that the implementation programmes for each Ministry will be drawn up for presentation to my office within ten days hereof.”

In other words, this is a Government which has a road map, we know where we are going, and you notice that the same success which we have had in the first 100 Days which has depended on the methodology which we have used we are applying that same methodology for the next five and half months. And you noticed the deadline; I give them 10 days to submit the programmes to my office. Today really is the end of

the 10th day, so it means that on Monday morning, I am trying to organize my flight for Dominica for the afternoon, so on Monday morning I expect to see on my desk the implementation plans for the next five and half months in accordance with what I have outlined here, and the Cabinet Secretary, my Permanent Secretary will call around to find out for those, any Ministry which has been delinquent. That is the way we are doing our work. And it is interesting how we are leading, this is the final paragraph in this memo.

“Finally I want you to know that I am very proud of each of you.”

I am talking to the entire public service, teachers, everybody.

“Finally I want you to know that I am very proud of each of you, each person in his or her own way can make a difference. Let us all make a difference for the better, this St. Vincent and the Grenadines is a beautiful and blessed land. We are a remarkable people, whose duty is among other things is to contribute to the further ennoblement and advancement of our distinct and distinctive Caribbean civilization in all its dimension, let us not shirk our duties. Please read and reflect carefully on this memorandum. All the best to each of you.

This is a leader without talking in the third person. This is a leader who knows where he is going. Now, and the road map has been set out. We finish the 100 days; don't rest on your laurels. I tell you, you have done well, but there is much still to be done, and this is the methodology which we are using and I expect to see on my desk on a particular day certain things from each Ministry. How we are going on for the next five and half months. You would not expect anything else from a ULP Government. So when I got into office and I sat down, of course I knew the situation because I have been part of the passing of these Estimates. I was here in Parliament and one of the first things I asked the people in the Ministry of Finance do we have the \$50 odd million dollars in loans for us to begin to carry out some projects, and they said to me no, there has been no loans negotiated, so I got in apart from all the house keeping debts, I am not talking about those which are contracted you, I am talking about the House keeping debts, I am not just talking about all those who were contracted you know, I am talking about house keeping debts, I mentioned them today, \$7 million to UWI, \$3.5 million to OECS, and so on and so fort. \$6.7 million up at the pier, things like these, in addition all of those monies which I have to find. I have to carry out project to give people work and to increase wealth in the country and all of us know that you have to borrow and once you borrow for the capital side and you borrow in a way which would increase the wealth of the country and therefore enhance the capacity of the country to repay its debts. But we are not borrowing

for anything recurrent. We are borrowing to increase the wealth of the country and to provide jobs for the people. That's how we are proceeding.

Mr. Speaker, I want to say this, and I don't want to blow my trumpet too much in this regard. The gentleman, Mr. Coburn with whom the negotiations were done for this particular loan from CIBC, he is the first cousin of someone who went to the university with me. As my friend. And it is because of the work of people like Ralph Gonsalves historically in the Caribbean why a man like Coburn, a black Barbadian, could have risen to such a high position in his bank. And he made that point to me when he came. He said I am happy to do business with you. Somebody whom I have long admired for your sacrifice and your work. He said I will try and help your government, he said of course, I am not running a charitable organization, I say well, at the margin you have to give me a reasonable deal. You have to give me reasonable terms. So it is also fundamental as to who is negotiating. And in the three months whilst the current Leader of the Opposition was the Minister of Finance, Prime Minister for this year, he did not negotiate, one cent of the money. He put it down on paper, but it left to me to find it, and that is the reality. This is not to belittle him in any way because I have already said that he is of merit and worthy son of our civilization, and I am not in this business of pulling him down. But the fact is it, I met no money, and I had to find it, and I just spoke to the people at CIBC and told them that I am going to get this Bill pass this afternoon, and if the money could start following Monday morning and they told me yes. So this is the way I do business. I don't hang around. I don't tarry. I expect it will be passed here because the people gave us the mandate and we have discussed this in the Cabinet. And it is even better now that the Leader of the Opposition has said he support this loan and this arrangement unequivocally. So I am very glad for that. And I thank him for that.

Mr. Speaker, there would be another occasion when I would discuss one or two of the more general issues raised by the Leader of the Opposition, but I want to get this Bill passed here quickly today so that we can get out of the Parliament when we do this one, and the next one and one or two other little items which we have to do, but the fact remains that at the end of the day it is the ULP Government which negotiated these reasonable terms. I am obliged, Mr. Speaker.

Mr. speaker, the second reading of this Bill having been concluded on the debates arising thereto I beg to move that the House resolve itself into a committee of the whole House to consider this Bill clause by clause.

House went into Committee.

House resumed.

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

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, Honourable Members, I beg to move the first reading of a Bill to authorize the Government to raise a loan for the funding of the Public Sector Investment Programme. This Bill seeks to authorize the Government of St. Vincent and the Grenadines to raise a loan of \$20 million for the funding of the Public Sector Investment Programme.

HONOURABLE LOUIS STRAKER: Mr. Speaker, I beg to second the Bill.

Question put and agreed to.

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker I beg to move under Standing Order 48 (2) that this Bill be taken through all its stages at today's sitting, and passed.

HONOURABLE LOUIS STRAKER: Mr. Speaker, I beg to second the Bill.

Question put and agreed to.

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, I beg to move the second reading of a Bill to authorize the Government to raise a loan for the funding of the Public Sector Investment Programme.

HONOURABLE LOUIS STRAKER: Mr. Speaker, I beg to second the Bill.

Question put and agreed to.

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

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker this is a bill similar in nature and its broad outline and its import, but on this occasion the loan is for \$20 million, and it is an external loan from the Royal Merchant Bank and Finance Company of Trinidad and Tobago. And it is for the Government to raise this loan by means of a fixed rate non-callable bond, and it is in accordance with terms and conditions set out in the credit facilities agreement between the government and the lender, and it is to apply to the funding of the Public Sector Investment Programme.

Mr. Speaker, this loan is one of interesting arrangements in three countries, St. Vincent and the Grenadines, Trinidad and Tobago, where the Royal Merchant Bank is located, and Barbados. The Government of Barbados and the Central Bank in Barbados, because this loan is one which was being negotiated at the time when the NDP left office. I saw the files, the draft agreement with interest rate slightly more than 11%. It is fair to say I didn't see the agreement signed. I don't know whether the Minister of Finance then had some difficulty with the

terms, in particular the interest rate; the then Minister of Finance but that is what was there on offer on a document that had been drawn up.

And when I got into office, the Royal Merchant Bank people came to me to discuss the loan. And the effective rate of interest, though it was a different arrangement, it was sought to be structured differently, the effective rate of interest would have been in that region. I don't have to go through all the negotiations, Mr. Speaker, except to say that through a lengthy process of negotiation, I was able to get the interest rate down to 9% fixed. Because as you know there could be all sorts of options, there could be a floating rate, there could be a sinking fund arrangement where they face of the interest rate, on the face of it, it will look low, but when you did the arithmetic the effective interest rate would be much higher.

So when you are negotiating with banks, though they are interesting in making sure that you are not fleeced, because if any bank seeks to fleece you, they are in a sense fleecing themselves, particularly because you may not have the capacity to repay, but certainly at the margin they will seek to get the best terms possible, and this loan, we went through, several negotiations and several different permutations. And I should point out when we reach 9.5% the documents were drawn up, I was even in another country and they were brought for me to sign, and I said no, when it is restructured in a particular way and could get an effective rate of 9% fixed, we can do business.

It was said to me that we can give you 9% but we can't raise it on the Trinidad market, we have to raise it on the Barbados market, and that if we raise it on the Barbados market there may be a problem, because you have to seek foreign exchange permission from Prime Minister Owen Arthur and the Central Bank in Barbados, I said well if that is your difficulty, I wouldn't have any, we would go that way and source it, on that market because as you know prior to the election, I met Prime Minister Arthur and we had come to the understanding and he had promised that anytime I get in and I want to raise \$10 million Barbadian on the Barbados market to finance my Public Sector Investment Programme, he would be willing to facilitate me. Of course, it was said during the election campaign that it can't happen, or if it has to happen I would have to borrow of 11 and 12, and the less educated among, the less knowledgeable, sorry, among the NDP platform speakers even carried interest rate to 14, 15 and 16, so the that the country would be bankrupt. And you remember the television adds with me what I say, what I didn't say at Mt. Bentick, and Ralph lie oh. Well it turns out that not only what I was saying to the people of St. Vincent and the Grenadines was the truth, but when

I called Prime Minister Arthur I said to him, my brother Owen, I need slightly more than the 10, I need close to 15 because I am organizing \$20 million EC. He said Ralph man, I done give you my word man. Just send the letter for me, and that is how it was done. Has nothing to do with a matter of St. Vincent and the Grenadines or anything like that, in this particular case. The swiftness with which this was done with the Barbados Government was because the ground was prepared and watered and waiting for me to come to Government to plant my crop, and that is how this one was arranged. Because remember you know, during the election campaign it was said that these matters I can't comprehend them. I am a mere country lawyer. Do you remember that? But where the same loan, with the same company they had 11 point something percent, a draft agreement I broke it down. And I understand the Caribbean Market. I read up on it and I consulted other people in the region. So when they wanted, they said you can't get anything better than 9.5, I say well if you don't want to give me 9, I will go elsewhere. I want to do piece of the business with you. And that is when they say I have to source it through Barbados. And they probably thought that that would have been a difficulty. But that was exactly up my street.

So we end up with these terms, twelve years, because the other thing too, the banks will tell you, you know, in the region, they will tell you first that if you want something as this, put it as low as 10. They not giving you more than 10 years. Some want to give you seven years, but I wasn't going to borrow at 10 in the current market situation, and I wasn't going to borrow for 10 years or 7 years, minimum 12. So it is 12 years the term, the interest rate is fixed at 9% per annum, and payable quarterly in arrears. Facilities are at fixed rate. There is an arrangement fee of 2.5 % of the facility amount and there is an annual fee of \$15,000.00. As you would see this is structured slightly different than the CIBC loan and the principal would be in 48 equal consecutive quarterly payments of \$416,668.00 EC dollars and the interest would also, be payable quarterly but in arrears.

How are we going to use these proceeds? I would read out shortly, Mr. Speaker a list of the projects which have been included in the 2001 Estimates for funding from external loans. The estimated expenditure on these projects amounts to \$43.5 million, which comprised \$25.2 million from unidentifiable sources and \$18.3 million from unknown sources. The facility from the Royal Bank will provide the source of funds for those projects for which no funding has be identified. Expenditure has already been incurred on several of these projects included in the Estimates for 2001 and for some from 2000 which were financed through and issue of treasure bills which was used as a form of bridging finance. In other words the money was not there, so we had to not just we ourselves, but the NDP administration from the 2000 Estimates, not for this year, you know, from last year own that is to say, the Estimates that were passed in December 1999, monies

from that year and also into this year, there are some projects which were financed through an issue of Treasury Bills which were used as a form of bridging finance, and you see what you will do, you will issue Treasury bills as a kind of short term financing, but you have to make sure when you are using your treasury bills as a form of short term financing that you make the arrangement for a longer term, so that some of this money which I have gotten here is to pay some of the NDP's programme, which they have already spent; and I want the Public to know that because there are some treasury bills which we have to retire, have to refinance, so these treasury bills will now be refinanced via some of the proceeds of the loan negotiated with the Royal Merchant Bank Limited.

The annual debt service requirement of this facility will be \$2.7 million. Mr. Speaker, when it comes on a matter of external loan as distinct from the internal it is my responsibility, my duty to indicate to the House and the country the impact of this proposed loan on our external debt. You would recall in the Estimates in my broad introduction. I gave a report, I gave a brief synopsis of the report from the Caribbean Development Bank where the Caribbean Development Bank was very concerned about the phenomenal increase in the external debt, since the assumption of the Ottley Hall debt, and we must never forget that. Ottley Hall is a millstone around our necks, eh. If I could shake Ottley Hall off, I will have so much elbowroom, I wouldn't be jumping like how I have to be jump to do so of the things that I have to do. But they really left the ULP Government with a big hook inside of the gill, that Ottley Hall debt. It is a real problem.

In order to access Government's capacity to raise this additional loan. It is necessary to establish a benchmark to guide the assessment. The debt to ratio is one such useful benchmark. It is not the only one but it is a useful one. The Government's medium term economic strategy had stated that the total external debt should be limited to about 45% of GDP. That is to say the economic strategy which the NDP government had formulated. However, this ratio, has been exceeded with the assumption of the Ottley Hall debt and amounts to roughly close to 47% of the GDP at end of December 2000. The Eastern Caribbean Central Bank has recommended to member countries that total public debt including domestic debt be limited to 60% of GDP. As at December 31st 2000, total public debt for St. Vincent and the Grenadines amounted to 65.7% of GDP, again it had to do with the huge Ottley Hall indebtedness. What we are recommending, Mr. Speaker, in this government and to bring this particular bill here that in the short term, the external debt be limited to 50% of GDP and this figure be allowed to decrease by half percentage point with effect from the year 2003. Once this policy position is clear then the proposed loan from the Royal Merchant Bank would fall within the debt limit. And calculations have been made, Mr. Speaker, and I am sure the Honourable Leader in this regard. So that this is not going to put us out of whack. The advantages of securing this loan are similar

to those which I had indicated in respect of the \$30 million CIBC loan. So I want the public to understand that I came into the office of the Ministry of Finance. The Government came into office.

When I came in, at the end of the third month, well the beginning of April, because Cabinet was sworn in on April the first. There was a deficit in excess of \$14 million. Now that is a serious problem I was faced with. I had no money, no loans to finance the Public Sector Investment programme, so I had quickly to go and negotiate these loans, continue to do some bridging with the Treasury bills, while at the same time seeking to push the grant fund, and that is why I went very early to the Republic of China on Taiwan and that is why on April the 26th, three weeks after we got into office we negotiated this arrangement with the European Union on the \$5.5 million.

Meanwhile you know, while all this is happening, Mr. Speaker, Honourable Members we were on a black list in relation to the Offshore Finance Services, so I had to do a lot of work there. On an impending black list by the end of May from the International Maritime Organization, so I had to address that, we are now on the so-called white list, because we put ourselves in order. We had to stave off the black list by the end of June in relation to ICAD. The international commission for the conservation of Atlantic Tuna which required tremendous legislative work and foreign policy work, that is staved off at the moment. We are on the black list in relation to certain cruise ships. For last year you know, is just 40,000 passengers thereabout went to the cruise ship berth here. We need to have close to 200,000 cruise ship passengers to begin to service that debt properly. Then of course, we still owe \$6.7 million on it. That was the kind of hand I was left, you know. I want the public to appreciate this, yet we could present Supplementary Estimates we have presented yesterday and today.

Now, Mr. Speaker, Honourable Members, I am not saying that everything that the NDP did was bad. I can't say that. Because you in power for 16 years, 17 years, you must do some good. But the point is this we were left a terrible hand. But once I got the hand I can't run away from it, I had to play the hand. And in relation to the black list on the cruise ship the Minister of Tourism and Culture, had to deal with that effectively and we are in the possess of handling that. And what we have accomplished in the three months so far is absolutely remarkable, knowing what we meet. Absolutely remarkable and meanwhile not only we had to clean up all that black list, we had to clean up the town and this loan of \$20 million is to help us.

Now in the Ministry of Finance there are some of my advisors jokingly say that we taught you were Caribbean man but you like a Jew making it not to be anti Semitic, but putting it as a joke because the caricature is that Jews can be stingy,

well I am not so stingy with my own money and my father would have been disappointed with me that as tight as I should be with my own money, but when it comes on the public money I am tight. And that's why Minister's send up request for travel overseas to my office with trepidation. Public Servants do the same, unless you can justify it, I am not putting my signature to it, because there is always, every travel could be useful, but it has to be justified as bringing real benefits to the country. Sometimes it is hard. Sometimes it pains me to have to turn down certain requests, but I am there and I have to keep my eye on the pennies. I have to make sure that there is reasonable prudence at the centre, make sure we have reforms in the public sector enterprises while at the same time trying to attract investment, attract grant monies which don't have any repayment.

Mr. Speaker, right now I have further communication here which I am going to send off, because I believe we are making some progress to see if we can get some debt relief from the British under the Commonwealth Debt Initiative, but you had to fight and I want to send off this communication early, the staff is coming to work tomorrow, because next week Saturday I will be meeting the Right Honourable Toney Blair with other Caribbean leaders in Jamaica, and that is a matter I want to raise with him face to face. There are few other things. I am giving a birds eye view as to how the management of the economy and politics and how everything is interconnected.

The Leader of the Opposition, former Minister of Finance and Prime Minister, would know what I am talking about. I know, I am hopeful and I believe that he will come and support this loan also, because the terms are also reasonable in the current situation. I just want to read the projects, Mr. Speaker, as I say that \$25 million has already we have identification for those. But the \$18.255 million for which we have no external loan monies and we have to use this are the following. And I would expect to see a smile from the Southern Grenadines, construction of the police station in Canouan. I see a smile. I see a smile from the Member of the Southern Grenadines. As you know we have already put the police in Canouan in very luxurious accommodation. We have rented accommodation for them and we have increased the number of police personnel down there, to strengthen the security situation. Constructions of police stations generally, the coastguards sub-bases in the Grenadines, well that's zero for this year. Capitalization of the New Development Bank. Upgrading of the Arnos Vale playing field. National Culture Centre Peace Memorial Hall that's \$500,000.00 but we are going to get \$300,000.00 from the National Lottery and we are going to see how we can, -- this is where sometimes you can divert something else. The Minister of Finance knows how you have to do some juggling sometimes at the margin. That is why you tell me I would get grey hair. That is why you think I would get grey hair. I am not worried about the grey hair I am just want, so long,.... No I can't say that. I will keep my hair. I don't want to say that. So long as I remain fit and strong for my

wife and also that my children grow up to see their father fit, I don't, -- I am working hard but I don't want the job to kill me. I want to live as long as the old man.

Construction of Officers quarters Ministry of Agriculture, construction of headquarters, Ministry of Agriculture. Up grading of La Soufriere monitoring system, purchase of equipment Lands and Surveys Department. Rehabilitation of bridges. Rehabilitation of the Ministerial Building. I know the Minister of Works, he has been on my back since we won the election, he wants to go and refurbish the Ministerial Building. Because the inside is gutted really, it is just a shell up there, you know. It is just a shell. The NDP Government didn't do any maintenance you know. So this money is there so the Minister of Works he has a few things on his plate, I hope his Ministry has the capacity to do all what I am putting on him.

Kingstown Port Development Ferry and Cruise ship berth was \$2 million. Refurbishment of Government House, Upper Bay Street road improvement project, \$1 million, road improvement, Bay Street, reconstruction of Customs and Excise building, \$1.2 million, government offices and quarters, Canouan, a see a smile again through the fingers over the mouth, I see it, I see it, I see it over the mouth. I fixing up Canouan good, I am getting the money to fix you up. And, you should stay, I getting the 28 acres too you know, I getting the -- [interjection] Oh, he is not well. I understand my friend; the Member from Southern Grenadines is not well. And I am sorry he had to leave the Chamber. But I was just saying for the people of Canouan we getting that 28 acres across the airport. That last 28 acres that the developers had bought. Murray's Road rehabilitation phase 2 and 3. I want the minibus men to know that we have the money now. When we pass this law today, to get going on the Murray's Road. I tell you something, the Ministry of Works never had it so good, with the money coming there now. These are no longer theoretical things put down on paper, you know, these are real things. Fire and rescue vehicle, airport improvement the Grenadines. Falls of Balaine improvement project, Buccament Development Project, phase 2. Nature Tourism Planning and Development Project. Botanic Garden's improvement project. Heritage tourism project. Real money now there, you know.

Mr. Speaker, we have decided to accommodate these particular projects and we would have to do a lot of work on the planning for them, because many of these projects are just down on paper and we have to now be doing the work. The Honourable Leader of the Opposition, I am quiet sure is pleased that I have been able to negotiate a loan to be able to finance some of these projects which he himself has raised in the Estimates in 2001. That is, I believe, all the assistance I can be of to the House on this matter, Mr. Speaker, and I hope that this Bill gets a safe, speedy passage.

HONOURABLE MR. SPEAKER: Further debate?

HONOURABLE ARNHIM EUSTACE: Mr. Speaker, Honourable Members, we have before this Honourable House a Bill to authorize the government to raise a loan of \$20 million for use in the Public Sector Investment Programme as contained in the Estimates for the year 2001. I would just like to point out one typographical, the objects and reasons of \$30 million instead of \$20 million.

DR. THE HONOURABLE RALPH GONSALVES: They have actually put it on the wrong page. Switch it, that's all.

HONOURABLE ARNHIM EUSTACE: Mr. Speaker, this particular loan, as the Prime Minister said, we were involved prior to the elections in negotiations on this particular loan. It is not as if we did not do anything. We had started the process, and in fact had a draft of loan agreement. However, Mr. Speaker, I did have some concerns in relations to the interest rate as the Prime Minister mentioned and to some other terms of this arrangement. And I maintained, Mr. Speaker, that from time to time depending on the timing one could find oneself in particular difficulty in negotiating these loans. Now the terms as I understand it from the Prime Minister's presentation is for 12 years, the interest rate is 9%, there is a 2.5 % arrangement fee, and there is an annual fee of another \$15,000.00 or so which would have to be paid. Mr. Speaker, and perhaps the Prime Minister can clarify there is no reference to any grace period in this arrangement. Because I see it as a fixed rate, non-callable bond. So if one compares it with the loan we just approved the terms and conditions are less favourable than the previous loans. So here again, Mr. Speaker, is a question of circumstance and the time that the loan is being negotiated. So Mr. Speaker, in one case you are having an arrangement fee of 1.5%, in this case the arrangement fee is 2.5%. So it means on the basis of \$20 million that we will have to be paying \$500,000.00 to Royal Merchant Bank and Finance Company Limited of Trinidad and Tobago for arranging this borrowing. It will cost even more than the \$30 million loan which was done in the previous bill. And Mr. Speaker, that is how things vary. That is how they vary from time to time. We do not have, according to the terms set out by the Prime Minister, we do not have the luxury of a grace period, as in the previous loan where you had a two year grace period, where you would not be paying any principal and paying the interest only, so in those respects, Mr. Speaker, this loan is less favourable.

Mr. Speaker, I had not intended today to get into this pre election battle, we had a lot of that in the previous discussions, but you still speaking about it, so I have to speak about it [Interjection] No, but I throw a little pekan back at you. Mr. Speaker, [Interjection] Well, you can never say I was disrespectful to you,

Honourable Prime Minister. [Interjection] I was not aware of that. I saw that as a little bit of politics too. Mr. Speaker, like I have to ask back for some time, you know. Mr. Speaker, I want to go back now that the Prime Minister has mentioned it to the pre election time on this issue of getting money from Barbados. The report we had in this country, Mr. Speaker, was that the Barbados government is going to provide the Unity Labour Party Government administration when it wins the election \$10 million. It is only, Mr. Speaker, after we questioned the matter that we then were told that they would facilitate, Mr. Speaker, borrowing on the Barbados market, which is a programme that is available to all of the OECS countries, in other words, Mr. Speaker, the Barbados Government would ensure that the Central Bank of Barbados would provide the necessary approvals, particularly Foreign Affairs approvals to borrow on that market. That is a quiet different thing, Mr. Speaker, than from providing \$10 million. I want to make that clear.

Mr. Speaker, there are times when on the Barbados market the rate would be much higher than the 9%, it depends on the state of the market at the particular time. And this loan is being arranged as indicated by the Royal Merchant Bank and Finance Company Limited of Trinidad and Tobago. Now it would have been possible Mr. Speaker, to borrow on the Trinidad and Tobago market in TT dollars, but given the perceptions of the stability of the various economies, the interest rates of Trinidad and Tobago market would be higher. But I want to say, Mr. Speaker, the Trinidad and Tobago market has a higher interest rate because one is never sure whether the value of the currency would decline, would depreciate and therefore to hedge the arrangers would tend to ask an expect a higher rate, and they would expect a higher rate and they would expect a higher arrangement fee, for carrying out the exercise. So therefore, Mr. Speaker, one has to make a judgment, one has to make a judgment as to whether one is willing to take the risk of going on the Trinidad and Tobago market with the possibility that that currency would devalue or depreciate further and if it depreciates further then we will repay less because we are tied to the US dollar, fixed. So government has to make a judgment, Mr. Speaker, and that judgment have to take into account all of those various circumstances. If there was a significant depreciation, Mr. Speaker, it could be we better to borrow on that market, even at the higher interest rates, because then your repayment would turn out to be lower. So one has to make a judgment, Mr. Speaker as to whether one is willing to take that kind of risk.

Mr. Speaker, I recall when working with the Caribbean Bank some years ago that we borrowed \$10 million, the equivalent of \$10 million US dollars in Bolivars, that is the Venezuelan currency, when we borrowed that money, Mr. Speaker, it was four Bolivars to the US dollar, by the time we were ready to repay it was 20 Bolivars to the US dollar, the depreciation was 500 percent, so when you pay back a loan like that, Mr. Speaker, you pay back just about 1/5 of the amount in your

own currency. So it is that kind of risk that one would have to assess in relation to this borrowing as to whether one went on the Barbados or the Trinidad market, so even if you have that kind of depreciation, even if the interest rate was 20% you still would be better off if you had that kind of depreciation. The Government has chosen, Mr. Speaker, not to take the risk and to go the Barbados market, they have used the facility available to the OECS countries and have obtain in the circumstances, of the Barbados market a rate of 9%. So that is a judgment. Another government would take a different judgment, but the government decided to err on the side of caution. [Interruption] I always err on the side of caution in matters of this type. That is why I am very concerned and cautious about the NIS funds. Because Mr. Speaker, I heard a comment in this Honourable House yesterday, well not only in this House but outside of this House that we should be looking to fund managers to manage some of these funds that we have in the NIS, in Guilted Securities and other parts of the world, well I am not for that, I am not for that at all. The hallmarks of that arrangement is that he must try to maximize the investment with the minimum of risks because you looking at safety of the funds that you have to pay out people's pensions. You have to have liquidity to pay out people's pension, and you try and get the best yield you get but not of any price or at any cost. So Mr. Speaker, in financial matters prudence is what rules the day. It is true, Mr. Speaker, that you can take some of those funds and put them in mutual funds in the United States and in some instances you might get 44% return, another time Mr. Speaker, you may lose, who is going to tell the pensioners of this country that you can't pay them. [Interjection] If you are lucky. So Mr. Speaker, I tend to urge on the side of caution, in dealing with financial matters. You have to be conservative in dealing with financial matters.

And Mr. Speaker, in dealing with these matters also one has to make sure that you maintain the relationship with the financial community that is based on mutual trust. And that is critical. The Prime Minister mentioned that the fellow knows him and respects him and so on, added to that, I want to make sure that there is mutual trust in dealing with financial matters. That has to be there. It has to be a hallmark of the arrangement.

Mr. Speaker, so the Prime Minister says that we deal with a bad hand, he had no money. He had a lot debts to pay, he met a deficit of \$14 million, but on the side he did say that he recognized that Treasury Bills were used as a short term measure in many instances to deal with this matter. So there is nothing unusual about that. It is a bridging mechanism, and those of you on that side of the House who worked in banks know what I am talking about. But you know the little bit of politics from time to time, we throwing these words that the country had no money but at the same time, in the same month, you are paying off debts and the end of the first month in office you had a surplus of \$4.1 million. So where did the money come from? There was a bridging mechanism in place and then the corporate

income tax came into play. [Interruption] No, at the end of April because your call should have come at the 31st of March for the payment of the first installment of corporation tax, you it is, you who asked people not to pay and they have a moratorium for a month. Exactly. So you contributed to the situation. That is what I was saying all along. Mr. Speaker, the Prime Minister well knows, the Minister of Finance well knows the lumpiness in the arrangement of government funds for the first quarter of the financial year, Mr. Speaker, you depend on the takings you make in October, November, December at the Customs to carry you through the first quarter of the year, along with your Treasury bills, by the time you get to March and you pay March salaries things are tightening, considerably. Therefore, you look forward to the corporation taxes that come in on March 31st to give you another leap forward. But when you make a decision and suggest that people pay in April you are worsening you own cash flow, that is the reality. And that's what he did. But at the end of April, there was surplus of \$4.1 million. [Interjection] You brought in 1 point something million dollars, and that was after that.

So, Mr. Speaker, I just want to make these points because you know we make these political statements outside and the average man in our country does not know the reality of the real financial situation. The Prime Minister did not mention anything about Treasury Bills when he made that statement outside, but he mentioned it in here, and he is right, but when he told the people, that NDP left no money in the country that is a false statement. And he knows it.

Mr. Speaker, I want to move on from that. [Interjection] I know you would like me to. So, Mr. Speaker, I am never comfortable with all these new instruments that you have for finance. I am never comfortable with a lot of the institutions when new instruments are presented, because very often, as the Prime Minister says you can find yourself with an effective rate which is much higher. And one in the end has to look at the effective rate. I have known in Barbados where people borrow at 12% but the effective rate was 21%, because when you have all these add on, like the 2.5% arrangement fee, the \$15,000 you have to pay on this loan here, all those impact on the effective rate of interest you eventually pay and some of these things have all sorts of little catches and that is why caution is important.

Mr. Speaker, I want to make a more general point on this matter, Mr. Speaker, we are going to find over the next few years, Mr. Speaker, and it has already been happening, that because of your graduation, because you are regarded as a middle income country, and your graduation from certain soft resources, there was a time when St. Vincent was eligible for either funds unlimited, in terms of whatever allocation the world bank provide you, 40 years repayment, 1% interest, today St. Vincent either funds because perceive our per capita income as beyond the level of which they would provide that kind of fund. That fund is reserves now for the poorest countries. If we want to get either funds today we could only get

them in a blend with other funds, in other words they would lend you half at say 8% and then half of 1%. So you end up with a rate some where around say 4 or 5%.

So gone are the days, Mr. Speaker, when we can expect to get that kind of fund, and therefore you would find ourselves as per capita income increases and our place in the world is seen as middle income, we would find ourselves having to go more and more to these types of borrowings. And these types of borrowings, Mr. Speaker have the shorter repayment period. They are harder money, and therefore that is important in terms of debt profile of the country. The shorter the total repayments when you look at the whole debt the more difficult it is for us and the more the need for growth in the economy, so while I can support the measure, Mr. Speaker, we have to recognize that trend is there and you would find over the years, Mr. Speaker, you have to borrow more and more of this particular type. And I don't like. Very often, and you could say what you want about capacity, we don't have many people in our country with the experience and the understanding to deal with these things. All sorts of instruments, all sorts of new financial instruments are being concocted every day. You know it is possible to see every day some persons want to come here to lend you money, you know, and on the face of it a lot of it looks good, but you need to have persons with the ability who can sit down make an assessment and look at it. And I had a rule of thumb on that too, Mr. Speaker. I had a rule of thumb on that, anybody who comes to St. Vincent and the Grenadines and come to me as Minister of Finance and say well we have \$100 million that we can lend you. I say thank you very much. And the conversation is finished. [Interjection] No, no, rule of thumb. You cannot resist the effort to make these kinds of statements. But it is a rule of thumb. And I think it is a good rule of thumb. When people look at the size of us and come and tell you they have \$100 million to lend you, forget it. When I say \$100 million US, \$150 million US, forget it. You can meet them every day. If you want. Anytime you see that. You know it is a scamp. So in most cases, the minute I hear that I refuse to see them.

I remember one instance, Mr. Speaker, in which a team of black business people were sent here as a front, I can't remember their names, because it has so many of them, but this particular one had a Vincentian born lawyer, female from Florida who came to make a presentation and to lend us \$500 million US dollars at 4%. The fellow said, 'Geez boy, \$500 million at 4%, you have to take that.' I said I don't want to meet them. Because anybody who wants to lend St. Vincent \$500 million US dollars at 4% something is wrong with that. [Interjection] Well, I had billion once too. It is not worth the while seeing them. Take what I am telling you, it is not worth the while even talking to them. When they want to tell you they are going to deposit \$100 million in the NCB, the NCB has to have the wherewithal to invest make a good return and un lend it. Do you know what kind of interest rate

that would have to be? So over time one has to learn to deal with these matters. But the lady made one statement to me, the Vincentian born lawyer, she said their company is under the DACON system of the World Bank, and approved by the World Bank. I didn't tell her anything, but the DACON system only approve consultants. I knew that, I dealt with DACON system at the CDB. So I said this woman doesn't know what she is talking about at all. But I didn't want to insult here because she was from here, so she asked whether she could allow her president to call me from the United States. And she set up a call and he called me the following morning. And he again made the offer, I said to him why do you want to lend St. Vincent and the Grenadines \$500 million, just tell me why? Oh, well, you know we have these funds from Humanitarian Organizations, that is interesting in developing countries and so on, and we need to get these monies out and so on and so forth. All you all doing was laundering money. I just said to him, thank you very much, right now we are not in a position to borrow. But I say this to say one thing, Mr. Speaker, that we need more and more people in our country and the more and more we go into services, especially financial services, we need more and more people with the capacity to assess proposals of this sort coming to us. That is why you see, I like to hear about loan, you know, but when you start to tell me about fix rate, non callable bond, fellow say well, that you conservative, I am all right with that. Very all right with that. But there always have these little pieces added on. You noticed the Prime Minister mentioned \$15,000, the size of the arrangement fees and so on, and if this is all then it isn't all then it isn't too bad.

So, Mr. Speaker, I hope that the next time the Prime Minister presents himself in public he not going to say I left him no money. Because every time he says it, I will have to respond alike. Every time he says it. He just throwing a little thing on the side, and say well you know, you can do some short term thing with treasury bills. And he knew that all along. Any now Mr. Speaker, I want to say, that the NDP administration, the projects which this funding will be used I will support them. They were part of our original budget. We had decided when we presented the Estimates to Parliament as pointed out early that we were going to borrow both local and external loans of \$59 million, today the first \$50 million of that has come before this Honourable House. We on this side of the House, Mr. Speaker, will support this measure. Much obliged.

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, Honourable Members I would like to thank very much the Leader of the Opposition for his support of this particular bill and for his comments. I know and this is a matter which is resolved in the area of public opinion, he insists that he left me money, the record shows that he left me none, because he had projects on paper, I had to negotiate the \$50 million loan, and bring them here today. And the other projects which we are kick starting with our monies which we ourselves have negotiated, grant monies either

to Taiwan, the European Union. You see now, my cousin-in-law, sorry, the Leader of the Opposition, doesn't like me to make these comments, but the treasury bills which would be used for bridging limited monies of a very short-term nature, and it would be entirely irresponsible to have very large sums for treasury bills for a short-term period. Very irresponsible and agrees with me there, so that what you would be using as treasury bills for a short term period would be very small monies. And Mr. Speaker, we are in the predicament on the debt front, \$54 million out of the budget for debt left by the NDP administration, largely the real problem, there are several others, but the real one, you can look at it but I think it is \$54 million off the top of my head if you could correct me, I would be willing to be corrected. But I think I am correct at \$54 million.

The Ottley Hall was an unmitigated disaster! It has put us in tremendous debt, NDP will hear about Ottley Hall from now until dooms day, because that is a neck lock. More than a neck lock on the economy of St. Vincent and the Grenadines. Mr. Speaker, I am trying to address the Ottley Hall problem. And you will hear, I will make a particular speech specifically on Ottley Hall in the not too distant future. I want the country to know this, and when I speak these things I don't speak them idly. I think the country now knows, those who didn't know me before the election know me since the election, that when I promise you something I deliver on it, because the people must be able to trust the word of the Prime Minister. And I am saying to you, you will hear me about Ottley Hall.

There is a way however where we could try and address that, you know, I have been talking to OECS leaders, people in the regional security service, when General Pace came down here, four star General from the Southern Command which used to be in Panama, the headquarters, now in Miami. I discuss the question of Ottley Hall, or at least a part of it being used for a regional coast guard base. And I am seeking to pursue my colleagues that we must have a regional coast guard base. Because once you get, and it is a security issue obviously and monies are involved in security issues, if we could get the Americans involved here, and the entire western world and certain things would have to be done there, we may be able to address the issue a little better. And then of course, I have been quietly been making some contacts in Italy so that at an appropriate time after September to address the issue of debt relief between Sachie and West LB, but those are discussions for another time. I just want to indicate to the House and to this country that there are some things in train which we have to deal with, well with the Italian government, because Sachie is a state agency. As you know Prime Minister Bolers Connie has just taken control of his government, and in Europe people go on holidays at the end of August over July, early September into early September that's there cultural practice, habit, and very little business gets done in Europe of any serious nature in end of July, August, certainly first week of September. But we are trying to lay the ground work properly, and I want

assure the people of St. Vincent and the Grenadines that I am addressing my mind and the Government is addressing its mind to this particular question.

Just last week I had a very important meeting dealing with this question. But I would not speak on certain matters until everything is appropriate so to do, as Sister – well I was going to say Sister Girlyn, but I am sorry, the Honourable Member, - the Honourable Minister of Social Development always says to me you need always to hold back certain amount of things and she is right.

Mr. Speaker, we have now had support from the Opposition and from the Government side, Parliament as a whole, they have indicated their support to this particular measure and I am very grateful and I am sure the people of St. Vincent and the Grenadines would be gratified at the togetherness, the together now principle. [Interjection] Well you see, once you act together now it is all right with me, you could deny the together now but you are acting together now. You acted together now objectively, you acted together now on the Supplementary Estimates, and on the supplementary bill, on the two loan measures, I would say that today has been a day, yesterday and today have been days of together now. And I think that you may call it something else. You say you are agreeing with me but it is not together now, but objectively the pressures of the public have put you into a situation that you must accept together now, I know what you are worried about, you are worried that the together now how we are so much stronger you would be absorbed, your party but the thing is this the only problem that is being faced, and you must acknowledge it openly, and I can help you with it. You have a de facto leader on you back and you want the de facto leader off your back and you don't know how. I know how you know, I could do one thing and get him off your back, but I like him to ride you. Why do you think I – I like him to ride you. Your de facto leader.

Mr. Speaker, Honourable Members, I beg to move that this Honourable House resolve 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 minor amendments.

11. **DR. THE HONOURABLE RALPH GONSALVES:** Mr. Speaker, Honourable Members, I beg to move the first reading of a Bill to provide for the Establishment of a **Financial Intelligence Unit** which will be a national centralized unit in St. Vincent and the Grenadines for the collection, analysis and dissemination of suspicion transaction information to competent authorities. The objects and reasons of this bill are follows. This bill seeks to establish the Financial

Intelligence Unit Act 2001. The object of the bill is to create a nationalized, centralized unit in St. Vincent and the Grenadines for the collection, analysis and the dissemination of suspicious transaction information, competent authorities. The reasons for the Act are to bring the legislative framework in St. Vincent and the Grenadines to international standards with respect to the collection and sharing of information concerning money laundering. This Act also seeks to address the obligations under the 40 revised recommendations of Financial Action Task Force. The 19 revised recommendation of the Caribbean Financial Action Task Force, and 25point criteria for assessing Non- Corporative Countries and Territories of Financial Action Task Force.

Question put and agreed to.
Bill read a first time.

12. **DR. THE HONOURABLE RALPH GONSALVES:** Mr. Speaker, Honourable Members, I beg to move a Bill to amend the **Proceeds of Crime and Money Laundering Act**. This Bill seeks to extend the powers of the courts in relation to the tracing and confiscation of the proceeds of drug trafficking and all other offences from which a defendant has benefited. The bill also criminalizes money laundering where the proceeds are derived from any offence.

The Bill would establish a National Anti-Money Laundering Committee to oversee the development of anti-money laundering strategies in Saint Vincent and the Grenadines. The Act also establishes a forfeiture fund that will administer assets that have been subject to confiscation and forfeiture.

The reasons for this Bill are to update the existing provisions of the Drug Trafficking Offences 1993 and the Proceeds of Crime Act 1997. The Bill has also taken cognizance of the Revised 40 Recommendation of the Financial Action Task Force, the revised 19 Recommendations of the Caribbean Financial Action task Force and the 25 point criteria for assessing Non-Cooperative Countries and Territories of the Financial Action Task Force.

Question put and agreed to.
Bill read a first time.

13. **DR. THE HONOURABLE RALPH GONSALVES:** Mr. Speaker, Honourable Members, I beg to move the Bill to amend **The Family Court Act**. This Act seeks to amend the Family Court Act No: 45 of 1992 in order to remove the post of Registrar and substitute therefore the post of a legal clerk; making the post non-legal.

Question put and agreed to.
Bill read a first time.

14. DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, Honourable Members, I beg to move a Bill for an Act to amend the **Estate and Succession Duties Act**. Honourable Members this seeks to amend the Estate and Succession Duties Act by providing for the cessation of the collection of debt duties with effect from August 3rd 1995.

***Question put and agreed.
Bill read a first time.***

ADJOURNMENT

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, we have had two very full days I beg to move the adjournment for Tuesday August 14th at 10:00 a.m. I suspect Mr. Speaker, Honourable Members that we may have to take two days in succession to address the legislative agenda which we have. I want to point out Mr. Speaker, that there are several other bills which have been circulated and I gave instructions for comments by the non-governmental organizations, civil society, and I have given instructions that all of those Bills which are up for discussion in the spirit of together now that they be circulated also to the Headquarters of the New Democratic Party. I beg also to move the adjournment to the 14th.

HONOURABLE LOUIS STRAKER: I beg to second the motion, Mr. Speaker.

***Question put and agreed to.
House adjourned at 5:50 p.m.***