

No. 1

THURSDAY

Second Session

29th November, 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 FIRST MEETING, SECOND 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.

THIRD SITTING

29th November, 2001

HOUSE OF ASSEMBLY

The Honourable House of Assembly met at 9:06 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 Sir Vincent Beache

Member for South Windward

Minister of Education, Youth and Sports
Honourable Michael Browne

Member for West St. George

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

Member for Marriaqua

Minister of Agriculture, Lands and Fisheries
Honourable Selmon Walters

Member for South Central
Windward

Minister of Health and the Environment
Honourable Dr. Douglas Slater

Member for South Leeward

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

Member for North Leeward

Minister of Tourism and Culture
Honourable Rene Baptist

Member for West Kingstown

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

Member for East St. George

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

Member for North Windward

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

Member for Central Kingstown

Minister of Transport, Works and Housing
Honourable Julian Francis

Government Senator

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

Honourable Major St. Claire Leacock

Opposition Senator

SAINT VINCENT AND THE GRENADINES

HOUSE OF ASSEMBLY

THURSDAY 29th NOVEMBER 2001

PRAYERS

The Honourable Speaker, Hendrick Alexander read the Prayers of the House.

MINUTES

The Minutes of the sitting held on the Monday 26th November, 2001 copies of which had been circulated previously, were taken as read and were confirmed.

ORDERS OF THE DAY

APPROPRIATION BILL 2001 DEBATE

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

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

Question put and agreed to.

HONOURABLE MR. SPEAKER: Before we take the debate let me just with what I may call a procedural matter. As members are aware we would have debated on the 26th the estimates of expenditure and today's debate would be confined to the budgetary statements and relating thereto as enunciated by the Honourable Prime Minister today. And according to section 62 (3):

“You would be confined to the financial and economic state of the country and the general principles of government policy and administration as indicated in the bill.”

So we would hope an understanding of that. The Leader of the Opposition would be debating at this time. He has four hours to do his thing, and I want to say I would be adhering strictly to time and advice him not to be side tracked and let us have a good debate. Well, I would ask that, -- don't give me much trouble today, or cause to rule. Thank you. [Applause and laughter].

HONOURABLE ARNHIM EUSTACE: Mr. Speaker, Honourable Members, yesterday afternoon, the Honourable Prime Minister and Minister of Finance presented his budget address to this Honourable House. Mr. Speaker, I wish to say at the outset that the budget as presented is fundamentally flawed in certain material particulars which I will deal with later.

Mr. Speaker, after eight months of the ULP administration which promised so much the people of St. Vincent and the Grenadines find themselves in the deepest economic crisis since Independence. Gone Mr. Speaker, is the joy and euphoria of election night; many who hailed the new chief are saying down with the new chief, unemployment has increased in our country, there have been layoffs at many institutions, both in stores and hotels and other places, hundreds have lost their jobs through political victimization, many are unable to provide the basic food for their children who have lost their jobs; many of those are unable to send their children to school everyday, many cannot pay the cost of transport to school. Many have had their electricity cut off. Many have had their water cut off. Many have lost their cable services, and many persons Mr. Speaker, who you would not expect have been tapping their insurance companies to borrow off their policies. Some business especially some of the small ones, Mr. Speaker, have had their sales plummet. Sales have dropped off significantly, in some cases as high as 50%. Mr. Speaker, if you talk to members of the business community, which I have been doing regularly, they all confirm Mr. Speaker, that sales have fallen. If you speak Mr. Speaker to sales men who travel in the countryside to sell to the shops and other business in the rural areas, they too tell you that sales have fallen. But Mr. Speaker, many persons who have worked and provided services to the Government have not been paid or only have been paid part of their money, including some of the persons who worked in the Census. Many small businesses have not been paid for services also and goods provided to Government. The tender process Mr. Speaker, is being violated, the cry Mr. Speaker, of the poor and the victimized of this country can be heard every day, but the Prime Minister and Minister of Finance continues to say that there is no economic crisis in this country.

Mr. Speaker, some one penned a prayer, they call it the 'Labour Prayer' and sent it to me, and I shall now read it Mr. Speaker, because I think it is very relevant. It is very relevant to our current situation.

"Ralph Gonsalves as my Shepherd, I shall always want.

He maketh me to lie down on street corners.
He leadeth me through the walls of hush-hush sales of public property.
To me nano.
He restoreth my doubts in the Labour Party.
He guideth me to the paths of unemployment for his party's sake.
Yea though I walk through the valleys of the Hundred Days Plan,
Ennobling the new Caribbean civilization.
Five point five million dollars on school renovation
I remain hungry and broke.
Regrettably I will fear evil for thou art against me.

Your hypocrisy and inability will cripple me.
Thou annoindest my income with frozen wages.
And no increases.
Thou asketh permission to borrow some \$25 million from local banks.
So it seems our expenses are running over.
Surely poverty and hard times will follow me all the days of the
Labour Party.
And I shall live in a ghetto forever.”

That is the prayer I have received Mr. Speaker, and I think Mr. Speaker, it adequately describes the situation today.

Mr. Speaker, it seems to me that there is no doubt in anyone's mind other than that of the Prime Minister that we face an economic crisis. Mr. Speaker, our whole region is in crisis, not only St. Vincent and the Grenadines but we must recognize Mr. Speaker, that we are in crisis and we know already Mr. Speaker, whatever the thoughts you hear express that you will have negative growth in this year.

Mr. Speaker, I do not understand why the Honourable Prime Minister finds it so difficult to accept that there is a crisis. When he looks at the world economy because he cannot be blamed for the state of the world economy, when he look at the world economy you would know that United States the largest economy in the world which accounts for the 25% of the world's gross domestic product we will know that that economy slowed down drastically in the last quarter of last year. It grew by 4.1% in 1999 but was down to 1.1% in the last quarter of 2000 and by June this year Mr. Speaker, had the rate of growth of .2 of 1%, that is the United States. Europe has suffered a similar fate. Recession has also hit the emerging countries like Taiwan and Singapore. Taiwan has announced that they expect negative growth this year for the first time in a quarter of a century. For the OECS countries our Central Bank Governor says and I quote him. “the slow down in economic activities is expected to contribute a decrease in Government revenues and increases in the associated fiscal deficits. The impact on the external account would be influenced by the polish response to this

economic contraction. And fiscal deficits in governments would push governments to want to smooth out consumptions by incurring more fiscal benefits. This would increase the debt Mr. Speaker, and in the context when we really have a high debt and growing debt obligations.

But Mr. Speaker, the Governor goes on to say that this is not a sustainable option, Governments will need to adopt fiscal standardization measures and this should be followed by well designed structural adjustment programmes aimed at stimulating investment and improving the productive capacity of the economy.

Mr. Speaker, I want to say this, the Central Bank Governor is sending us a not too subtle warning. He is saying Mr. Speaker, that there is a temptation at these times to try and smooth out consumption by using deficits and if we do this Mr. Speaker, those deficits over time lead to a reduction on our foreign reserves and then it began to impact on the value of our currency. That is the sort of hit Mr. Speaker that the Governor of the Central Bank is giving us in this statement. In Barbados, Mr. Speaker, the Prime Minister has stated in August that that country would only grow by 1 or 1 ½ % and that would be the lowest in 8 years and that would be before September 11th. Since that time Mr. Speaker, the Prime Minister has said that the events that took place in the US have led to certain developments that the Caribbean must address by emergency measures or face an economic catastrophe of a kind that the region has never faced before.

Mr. Speaker, everyone, those who understand these things very well, our Central Bank Governor, Prime Minister of Barbados who is a noted economist, all are saying Mr. Speaker, that we are in crisis. Mr. Speaker, like the proverbial ostrich the Prime Minister is burying his head in the sand. It is better Mr. Speaker, that we admit of the crisis, explain it to our public and take the necessary actions to correct that crisis. Mr. Speaker, you know to get redemption you have to admit of your sins and seek forgiveness of those sins. And so it is Mr. Speaker, with the economy, we must recognize the crisis, all of it might not be of the Government's making, but we have to recognize it, admits it is there, and then deal with it, there is no point fooling the public, Mr. Speaker, into believing, however you want to boast to their confidence, fool them into believing there is no crisis, because when you take serious corrective actions people then question those actions because they do not understand the rationale for the actions if there is no crisis.

Mr. Speaker, I believe having listened to the presentation yesterday and previous presentations by the Prime Minister in recent months, I believe it is very important, Mr. Speaker that I explain the state of the economy as at the end of March 2001. Mr. Speaker, weeks before the bombing of the World Trade Centres I have been observing the way Government was handling the finances in the economy and was dissatisfied. It seem to me at the time Mr. Speaker, that the Government was more concerned with

scoring some political points and in fact behaving as though they were still on this side of the House. And I recall, the Prime Minister constantly saying about the bad hand that he got from the New Democratic Party Administration. But Mr. Speaker, the Central Bank whose report the Prime Minister often quotes also had something to say about the performance of the various economies up to March, up to the end of March this year which is the time that we left office. Mr. Speaker, I want to quote specifically from the financial and economic review of the Central Bank. It says here Mr. Speaker, and I quote:

“During the first quarter of 2001 the economic activity in St. Vincent and the Grenadines appeared to have expanded compared with the outturn in the corresponding period of 2000.”

This is for the first quarter of 2001.

“This assessment by the Bank was based on an increase in banana production and growth in tourists arrivals, activity in the construction sector however was estimated to have contracted. The average level of consumer prices, (another way of saying inflation) remain virtually unchanged during the period, in the external sector the deficit on the visible trade account expanded during part to lower revenue from banana exports, the commercial banking system remain liquid while interest rates were generally stable. In the agricultural sector banana production for the first quarter of 2001 totalled 10,517 tons roughly 3.9% more than the output during the corresponding quarter of 2000.”

So banana production went up during the first quarter.

“The growing output was mainly attributable to an increase on irrigation and banana exports received a relatively high quality rating of 79.4% of exports classified as premium food compared with 71.2% in the previous period of 2000, the corresponding period of 2000.

Data on non-banana agriculture were unavailable and in tourism the bank states:

Provisional estimates for visitor arrivals indicated that the total number of visitors grew by 6% to reach 106,067 in the first quarter of 2001. And this increase was attributable to a 31.1% growth in the number of passengers arriving by yachts and a 1.4% rise in stay over visitors. The number of yacht passengers rose to 42,121 reflecting the increasing popularity of the Grenadines as a yachting destination. There was an increase in the number of stay over visitors from the UK and Canada but stay over visitors from the USA fell by 2.8% reflecting the cancellation of flights by major airline, American Eagle, and cruise ship passengers also fell by 7.7%.

But off all Mr. Speaker, the bank has made it plain that the major sectors of tourism and agriculture led by bananas grew by the first quarter of the year. Mr. Speaker, I assume that that is part of the bad hand that the Government took control of when we left office, but most specifically Mr. Speaker, I am concerned about the Prime Minister's constant reference to the fiscal operations of the Government up to that period of time. First of all let me say Mr. Speaker, that it is a fact that through out the 17 years of the life of the NDP administration 17 years, this administration operated on the basis of a current account surplus for that entire period of time. I heard the Prime Minister referring yesterday, to a good report from the IMF, I am saying Mr. Speaker, there is nothing abnormal or unusual about a good report from the IMF, we have been getting that for years. I, myself have been involved in several IMF consultations over the years, and St. Vincent and the Grenadines has generally Mr. Speaker, got a good report. In short Mr. Speaker, the Prime Minister met the finances of this country in a condition that has been approved by the same IMF as he was referring to just a few months before, but Mr. Speaker, many people in our country do not understand the nuances of our financial situation. And you can make statements to them which make things appear to be very bad when in fact they are not so, and I assume Mr. Speaker, that is part of the politics, and however Mr. Speaker, in times of crisis of those we face now we got to be real, we have to be real Mr. Speaker. Mr. Speaker, the Prime Minister in his presentation yesterday, in speaking about the fiscal situation made reference to Central Government fiscal operations for the year 2001 at the point in time he came to office. And he made, Mr. Speaker, he gave some statistical information without the back ground and explaining the meaning Mr. Speaker, of that statistical information. He said, and that is correct, during the quarter, and it is here in the Central Bank report, during the quarter under review the Central Governments fiscal operations resulted in an overall deficit of 9.7 million as at March 2001. What the Prime Minister did not say and which the Central Bank presentation that this compared with a deficit of 12.2 million in the previous year and in fact the deficit, and I a quoting him here, "the deficit on the current account fell," in other words there was an improvement, the deficit on the current account fell by 22.5% during the quarter under review mainly as a result of higher growth in revenue. Higher growth in revenue relative to the increase in expenditure. The report goes on to say current revenue grew 26.8% to 56 million dollars and that came as a result of increases in all the main categories of revenue, but the Prime Minister was saying all the time that he is getting a bad hand that the revenue was falling, when he came into office, the Central Bank is saying here, Mr. Speaker, that the revenue was increasing when he came into office.

Receipts from taxes and income, that is corporate income tax grew by 23.7% or 2.1 million dollars in the first quarter of this year, the remaining account of a 1.5 million dollars increase in company tax and with substantial payment of taxes relating to the previous year's operation, revenue Mr. Speaker, from the domestic goods and services group by 31.8% to 10.1 million dollars and that is from our international trade, plus

tender and so forth and other transactions by 12.5% to 22.4 million dollars. Mr. Speaker, I am talking about the period up to March 2001, and being referred to here by the Central Bank, this is part of the bad hand that the Prime Minister said that he has gotten of the taxes on international trade, revenue from the consumption tax and import duty rose by 13.7% and 19% respectively, while receipts from the customs service charge remain relatively flat. During the period, Mr. Speaker, under review and I am still quoting the Central Bank here, revenue from none taxes grew from 64.3% to 12.2 million dollars due to substantial increases yield from offshore financial services and international merchant shipping. We are talking Mr. Speaker, about the first quarter of this year at the point in time that the new government took office. This is the infamous bad hand that the Prime Minister said he got. And Mr. Speaker, some of these things can be a bit technical but I believe it is important to explain to our community so that they understand what it is that we are referring to. Mr. Speaker, I am going to take the risk of trying to put this matter in very simple language, because a lot of heavy whether has been made of this deficit. And I want to point out you know that this deficit declined during the election period, the deficit declined during the period of elections.

Mr. Speaker, on page 88 of the March 2001 economic and financial review of the Central Bank they have the figures there and I want to explain something Mr. Speaker, it is traditional and it could happen in the year 2002, it is traditional that in the first quarter of every year we have a deficit and the reason for it Mr. Speaker, while in fact we collect significant revenues in the last quarter of the year at the Customs and other places, particular the Customs, because of the dry-season whether January to March, all Governments and I am sure that the Minister of Transport will agree, all Governments and I am sure he will do it in January, all Governments try to do as much of their road work and other capital works which require dry whether in the first of the year. Fewer expenditures Mr. Speaker, you tend to spend more in the first quarter. And because of that Mr. Speaker, you tend to have a deficit in the first quarter, but like your own home accounts Mr. Speaker, your own personal accounts one tries to have an overdraft in place so if at any point in time you go over, you can use the overdraft to finance the deficit and so it is with Government, Mr. Speaker, it does not mean that you are in any trouble, it means that you expect your revenue to come in and that things will even out later on in the year, and I will say here Mr. Speaker, without fear of contradiction that in the first quarter of 2002 this government will record a deficit on the current account for those very same reasons. So that is not any bad hand and then comes Mr. Speaker, comes the end of March when you begin to collect most of your company taxes and that helps you Mr. Speaker, to then deal with your expenditure for the next quarter. So when the Prime Minister announced at the end of April, although he had a deficit at the beginning of April, when he announced that he had a surplus of \$ 4.1 million at the end of April that is no surprise, because you get your company taxes in April, and therefore you are able to smooth out your expenditures, that is the normal pattern, there is no magic about it and the Prime Minister knows that as well,

well he is smiling, but it is good politics, it is good politics. [Interjection] I am just quoting the Central Bank. I am quoting the Central Bank, I have the table right in front of me here, you look on page 88, you will see it.

Mr. Speaker, I again predict that in January to March 2002 this Minister of Finance currently in office will have a deficit on the current account of the Government and I will not criticize him, I will simply remind him, yes, because I expect there will be a deficit, it is normal to have a deficit at that time of the year. Mr. Speaker, the Minister of Finance well knows, I am sure he has been advised by those competent public officers that we left him, I am sure that he has been advised, Mr. Speaker, that you really begin to get heavy revenue in the last quarter of the year, that is when you tend to show the biggest surpluses and when you make up for the deficits in the early part of the year, so at the end of the year, Mr. Speaker, you show a surplus although in a particular quarter you may have a deficit, that is how it is Mr. Speaker, there is no magic about it. So when the Prime Minister constantly harps that he got a bad hand, it is not that he got a bad hand, he got a hand that he did not know how to play, and instead of using it properly, and asking Burns how to play it, what he did Mr. Speaker, what he did was to utilize the cash that he had earlier in the year, whatever was coming in, he utilize it [Interjection] Let me finish, Mr. Speaker, you all not going to derail me here today, it is four hours. Mr. Speaker, and I think this is important, Mr. Speaker, I think it is important. I think we need to understand a number of things, it is one thing to deal with politics of the situation but on the other hand we have to understand those realities, because we in this Parliament are responsible to the people of this country to ensure that we try at all times, despite the partisan politics to let our people understand how these things work. It is not a thing that people will grasp easily but over time I think they will come to understand and we therefore have to be careful, Mr. Speaker, how we pay these things, if you look, and again I am referring to the same page, we will see that the current account balance in 2000 was a surplus in the second quarter of \$5.75 million, a surplus. Which is the same thing that the Prime Minister got in 2001 and in the third quarter it just about broke even. And in the fourth quarter of 2000 the surplus was \$20.76 million, that is the trend Mr. Speaker, at the end of the year you therefore end up with a current account surplus, so that is not talk Mr. Speaker, explain it to the people that you did not know how to play your hand, not that you had a bad hand. I cannot come and tell you if you have a deficit in the first quarter of 2002 that you playing a bad hand because I expect that is what would happen, in the first quarter of 2002. And therefore Mr. Speaker, I think that as far as the people of St. Vincent and the Grenadines is concerned we need to explain those things. [Interjection] I did not say you lie on the figures, I am saying that you are giving an interpretation to them which is false. Which is false,

And Mr. Speaker, the Prime Minister makes a lot of noise about arrears to UWI and so forth, I want to say something about that too, you know, over the last ten or so years, Mr. Speaker, with all the pressures coming from the international sphere, all the

pressures on our economy to reduce tariffs, everything, I am not excluding anything, all the pressures that we have and I have plenty to say about Ottley Hall to say today, you do not mind that. Mr. Speaker, I want to point out something which I regard as important. I do not know whether the Ministry of Finance officials have said that to the Prime Minister but I am going to say that to him now, you have to be careful, extremely careful, about what is presented by regional and international organisations as what is owing to them, and I am going to say why, and I have refused on certain occasions to honour some of those arrears for this reason. Just as we are doing a budget here, Mr. Speaker, each of those institutions do a budget and say take for instance the OECS, they will say to the Government listen we want to bring in a unit to do economic research, we need five staff members at such and such cost, we want computers and so on at such at such and such cost, therefore we are asking for an increase in our budget to carry that activity in the year 2001. Then these budgets are presented to the governments and if the budget is approved, then the governments are then asked to increase their contributions to finance that additional units. So you have a situation in which they ask for this additional but then some governments do not pay Mr. Speaker, and the unit is not set up. But they still have it down there as owing by the governments, although the unit was not set up in the particular year, it is still down there as being owed by the government. [Interjection] No I am not saying that, I saying Mr. Speaker, and we need to understand these things, this is no joke, we are saying that very often they put things in their budget which are not implemented and still have you holding the bag, so you have to be careful [Interjection]. All of them; every single one of them, without exception, every one. They have additional programmes which are often not implemented and I refuse Mr. Speaker, to take any responsibility for that. [Interjection] I know about the university financing, I know about that before you.

Mr. Speaker, this is a serious matter, because you can have yourself paying for things that do not exist. I had a discussion with the Supreme Court staff on this matter last year, and they had to admit that there were certain programmes that were not carried out, which are still part of what we appeared to be owing. So all I am saying that when we make payments on arrears we have to undertake that type of examination. It is a deadly serious matter. All of us know that government is trying to avoid having to increase taxes and support their revenue positions. Why are you going to pay for something that is not there, this is a serious matter, I am saying it happens and it happens all the time. [Interjection] Those are your words not mine. So Mr. Speaker, I just state that to explain. [Interjection] Well, I cannot see that if it does not happen that way.

Mr. Speaker, coming back to the economy, in the first quarter of the year, I want to say this, that and I agree with this, that are a lot of issues to be settled with respect to the banana industry, and tourism and so forth. But, I pointed out sometime ago, and I believe the Prime Minister agrees with this, we have to speed up our capital programmes if the economy is to grow, because where we have difficulties in some of our major sectors, like agriculture and tourism, some of it not of our own making,

added emphasis, Mr. Speaker, has to be placed on the capital programme, on the projects and that is why I disagree with the use of some of the funds to pay off university and so on because I felt those monies should have been put in the capital programme, because of what was happening with the banana and tourism. And that you would wait until late in the year to deal with the question of arrears.

Mr. Speaker, all of these developments that we are discussing took place before we had any bomb on September 11th. We already had trouble with bananas. The world economy is in trouble, already affecting us and we needed from that time back there to begin to speed up the capital programme, but we did not do that and that in fact worsen the situation. But by the time September 11th came Mr. Speaker, and we had that terrorist bombing we had a situation in which we had even more problems and we will continue to have those problems for some time to come Mr. Speaker. To be frank, Mr. Speaker, several countries in this region announce their proposals to deal with the crisis and I could not for the life of me understand why the Prime Minister of St. Vincent and the Grenadines had not yet responded, maybe it was his travel schedule which was affecting him. Mr. Speaker, in the meantime I made it my business to put my own thoughts on behalf of the party to the public and Mr. Speaker, I set out some broad proposals which I thought would be meaningful in the context of what had happened and would likely to happen post September 11th. Mr. Speaker, the Prime Minister in his own presentation when he eventually did so on October 11th he used a number of those proposals although he would not attempt to say that deals with things that came from the New Democratic Party, and I understand that after all that is the politics of the thing; but I am going to say now, Mr. Speaker, [Interjection] But you used it. Mr. Speaker, my first call was for urgent measures, to control recurrent expenditure and I issued a press release to that. The Prime Minister used that same call and he freeze wages for teachers, policemen and other civil servants because as you know wages and salaries are the biggest component of recurrent expenditure and if you are going to curb it is something that you must examine, of course, there are options that you can look at and the Prime Minister has chosen a particular option. He has chosen to freeze wages and salaries. I just want to point out Mr. Speaker, that a couple years ago, Mr. Speaker, recognizing that the financial situation was getting tighter and in my capacity as Minister of Finance I was urging that we should go not too heavy on wage increases and salary increases, the public service at that time, Mr. Speaker, aided by the then Opposition was insisting that we pay the 30%. Mr. Speaker, it would have been irresponsible of me Mr. Speaker, to pay the 30%, so Mr. Speaker, we settled on 12% what I want to say, Mr. Speaker, it would have been a much more difficult proposition today if in fact we have gone for 30%; with the Prime Minister would not only have to freeze wages, he would have had to reduce them. He would have had to reduce them or he would have had to reduce the size of the Public Service. Because Mr. Speaker, this is very critical issue, and it is something we would be judged on over the years, and I think it is a good thing for the Prime Minister at least I stuck to my guns at that 12%.

Mr. Speaker, other countries in this region have had to take rougher steps because of their fiscal situation. Antigua has had to lay off public workers; Belize had done the same thing, and some years ago when economic difficulties hit Barbados they reduce wages in the Public Service, salaries by 8%, so far Mr. Speaker, in St. Vincent and the Grenadines we have been able to avoid that, we have been able to avoid, throughout the 17 years, the NDP administration has always taken the view that it is better to have a smaller wage increase and maintain employment than to go the other way around. But there comes a time Mr. Speaker, when this thing comes unsustainable and when I come to the flaws in the budget that is when I will explain that Mr. Speaker, there comes a time Mr. Speaker, when if you are not careful it will come to just that. Mr. Speaker, I also call for the adoption of emergency measures to speed up the projects and the capital budgets to put people to work, well I think the Prime Minister also agrees with that in his proposals. [Interjection] No, no, no, I am talking about the broad categories; I will come to the details later on. And I will explain why your budget is unsustainable.

Mr. Speaker, even the restructuring, of the banana industry programme is being speeded up with is something that I asked for. I called for more promotion local, regionally for agricultural products, I see there is a buy-local campaign put on; I called for additional funds for tourism promotion, the Prime Minister made the same call. I mention in my proposals that we needed the speedy implementation to the money laundering legislation which is already before the House and that is on stream to come, and I called for a review of the confidentiality and I believe that this will come. [Interruption] Let, me finish; but Mr. Speaker, while some of the measures have been adopted, when we look at the implementation of this budget, Mr. Speaker, there is a lot that is left undone. And that is where I come to the unsustainability of the budget that was presented yesterday. Mr. Speaker, I want to say something about the budget in relation to the various sectors of the economy. Mr. Speaker, I want to start with agriculture and specifically the banana industry, [Interjection] I will talk about the call centre issue; so do not worry. Mr. Speaker, the Prime Minister in his presentation yesterday, said the banana industry should have been restructured a long time ago, the restructuring exercise in this country Mr. Speaker, has been going on for years and will go on for more years because we are in a dynamic situation and there is constantly change, the world environment is changing all the time. Mr. Speaker, let me look at some of the restructuring that is already taking place and the Minister of Agriculture and the Prime Minister, they know that. Mr. Speaker, I was involved in this exercise for a long time and I know the difficulties associated, with having four islands come to an agreement on any restructuring exercise, but Mr. Speaker, one of the first step taken after a study done and financed by the donor community was the renegotiation and that was the beginning of the restructuring exercise, Mr. Speaker, the renegotiation of a contract with GEEST and all these are germane to what we are dealing with here today in relation to this industry. And I need to explain that again to the people of St.

Vincent and the Grenadines. For the first 47 or so years of the banana industry in this country Mr. Speaker, we sold all of our bananas to GEEST, all. GEEST was the exclusive buyer of Windward Island bananas. It was only Mr. Speaker, in 1994 when we began the negotiation into a new contract the islands government and the associations jointly took a decision in light of the changing situation internationally, especially in the European Market that GEEST should not have all our bananas, they were too much in a strong position, vis-à-vis us and we argued and we negotiated for a period of 14 months to remove the exclusive rights of GEEST to purchase all of our bananas, so we came to a conclusion to sell some to GEEST, the majority, some to FIFES and some to Jamaica producers, it was important Mr. Speaker, to break that stranglehold. But at the same time, Mr. Speaker, GEEST at that time was earning all the revenues from the licenses to import bananas and was not passing on any of that revenue to the islands. We were successful then Mr. Speaker, in forcing GEEST to pay out \$30 million to the islands for the license and then we took the decision Mr. Speaker, to avoid that happening in the future to establish WIBDECO and WIBDECO UK, because you see WIBDECO UK you get licenses if you have a company that is importing bananas in Europe, you do not get a license otherwise. So since GEEST was operating in Europe GEEST got the license, so when we establish WIBDECO UK it meant that from 1994 onwards WIBDECO UK started to earn the bulk of the licenses which GEEST used to get, so that protected us Mr. Speaker, up today, that was a fundamental part of the restructuring of the banana industry, it is not starting now, since 1994, I am talking about. And if you look at the settlement that is arriving now, for the banana industry Mr. Speaker, that settlement hinges a lot on those licenses. If we did not have licenses, Mr. Speaker, in WIBDECO we would have no licenses today to import Bananas into Europe, because all would have been with GEEST, but we went further Mr. Speaker, we decided that to safeguard ourselves further it is better to try and purchase part of GEEST, because we were making money only from the float when it got to the docks here in St. Vincent, and if you get involved right up to the chain, right up in owning rooms and so forth, you will make a little more, and at the same time it ensured that we will have a hand in all the licenses, those that went to GEEST and those that went to WIBDECO. Mr. Speaker, if we had not done that today we would have had no banana industry because we would have had no access to licenses for bananas. So when you talk about restructuring the exercise started long ago. And it will continue Mr. Speaker, for years to come; of course that was part of the bad hand too.

Mr. Speaker, part of the problem and a major part of the problem, the Prime Minister has enunciated that on several occasions, part of the problem with the banana industry, the major part is the fact that our costs of production is twice that of our competitions in Latin America. It cost us \$9.50 US for a 40-pound box and it cost them \$4.00 US. Mr. Speaker, we cannot ignore these things, that is the reality and if as is coming at the end of 2005 we do not have the protection that we had before in terms of tariffs and quotas it means, Mr. Speaker, that we would be out of the industry.

Therefore, Mr. Speaker, as part of the restructuring exercise in the past and continuing even today we went after irrigation, that is why we started irrigation programme Mr. Speaker, because where Latin America was getting 20 tonnes to the acre, we were getting 5 and 6 tonnes. They have a lot of advantages over us, and with irrigation you can bring up the yield per acre significantly as has been the case with those farmers who have gone into irrigation, that was part of the restructuring exercise also. So it did not start now. That is part of what was going on and it will continue to do so. Mr. Speaker, in that context also we brought in tissue culture plants which have a slightly shorter growing life but have bigger bunches of bananas, all that Mr. Speaker, is a contribution to yield. In the same way the Prime Minister is trying to do now, Mr. Speaker, renegotiate the Port contracts, for those who handle bananas in the Port and reduce the price of those contracts by 3 cents per pound, that was part of the restructuring exercise, Mr. Speaker, aimed again at reducing our cost. So we tackle it at both fronts, trying to improve yields through irrigation and tissue culture and trying to reduce cost by reducing handling cost. When we took off GEEST West Indies Ltd which is part of the restructuring exercise again Mr. Speaker, and that is what WIBDECO took over, the staff was reduced from a hundred and thirty-six to 59 persons, all that was part of reducing cost, Mr. Speaker, so I am saying, the point I am trying to make, Mr. Speaker, is that type of exercise we have to continue. We not starting today, we want it to finish this year or next year but the whole objective Mr. Speaker, is to get to a point where when the tariff is removed, or the tariff is too low to protect us we can still stay in the market.

Mr. Speaker, we introduced the certified farmer programme which is being responsible for the improvement in quality in bananas. You heard the reference I made to the Central Bank report where our quality score went up to an average of 79.4% being a premium fruit because the market Mr. Speaker, was calling for more and more and better quality. All these Mr. Speaker, are part of same restructuring exercise. Mr. Speaker, I have said in this Honourable House and the Prime Minister has said that WIBDECO has been asked to review its proposals with the industry, and I am still waiting to hear what WIBDECO comes up with, because I am yet to be convinced that the industry is not going to target specific farmers because they are looking for farmers who are going to produce an average yield Mr. Speaker, of 50 tonnes, so I am yet to be convinced, because I want to see what WIBDECO comes up with, because all their projections in terms of whether you can survive assumes Mr. Speaker, that the yields are going up, and mainly because of irrigation and use of tissue culture and Mr. Speaker, I know that the donors have been trying to push our countries into providing financing only for those farmers who they feel could make it. They are saying that they are not going to use their taxpayers' funds to subsidize inefficiency. I do not believe Mr. Speaker, that they have changed those principles. I do not believe so at all. Mr. Speaker, if they are going to target then the Prime Minister's figure of how many people will be displaced in the industry is optimistic. In my own view more people than is suggested will be displaced from that industry. There are number of areas in our

country which cannot take the irrigation, the source is not there to get the water, and I do not see except in areas of high rainfall, I do not see how some farmers who are presently making six and seven tones an acre will survive. All these are important factors, Mr. Speaker, in relation to this industry, somewhere in the WIBDECO reports I see a reference here and I want to quote this Mr. Speaker, because this is something that has to be taken into consideration. Within the cost savings, and I am quoting Mr. Speaker, "Within the cost savings envisage within the streamline operation, that is after we have done most of the restructuring the prices that they estimate would be adequate for farmers, if they are Mr. Speaker, achieving 12.5 tones pre acre under rain fed conditions, or 17.5 tonnes per acre if they are under irrigation. That is why I am convinced Mr. Speaker, that we in fact are speaking of a situation in which farmers are going to be targetted. I know, Mr. Speaker, it is politically difficult to say that you are going to tell farmers well you will not be able to sell and WIBDECO has said it will buy from those farmers with whom it has contract. So I know it is going to be difficult Mr. Speaker, to say, that politically it is going to happen. It is going to happen and therefore I await the new proposals that the Prime Minister has indicated that would be coming for WIBDECO. But I do not see Mr. Speaker, how there are going to be any fundamental change in terms of that particular exercise.

Mr. Speaker, we are in for a painful time, painful for our economy, and painful for the farmers of this country. Let us not in any way try to disguise that, because it is going to come, and there is going to be a cost, Mr. Speaker, associated with that, there are all sort of cost associated with that, both social, economic and political cost because for many years when you try to do things like this people give all sorts of other reasons why you are really trying to do it, other than what the real reason is. I have been accused of stealing the Banana Association money, as part of the problems of the industry. The real issue Mr. Speaker, is that our industry is not competitive. The banana industry as we know it today even with the steps that has been taken so far is not competitive; so, Mr. Speaker, let us realize that reality and attempt to deal with that accordingly. We have passed a new Banana Act in this House just a few weeks ago, in which the Government has assumed greater responsibility for the management of the industry, and one of the grounds Mr. Speaker, for that, is that the farmers, those who were on the board and so forth did not do a good job, that their self interest prevail, over the broader interest of the country. Mr. Speaker, that is what the Government has said and Mr. Speaker, I want to point out as part of the restructuring exercise, of the same donors were involved in they had argued and in the Cargial report you will find that, that the industry should be turned over to the growers and that is why we have to bring legislation to this House to remove Cabinet control over the Banana Growers Association in 1996 that was a condition of funding of the industry of the donor community at that time, [Interjection] No I am not doubting that I just want to explain that, because the impression is given, otherwise, I am saying that the new Act that was introduced in 1996 was done so after agreement between all the Windward Islands and the donors and that is what gave control of the board to the farmers, today

we go on the Opposite, and that is why I say we will continue to have changes, Mr. Speaker, as we strive to restructure this industry. It is always going to be a dynamic situation, Mr. Speaker, but I think the hardest days are yet to come, the days that will cause the greatest costs to farmers and country. [Interjection] Well, they will soon know, there isn't much longer to go.

Mr. Speaker, the banana industry has brought great benefit to this country over the years, the value added in the industry is quite good, the level of value added in this industry is quite good and we really have to do all that we can to maintain it. But while that is so Mr. Speaker, the industry will not go beyond a certain size, and as you say, with the increase pressures that is coming out way that is a reality that we have to face. Mr. Speaker, the Government has indicated that it will take over the debt of the banana industry, I do not know when the Government proposes to do that, I do not see any specific reference to that in the estimates of expenditure of the Government. I thought that the Government was taking over the industry and would be running the industry with its advisory board and so on in the new year, but I see no reference or any financing or any provision for taking over that debt in the estimates. Mr. Speaker, there is a difference between guarantee debt and taking off the debt Mr. Speaker, which I think the Prime Minister is well aware of. No but in terms of the Estimates it can no longer be classified as guarantee debt, it would be debt paid by Government. The Government, has announced Mr. Prime Minister, you have announced that you would take over the debt. Are you saying that you are not going to take over the debt? And all I am saying, Mr. Speaker, I just want to ensure that the Government is going to make those payments on the debt as it promised. That is all and to get some indication of how that is being and where it is being done. You have to live up to this one for the first of January.

Mr. Speaker, I want to say a little about the arrowroot industry while I am on agriculture because just like the banana industry a lot of statements were made yesterday and you would believe that all these things were initiated by the ULP administration. Mr. Speaker, again this area in which a lot of work was done prior to this administration, the studies that are being used now for the restructuring are studies financed by the CDB under the NDP administration, the taking over of the overdraft was done during the NDP administration proposal in relation to the new factory was something arising out of the study that we financed and the purchase of the property near to the banana association, the old arrowroot property was done under our administration and all of these Mr. Speaker, are part of the restructuring exercise that is being undertaken, as we listened yesterday, we believe that all that happened since March 28th, all of it happened before March 28th. And in fact, a portion of the funds of the sale of the property is passed by to the Association under proposals to assist in the restructuring of the industry. So this is not anything that is new, you are simply carrying out what has already been started. [Interjection] So Mr. Speaker, I guess this is also part of the bad hand that he received from the NDP administration, but, Mr. Speaker, while all this

would be good there is a limit to how far that industry can go and to how much we can earn from it over time because of the level of competition from synthetic products and we have to bear that in mind.

Mr. Speaker, I was very interesting to hear about the agricultural diversification fund and the Minister of Agriculture, I would not bother to say the Prime Minister, because it seems to me that the Prime Minister speaks for every the Ministry. The Minister of Agriculture is going to have his work cut out, [Interjection] I spoke for my Ministries because I had competent people to deal, -- and I believe he has some competent people to deal and I believe he has some competent people over there but he is not using them, you are talking for them all the time. You have competent people on that side and you are not using them. You do not even want them to speak on the estimates; you had to make the Minister of Transport call a press conference the day after to present his estimates. Yes. You did that, when I listened his presentation I regard it as a form of protest that he was not allowed to speak on the estimates debate. I told him so yesterday; he can confirm that, because he is an independent man of independent mind. But he was muzzled. [Interjection] You do not worry about Senator Leacock, you must allow your Ministers to talk. You have competent people over there who could talk but are trying to make them as somebody has said, one encyclopedia and 14 copy books, but I do not believe it is 14 copy books, I believe it is seven. [Interjection] You said that last time to, man, you said that last time. I do not have to take you on that, you said that the last time also. But, Mr. Speaker, this is a serious matter. This Parliament is being denied the presentations of people who are competent to speak, I am sorry that the Honourable Deputy Prime Minister is not here, because I had an indication to make to him for the longest while, but I noticed he is very quiet, oh, you are here [in walk the Honourable Deputy] Oh, you are here, [Out burst of laughter]. I had something to indicate in this regard. I am pleased to see the Deputy Prime Minister come into the hall. I was just making the point Deputy Prime Minister, through you Mr. Speaker, that I would like to see more people from that side of the House enter the debate because there are competent people there. And I assume that during the debate we will have an opportunity to hear from the Minister since they could not speak on the Estimates, but for you in particular, Mr. Deputy Prime Minister during the 'Burns' episode I noticed that you were not mentioned as a successor for the Honourable Prime Minister in the event that he had to depart and I thought as Deputy Prime Minister you would be number two, but it seems to me that you gone from number 7, I had put you to number 4 before, but it now seems as though you have gone to number 7. [Laughter]

HONOURABLE LOUIS STRAKER: Thank you, for your concern.

HONOURABLE ARNHIM EUSTACE: Yes, I am very concerned about that, and from something I heard yesterday, you might be number 8 soon.

HONOURABLE LOUIS STRAKER: All right, all right, do not worry about that, I can take care of myself.

HONOURABLE ARNHIM EUSTACE: I am glad to hear.

HONOURABLE LOUIS STRAKER: But by the way, why are you so concerned about me?

HONOURABLE ARNHIM EUSTACE: Because I know that you are Christian brethren.
[Laughter]

HONOURABLE LOUIS STRAKER: Not political mischief?

HONOURABLE ARNHIM EUSTACE: No, no because you are a Christian brethren.
[Laughter].

Yes, Mr. Speaker, I want to turn now to tourism. Mr. Speaker, a lot of our future, economic future our possibilities for improve standard of living in our country, a lot of that is going to hinge on what happens to this very important industry, tourism. Mr. Speaker, in the debate short as it was on the estimates, I drew attention to the fact that I thought there should be a larger allocation for tourism promotion in light of the developments that have taken place in the industry and particularly, Mr. Speaker, in light of what has happened since September 11th, I thought that the additional allocation, was too small and I am still of that view. As I was leaving the hall Mr. Speaker, I heard the Prime Minister referring to discusses he had with one or two hoteliers, one of whom was able to send post cards to his previous guests, and so on; that is all well and good, that might be good for him, I do not think that is good enough for the overall industry of St. Vincent and the Grenadines and other countries of our region with whom we have to compete are all making improved provisions for tourism promotion in their respective countries, our level is not the same as theirs in many instances, but I am strongly of the view, Mr. Speaker, that while this is an important measure in terms of the restructuring of the industry to improve promotions, it has not gone far enough. Mr. Speaker, the additional allocation in the estimates for tourism promotions is \$455,000.00. Mr. Speaker, if I can make just for comparison sake a reference a reference to a neighbour whose tourism industry admittedly is bigger than ours; I want to get an order of magnitude.

Mr. Speaker, St. Lucia's recurrent budget in 2000 \$370 million that is what they want to spend on recurrent expenditure, St. Vincent for the same year was \$245 million, so that in fact Mr. Speaker, expenditure in St. Lucia in terms of the budget is one and a half times the size of our budget overall, in terms of the recurrent. Mr. Speaker, but there are tourism budget for promotions, admittedly a larger industry but the tourism budget promotion is \$15 million against \$2.6 million for St. Vincent and the Grenadines, in the year 2000, [Interjection] No, I am not saying that, I am saying that

the budget overall is 1 ½ times ours but their expenditure on tourism promotions is 5 ½ times ours. And in addition to that because of September 11th they are providing additional \$3.7 million increases by a further 24% because of the gravity of the situation arising out of the situation of September 11th. And I am saying to the Government that they need to look again at the allocation for tourism. We are just giving orders of magnitude here Mr. Speaker, but I think we need to look at that again all that is part of the recovery and the sustainability Mr. Speaker, of the budget that was presented and I say I will come back to that later, all of that is part of the sustainability which we feel that we can achieve in the budget that is presented because tourism has to play a major role Mr. Speaker, in bringing back Government revenues to the levels required to provide the services to this country, and in terms of foreign exchange earnings Mr. Speaker, it is going to be the greatest and continue to be as it is now, the greatest contributor to foreign exchange which is the basis on which our country now maintains its value. We cannot get away from that Mr. Speaker. In the year, 1999 Mr. Speaker, when we were earning for the four islands just about \$100 million for bananas, we were earning over a billion dollars from tourism in the OECS, so that when fears arose about the value of the currency in 1999, the bank was not too worried because tourism was doing really good and tourism's contribution to maintenance of the value of our country by its contribution to foreign reserve was what held it together and I am saying Mr. Speaker, in that context anybody that represent today in light of the world situation, and our own situation has to pay more credence to the tourism sector. We cannot get away from that fact Mr. Speaker. So whether we term it tourism promotion, Mr. Speaker, or airport development, Mr. Speaker, or the development of tourism sites, or roads, or whatever Mr. Speaker, we cannot, we cannot, forget that Mr. Speaker, because the circumstances have changed drastically, September 11th, has changed that circumstance and I am saying that the response in the budget is not good enough in relation to that sector. [Interjection] If it had a September 11th before it would have had more spending before.

Mr. Speaker, the World Bank has issued a statement to the effect that they have seen on American owned aircrafts coming into the region, a decline of about 60% in seats, that is going to affect us badly. We have never had a circumstance like that before, Mr. Speaker, never and it takes extra ordinary steps to deal with that Mr. Speaker, and part of that Mr. Speaker, has to be tourism promotion, and I am saying Mr. Speaker, we cannot sustain that and have the revenue growth for our whole economy for Government if the tourism sector does not recover as quickly as possible. Everything we put in the budget will come to naught if that is not sustainable Mr. Speaker. So while we try a little politics and so on and talk about coastguards and so on that is the reality. That is the reality. That industry has to be given more than the others now, Mr. Speaker, more than the others, it might not be fair to say so but it is true. It has to be given that assistance because it will contribute significantly to any early recovery in our economy.

Mr. Speaker, you know, when I made the comment on the tourism when I spoke on the estimates about the allocation from Mission. I also made that comment also in the context of the Prime Minister's own words in his address on October 11th. Mr. Speaker, I think it is on page 21 of the Prime Minister's address and I was surprised that he would try to indicate and belittle the suggestion that we had made in relation to that because he himself in his presenting made it very clear on page 21 of his October 11th address: "Revitalization of the Tourism Sector" "The crux of the Revitalization of Tourism on matters which are in our control hinges immediately on increase Government private sector expenditure on targeted promotions, all I was saying Mr. Speaker, is that the amount provided was in agreement with this statement, I was saying the amount provided does not reflect what was needed. [Interjection] I know it is targeted promotion, I just read it. I know what I am saying, I do not need you to tell me that. Mr. Speaker, it is an important point, I agree with it totally, all I am saying, you are targeted but you have not put the money to go with it. And in that context it weakens the budgetary presentation and the sustainability because it weakens the possibilities for recovery of the economy that is what I am talking about. [Interjection] You do not worry about my scoring points, because you have to concentrate on being number 8, not number 2.

Yes, but Mr. Speaker, I just want to stress in moving off from tourism because I do not see it in the estimates that is going to really do anything in terms of accessing. I hear about these hubs and so on I do not think that is going to make much difference in terms of what happen in the tourism sector unless we can deal in some meaningful way with the question of airport development in our country. We can say whatever we want about hubs through St. Lucia, Hewarnora or through Barbados, all of us know how that works, all of us know. And I do not pick to pay any particular importance to that as a measure in terms of tourism in the country. Whatever it does would be very marginal at best, Mr. Speaker.

Mr. Speaker, I want to make some comments on education. And Mr. Speaker, again I have the same problem, I have the same problem, a lot is said, a lot of noise is made about this education Government and I am not denying for one moment Mr. Speaker, the importance of education, I am not denying that in any way. But when I look Mr. Speaker, at the additional allocation provided for education, I then see it is not a question of not putting your money where your mouth is. You see part of the problem with this Mr. Speaker, is that governments are beginning to realize the difficulty that any finance minister has with the allocation of resources. It is very easy when you are in opposition to say I want to do this, and I want to do that, very easy, but when you sit down – and I see the Prime Minister laughing, when you come and sit down now and you have all these sectors before you, and everybody is clamouring for their allocation and you know a lot of them are deserving, you then come, -- [Interjection] I do not agree with the budget, so you do not worry about that. I will explain myself later. No, you let me deal with the sectors I will come to my thing when I am ready. So Mr.

Speaker, all the educational talk, all of it, you just did a little marginal thing here and there. So when you say, education is the main thrust and then you put less than one million dollars I begin to question; that is the allocation in the budget, capital, additional. That is what I am saying all the time, additional. Mr. Speaker, this is a serious matter, what we are doing is fooling the public. We are fooling the public, it is less than one million dollars the additional allocation. Just under one million dollars. I said additional allocation, I said so, it seems as though you are a little bit hard of hearing, you know.

HONOURABLE MR. SPEAKER: I remind you that when you respond you are using your time.

HONOURABLE ARNHIM EUSTACE: Yes, I understand that, Mr. Speaker. Mr. Speaker, there is a little bit of slight of hand also in the presentation of the education budget in the estimate, because much is said about the percentage, Mr. Speaker, of the allocation, the percentage in the capital budget has moved from 17.1% under the NDP to 23.1% under the ULP so anybody would say Lord, man a big increase in the education budget but you have to tell the public that the capital budget this year, is 90 million dollars smaller and that 6% or 5% is less than \$1 million, so then they know how much money is going to be spent, so do not fool anybody about that, it is better you come and say scarce resources between competing needs restricted me, [Interjection] I do not know if you are going to spend it either, -- restricted me from doing what I want to do. So that is the reality, you know, that is the reality. That is the reality, you see, that is the reality, but you see sometimes, when you have extra ordinary circumstances that we have now, we have to take more drastic types of action and that is where we will come back to the sustainability issue.

Mr. Speaker, I am nearly, finish you know, I do not have long to go, nearly finished. I only need five more minutes. Mr. Speaker,...--

HONOURABLE MR. SPEAKER: So you want to be heard in relative silence for the next five minutes.

HONOURABLE ARNHIM EUSTACE: Whether is silence or not silence, Mr. Speaker, I won't bother.

Mr. Speaker, I want to talk about the Offshore Finance Sector. Mr. Speaker, our country, -- I think I misled you a little bit, Mr. Speaker, I think this will take a little bit more than five minutes. [Laughter]. Mr. Speaker, our country, during the administration of the NDP was put on the blacklist of the FATF, particularly because, Mr. Speaker, obvious issue of addressing money laundering and some other issues which have been raised over the last couple of years. Now we have seen Mr. Speaker, that this industry has potential for the growth of our economy. Last year, we estimated, that the economy including things like rents, and so forth, were under about \$35 million from

this sector. [Interjection] Well, that is a matter of opinion. The fact remains Mr. Speaker, that we have been earning from this industry and the earnings have grown the last few years. Mr. Speaker, I believe that because of what is happening in international environment, it is very important that changes be made in the sector. We have been asked to comply with a whole host of international requirements; from the FATF, the OECD and many others, a host of requirement. We held discussions, Mr. Speaker, on the select committee, in the Parliament when we discuss the money laundering legislation a few weeks ago, and the first session of that committee, the first session dealt exclusively with matters of policy because I think it was recognized by all concerned Mr. Speaker, that there had to be adjustments from the policy of what we had at the time when we did the revisions in 1996 and 1997. At that time, Mr. Speaker, we assumed or we took the position that if you wanted to compete in the market we would have to find something that distinguished, some niche for St. Vincent and the Grenadines, because there were 60 other offshore jurisdictions in the world, we had to find a niche. At that time, Mr. Speaker, confidentiality was seen as a selling point for offshore sector, and in addition to that Mr. Speaker, the other selling point is that we should have many financial products, we should not just restrict ourselves to offshore banks or to international business companies or mutual funds or international trust, or international insurance and so on, we should do as many products as we could in our jurisdiction.

Mr. Speaker, those decisions now have to change, as so many thing else in our economies have to change, and as the Prime Minister will tell you I had indicated to him in the select committee that we needed to have that type of discussion because I recognized that the steps that we had to take now meant that there had to be that change. Mr. Speaker, we have for some time now been concerned about a number of issues, and I noticed yesterday when the Prime Minister was presenting his budget he indicated some of the changes that needed to take place, and of course as is usual he presented in his budget, a number of that aspect changed and he had indicated that he has sanitized the Offshore Finance Sector in some ways. He had indicated that his government had gone for a greater role for the ECCB in the supervision of the Offshore Finance Sector and this was presented in a way that seemed to suggest that that was something completely new and coming from the ULP administration. I just want to refer him to page 34 of my budget address last year where I state and I quote: "along with our ECCB area colleagues we are also working towards a greater supervisory role for the ECCB." And this was in the context of the discussions that were being held for the FATF, so I had indicated then that during the course of this current year that we would be working towards a greater supervisory role for the ECCB. Several discussions, were held Mr. Speaker, I attended meetings with other ministers of finance and the initial decision was that while the ECCB could improve its supervisory role their were concerns about stability to move fast and the extent to which the ECCB procedures will affect our competitiveness. That was the issue of concern to many of the countries. In addition to that Mr. Speaker, you would recall that in the document

that was produced when we were blacklisted reference was made to the ECCB and what role they could play in terms of supervision. And even at that time Mr. Speaker, in that document the point was made and it appeared in the ST. Kitts document also, it appeared in the Dominica document, the point was made that the ECCB would have difficulty supervising its on shore banks, far less giving them the responsibility for supervision for the offshore and there were certain implications therefore both competitive and practical of giving the ECCB control over supervision. I am making this point Mr. Speaker, because while I understand the decision of the Government I do not agree with it. I do not agree with it; [Interjection] I see why you are number 8 you know. Mr. Speaker, let me quote again, along with our ECCB area colleagues we are also working towards a greater supervisory role, there is a big difference, ECCB.

Mr. Speaker, my reservations have to do with the fact that it would reduce our competitiveness. I am not saying that they should not have any role, but we have to be clear as to the extent of that supervisory role. That is what I am talking about Mr. Speaker, and in a situation where we are required, to make all these other changes which impinge on our competitiveness, we just added another one, that is my view on the matter Mr. Speaker, I do not expect everybody to agree with me, but like all of us Mr. Speaker, in this House I would like our country to benefit from the Offshore Finance Sector. So this is very important to me Mr. Speaker, because I believe, [Interjection] No, I remember that, it does not mean I have to agree with everything. I do not agree with everything and they will tell you that I have raised it on many occasions. Each Government has the right to determine for itself which way it wants to go; I am just saying what my view is.

Mr. Speaker, there is another aspect of this offshore business which we have to be very careful about, we have slight reprieve now because the OECD is sort of backing away a little bit in some of its initial statements because of the position of the United States has taken; but I am sure that none of us assumed that the OECD will not come back on that matter, and I saying Mr. Speaker, that if the OECD comes back on that matter and they are successful, I do not believe that we will be having any budgets in this House after that, because, and I want to be very clear on that Mr. Speaker, the way the World Trade Organisation is going today the pressure to reduce tariffs, the pressure to liberalize our economies is making life very difficult for any government in terms of revenue. The OECD, Mr. Speaker, is saying that low tax regime or no tax regimes that we have in the offshore sector is causing them to lose revenue, and that we should look to see how we can adjust that, which could only mean Mr. Speaker, adjustment upwards, because their taxes are higher than ours, but at the same time, Mr. Speaker, the World Trade Organisation is saying to us, that we have to keep our tariffs down if we want to be competitive. So we are caught between a rock and a hard place. But in addition to that, Mr. Speaker, and this is particular to the OECS countries, in addition to that the OECS countries have a central bank arrangement which does not allow any individual government to manipulate the economy by

monitory policy, interest rate policy and so on is set at the board of the ECCB. So if you thought that in St. Vincent and the Grenadines you need to take a monitory decision, if you thought for instance that the currency should be devalued, you could not do it alone, so you cannot use those instruments to stimulate your own economy, and therefore Mr. Speaker, that leaves us only with the fiscal instrument, tax concession and so forth. Now if we give up that right, Mr. Speaker, if we give up the right to determine that, you neither have monitory or fiscal policy, as a tool for manipulation, so you do not need to have anything because the Government would be impotent, unable, Mr. Speaker, to make decisions to stimulate the economy; because if you were to reduce the tax and they feel that is,-- where are we going? And Mr. Speaker we have to see the offshore sector in this context and let us not forget Mr. Speaker, that this is something that had been ongoing and we only have a stay now because the United States does not want anyone to dominate in terms of this tax situation. I do not know how long the United States will maintain that position. I do not know when the United States may join with the other OECD countries. The Clinton administration was more willing to join, than the Bush administration. So, Mr. Speaker, we have to look at that very carefully, when we talk about offshore sector, we have to remember that, that is something that is laying in wait there for us. So Mr. Speaker, having a grade on policy positions the Government is saying, this government, our government is saying, Mr. Speaker, that we have now to depend on efficiency for the offshore sector to be competitive. Mr. Speaker, everybody can see that. That does not give us any particular edge, any competitive edge, so it is left to be seen whether we will in fact benefit from the new sets of legislations which we are required to pass, I am not saying we should not pass them whether our offshore sector will grow; surely Mr. Speaker, I have seen no comments in the budget address as to what happened for 2001 but I there has been a decline and part of it is responsible simply because of the very things I am talking about here. So Mr. Speaker, it seems to me that we are in this position that we wish to maintain an offshore sector, we wish to maintain an offshore sector but at the same time we find some difficulty. We have some difficulty, [Interjection]. Do not worry about that everybody will wake up just now.

Mr. Speaker, I want to turn my attention to a matter that has been engaging the people of this country over the last week or so. Mr. Speaker, I support the introduction of the money laundering legislation. I supported it in this House. There was a division and all the members of the Opposition supported that legislation. I supported also, Mr. Speaker, the Financial Intelligence Unit legislation which I think is also very important. They are all part of the process of change that we have to go through in relation to the Offshore Sector. But Mr. Speaker, we are a small country and very often Mr. Speaker, we have to swim in a very big ocean. Mr. Speaker, what we do on the ground, what we do on the ground Mr. Speaker will determine to a large degree whether we continue to operate in this sector. I listened to the Prime Minister yesterday in his press conference on this matter and he indicated that with respect to the issue of the fugitive

from justice that he was cooperating fully with the FBI; I think he said there was a seven man or something like that delegation here. He is cooperating fully with the FBI in relation to this matter, well I am glad they are singing all I would say saying Mr. Speaker, I am glad that the Prime Minister was able to cooperate after the horse had left the stable. I believe that Mr. Nano published something last year which showed that he had been in St. Vincent for the last 25 years. I wonder which administration that was under when he came? So when we asked how he came, Mr. Honourable Deputy Prime Minister that is the answer that is how he came. He came under your regime. But Mr. Speaker, all that is irrelevant now, what is relevant, Mr. Speaker, is that we had an opportunity, whatever the Prime Minister says we had an opportunity to arrest him here, [Interjection]. I am not the Government, when I say we, I am talking about St. Vincent and the Grenadines, you know. I have raised this issue here, I have not gotten an answer to it yet. I hear the Prime Minister constantly referring to the Fugitive Offenders legislation; I do not know what that is about; that has nothing to do with that particular case.

Mr. Speaker, we have done ourselves in this country untold damage. The Prime Minister can say whatever he wants about the United States singing his praises, I am saying that we lost an opportunity to demonstrate to the international community that we are serious about this matter of money laundering, at the very time, Mr. Speaker, when we were dealing with that bill in the House. Mr. Speaker, this thing has a long history, it has a long history, a very long history and sometimes I have kept my mouth quiet, Mr. Speaker, I have kept my mouth quiet on a lot of things, I have taken a lot of abuse on this matter in this country, I did that. And you will hear more about that, I have taken a lot of abuse in this country on that matter from members of your party, Mr. Prime Minister. I have taken the abuse. I have said, Mr. Speaker, I have taken that abuse, I was part of decision to revoke the licenses of those banks, I have no regrets Mr. Speaker, about that revocation. [Interjection] Well, that is your say; You keep saying what the record is showing and that is important and you are very careful with your words, the record show, but I do not know what records were removed, I do not know what records were removed, I know there was a meeting of the board and a decision was taken, you are saying that there was no records for that, that is what you say, I know otherwise. [Interjection] You say what, the chairman is the only member of the board?

Mr. Speaker, the fact remains that those licenses were revoked. This new administration, Mr. Speaker, just a few weeks ago restored those licenses and then within a very short period of time, this administration was in receipt of a warrant for the arrest of Mr. Nano. Somehow he was able to leave this country, the Government made no statement in that regard, at all, it was left to me, Mr. Speaker, to make a statement in this Parliament, and Mr. Speaker, this is not the first time you know, that I had to be involved in a matter relating to money laundering for that same institution, and I well know the difficulty, Mr. Speaker, of people saying that that law does not

apply to them and that they are not given certain types of information. This is not the first time. Not the first time at all, so when I say that there is a history, there is a history to this, and knowing personally that this is something very important to me, knowing, Mr. Speaker, that I had not had any contact with that institution, in terms of borrowing, I have always regarded them to put it mildly a suspect.

Mr. Speaker, on the 25th of June, 1999 the Permanent Secretary in the Ministry of Foreign Affairs, Tourism and Information, wrote to the then Finance Offshore Inspector on the following subject. Subject: Request for Legal Aid of the Regional Court for Criminal matters of Vienna Austria and the Permanent Secretary forward that request to the offshore finance inspector saying that,

“I am forwarded for you information and assistance the attached self-explanatory document and would be grateful for any information in response to the question therein.”

And this is a letter from the Austrian Embassy in Caracas dated April 30th, in that letter, and I read it as follows,

The Austrian Embassy presents its compliments to Honourable Minister of Foreign Affairs Tourism and Information of St. Vincent and the Grenadines and has the honour to transmit the enclosed request for legal aid for the regional court of criminal matters of Vienna in the case of the Austrian citizen, Christopher Groupster. The Austrian Embassy would be grateful if the honourable Minister would transferred the mentioned request as well as the attached list of questions to the competent court. The Austrian Embassy avails itself of this opportunity to express in advance its gratitude for Honourable Ministries assistance and to renew its assurances.

Mr. Speaker, there is a letter here attached to this document concerning a firm called Zug Insurance Holdings Limited established in St. Vincent and the Grenadines this firm Mr. Speaker, had advertised in several European countries by inserts in daily newspaper and economic journals the availability of credit on favourable terms, in other words this firm called Zug Insurance Holdings of St. Vincent and the Grenadines was advertising abroad that they could lend you money on favourable terms they also advertised in economic journals, one of the conditions under which they will lend you this money is that you would say what size loan you wanted and you would then have to make a deposit of 10% of the loan, once you made that deposit you are assured that you would be getting the loan. Several German citizens did not want to provide this advance so they turn to a Swiss notary Dr. Christopher Wilson requesting that he take trusteeship for their advances that they made, and he did, and persons transmitting, 3.2 million Dovich Marks to the particular account, now these accounts were on the name at that time of New Bank Limited registered in St. Vincent and the Grenadines,

but after the people did not get the loans they recognized that perhaps there is a case of fraud here and in August, 1998, New Bank Limited gave the instruction that the entire amount when you convert it to US dollars was \$693,476.00 US be transferred from the accounts with the bank in Austria, I cannot remember its name to an account with the Nations Bank in Miami USA and to close the account, so the people have not gotten the loans, the accounts are closed and the money are transferred, that was the idea, but the Austrian authorities prohibited because they recognized what happened they prohibited the transfer of those funds. Mr. Speaker, I want to read the first paragraph of this letter addressed to the Government of St. Vincent and the Grenadines. It says:

“Ladies and Gentlemen, at the regional court for criminal matters, Vienna, Criminal proceedings are pending against Christopher Gustoph and others suspected of aggravated fraud as a source of regular income under terms of section 146, 147, 148, and money laundering respectively.”

So it is not the first time Mr. Speaker, that we are hearing about this type of matter. Mr. Speaker, after the Austrians stop the transfer they wrote to us and said:

“It has not been possible until now to establish who the authorized commercial representative of New Bank Limited is as New Bank already in 19991 had refused to disclosed these names to Austrian authorities; regard Zug Insurance Holding Limited, the two Swiss nationals, Christopher Gustoph and Hans Stevgurt are the authorized commercial representatives.”

The up short of all this Mr. Speaker, is that they wanted us to send back to them the following and they summarized it this way:

“Therefore there is the overall funded suspicion that the persons limited purported to act in the name of Zug Insurance Holdings authorized representative by New Bank by making available accounts and transferring sums of money acting as accessories to these fraudulent acts and respectively laundering money with regards to these ill gotten gains.

The New Bank Limited addressed 16 South River Road, PO Box 1629, State of St. Vincent and the Grenadines, West Indies was founded in October 1990, the undersigned court respectfully request that appropriate investigations be carried out to answer the following questions; who are in effect the authorized commercial representatives of New Bank or any business activities conducted by New Bank Limited and the Zug Insurance Holdings Limited if so what activities, do personal or business cross connections exist between these companies if so which, and they attached a number to the piece of documentation. So, Mr. Speaker, when we try to get

information from New Bank to respond to this request of the Government of Austria, it was said we could not do it, eventually I was informed that both gentlemen were sentenced to jail and are now serving their jail terms although we cannot provide the information.

So, Mr. Speaker, we have a situation in which not for the first time you have an entity operating in our country, we made some efforts to deal with that entity, Mr. Speaker, they were restored, and now again Mr. Speaker, they have caused us embarrassment. And I am saying Mr. Speaker, that impinges on what we do in terms of the development of the Offshore Sector. And Mr. Speaker, I know a lot more about Zug Insurance and persons who are involved and as the occasion arises Mr. Speaker, I will say who it is, because I want the public of St. Vincent and the Grenadines to understand that we cannot permit any institution to bring this country into disrepute, we cannot permit it, Mr. Speaker, and I accept Mr. Speaker, and I accept, Mr. Speaker, that efforts are now being made but I wonder, Mr. Speaker, how much information have already been transmitted abroad on which we cannot now lay our hands on, or destroyed for that matter. This Mr. Speaker, is a very serious matter. I can only Mr. Speaker, express the hope that this matter comes to a speedy conclusion because it is the name of this country which is now on the table.

Mr. Speaker, I am very unhappy of what has transpired. I know a lot of history about this matter, but while I understand, even if I do not agree, with the efforts that are being made now, I know that this country has been hurt certainly our reputation has been hurt by what has transpired and Mr. Speaker, we cannot allow it to happen again, and Mr. Speaker, I ask the question again and I hope we will know something soon, what are we going to do about those two institutions that are still in this country, what are we going to do with them. [Interjection] You told me privately what you are going to do with them. You told me what you are going to do with the institutions. Mr. Speaker, [Interjection] no, I understand that part of that it. I ask the question, Mr. Speaker, what is the Government of St. Vincent going to do about those two institutions and their licenses. {Interjection] There is nothing called too much, do you hear me? Yesterday the Prime Minister extended the courtesy of television coverage to me which he used to get, that was a little bit of smart politics, you know. I never got any tape or anything. That was all a little piece of politics, you know, to make the public believe that it is unusual for the Leader of the Opposition to be televised. That is not true, there is nothing unusual about that, anyhow, I am coming back to the question though. I am coming back to the question, what you are going to do about New Bank? I am coming back to that. What are you going to do with Nano and Sons 1146? Mr. Speaker, the man was here, and he was able to go to our airport, charter an aircraft, go through immigration and go away. Mr. Speaker, I do not accept that, the Prime Minister could talk from now until thy Kingdom come, I will not accept that. [Interjection] You said that is the law? I will not accept that. I will accept what she says in that regard, I know she is a Christian Lady, and I know she ranks higher than number 8. [Laughter] That I

know. I know she ranks plenty higher than number 8. I would not bother to put a figure on it yet, I am watching some other developments and then I will put figure. You notice how the Minister of National Security is quiet. So I am watching. You noticed how the Minister of National Security is quiet. [interjection]. Me? I was not here to do that.

But Mr. Speaker, while we have a little exchange here let us not forget the gravity of the situation with Nano and or New Bank, let us not forget it at all because it is going to come back to haunt us. You know I was lucky, it is lucky that I kept certain information because I know, you know, a lot of people believe that they had a lot of influence to do certain things. I was even accused in a letter a couple days ago, you know, of attempting to break-in into Nano's building or being in compliance with that. That is in the letter that I read in the Parliament, and I take strong objection to that Mr. Speaker, strong objection. Mr. Speaker, I know you would like to put that person number 7 but she is above you though. [Laughter]. But Mr. Speaker, I want to reiterate that we take this matter with the utmost seriousness, I want to reiterate that.

Mr. Speaker, I have another letter to read but I think I will hold it. [Interjection] Don't worry; you do not worry.

Mr. Speaker, I believe that we have damaged our chances to get off the blacklist. I felt Mr. Speaker, that the money laundering and the Finance Intelligent Unit Bill would go some way, to restoring, I do not have that confidence any more, Mr. Speaker, I have no reason to be confident anymore, not that I do not support the legislations, I believe they are absolutely essential but I have no confidence Mr. Speaker, that what has happened really enhances our chances of coming off, certainly, to my mind it has made it worst.

Mr. Speaker, I notice that the – and perhaps in his reply the Prime Minister can indicate, I notice that no data was provided in the sectorial review of the performance of the offshore finance sector during the year 2001 and I would like to know what that was I think all of us have an interest in finding out how the sector is going.

Mr. Speaker, I want to turn my attention to another matter now, I want to turn to the utilities, Mr. Speaker. Mr. Speaker, as usual the Prime Minister is very selective in his language and for most sectors of the economy, in most of his presentation yesterday he was careful to point out all these bad hands that he got as Prime Minister. He came to deal with utilities and he certainly cannot say that he got a bad hand, particularly I want to speak about VINLEC and water and to say that during the NDP administration a lot of work was done to improve the performance of these utilities. [Interjection]. I know they have a very extensive capital programme and I want to talk about that too. Mr. Speaker, both institutions have done well and are recognized as so in our region and nobody can gains say that. Mr. Speaker, the coverage has improved significantly

for both water and electricity, both are in good financial standing, Mr. Speaker, and VINLEC has some substantive reserves. Mr. Speaker, the Prime Minister mentioned something yesterday, which I want to reiterate and that is Mr. Speaker, that VINLEC has a big capital programme. And I know it is tempting Mr. Speaker, and I believe VINLEC falls under the auspices of the Minister of Transport. I know it is tempting Mr. Speaker, when we see these large reserves, we want to use some of it and that is all well and good, Mr. Speaker. But the Prime Minister was careful yesterday, Mr. Speaker, to say that there is a big capital programme and I think he said that in recognition that VINLEC has to play a role in financing its own expansion. And because it is a commercial entity Mr. Speaker, loans from international institutions require that Vinlec provide a large proportion of the financing of any project. I think the last project which they did they only got the loan at 60% and they had to provide 40% of the loan and I would assume that they would have used their own resources to finance the other 40%. So I make this point Mr. Speaker, so that no one should think that because there are significant funds in that institution that it should be used without regard to the extensive capital programme that the institution has for the next few years. The situation with water is not fully similar and I look forward to both of those institutions continue to contribute to the public sector savings of this country.

Mr. Speaker, Government does not own the other utility, that is Cable and Wireless and I recall Mr. Speaker, that then Opposition Leader now Prime Minister while we were negotiating the liberalization arrangements for Cable and Wireless referring to me as 'a bull in a China shop,' because I spoke strongly on certain issues but I am pleased to see Mr. Speaker, that the first agreement that the Prime Minister signed is the one the bull in the China shop involved in negotiating, I am pleased to see that because he signed that agreement early in his time. [Interjection] The Prime Minister of Grenada? The Prime Minister of Grenada, I have not been in any negotiations with the Prime Minister of Grenada. But it seems that on your side you have somebody in the same vein, and I want to suggest to you that Mr. Prime Minister you better tell him to simmer down, and I think you know fully what I mean Mr. Prime Minister. I will say no more on that. I do not want to put any numbers there, because there are no numbers there. But, Mr. Speaker, seriously now to the Prime Minister, we need to ensure that in relation to those utilities, we recognized the need for them to finance a greater and greater proportion of their own capital development.

Mr. Speaker, I want to turn to the National Insurance Scheme. Well, the Prime Minister did not say he got a bad hand for this, he said the actuary report shows it is in strong financial and actuarial condition, and he indicated Mr. Speaker, a number of increase benefits which have been recommended by the actuary which have been happening from time to time as these actuary exercises have been done. And he pointed out Mr. Speaker, that the 6% contribution rate is adequate to cover operations until the year 2016; he has the long term benefits and short term benefits and he gave an indication of what the actuary recommended in terms of the increases. But there something I

want a clarification on and that is, is the 100% mortgage programme financed by the NIS or by the NCB?

DR. THE HONOURABLE RALPH GONSALVES: It is a NCB, National Commercial Bank Financed operation, but a portion of NIS's deposits were transferred to the National Commercial Bank, \$5 million specifically for that purpose. It was moved from another commercial bank where the interest rate would have been less than that at the National Commercial Bank. There were two sets of monies which were maturing, one in another bank which was of a higher rate deposit which was left and this one which was going to be lower. So that portion was transferred. So it is the NCB monies because though, monies which are borrowed by business people and so on which are deposited by NCB by NIS is NCB monies, even though they came from NIS, but I just want to point out as I always do accurately what is the situation. We transferred a block.

HONOURABLE ARNHIM EUSTACE: Much obliged, Mr. Speaker. Mr. Speaker, let me express my concern on this matter. Mr. Speaker, the NCB is the main depository of NIS funds, all of us know Mr. Speaker, that the NIS has to meet long-term payments to pensioners over the years, mortgages are long-term instruments. At the same time Mr. Speaker, we have to ensure that (1) that the NCB gets an adequate spread on its monitor to cover its administrative costs and to make something for itself and at the same time Mr. Speaker, the NIS has to get a good return on its investment. Mr. Speaker, at 7 $\frac{3}{4}$ % for these loans I wonder if both are going to happen. [Interjection] I am not opposed to it, I am just asking about the mechanism. And there is nothing wrong in asking about the mechanism. I know you like to make a little political thing out of this to say, I do not want public servants to get hundred percent mortgages. But I do not want mortgages which would come and cause the NCB or the NIS to lose money, that is what I do not want to happen. That is the fundamental point, and whatever politics you want to play with it I will still say it. I do not want the NIS or the NCB to lose money. Because if the NCB as an institution fails we are in serious trouble in this country because of what NIS deposit. That is my concern. It has nothing to do with whether civil servants get a hundred percent mortgage. All I want to ensure Mr. Speaker, is that there is no loss to the NIS and no loss to the NCB. That is essential.

DR. THE HONOURABLE RALPH GONSALVES: The NDP was not bold and creative enough to device such a programme. That is why you are over there and I am over here.

HONOURABLE ARNHIM EUSTACE: Mr. Speaker, we could talk whatever politics we want, we cannot find ourselves in a position, Mr. Speaker, where the profitability of either the NIS or the NCB is compromised. That is my point. I take a lot of interest in these institutions. And I am sure as Minister of Finance, you yourself would have

those concerns, whatever politics you would want to talk there. You would be concerned about that. Okay.

Mr. Speaker, so I want to say that over the next few years, and I am sure that the actuary has made that point. I have not seen the report, over the next few years we have to ensure that both the NCB and the NIS continue to grow and be viable. I have not heard about any appointment for a manager for NCB yet. An institution of that size. It is time for that matter to be dealt with. And have someone competent to manage the affairs of that institution. It is too vital to the overall development of this country, Mr. Speaker. Mr. Speaker, let us ensure that we have a competent manager for that institution.--

HONOURABLE MR. SPEAKER: Let us give the member a chance.

HONOURABLE ARNHIM EUSTACE: --We are making jokes with people's money. Okay. When people's pension come it must not come from the consolidated fund, it must come from the NIS at an appropriate time when they want it. That is all I am concerned about Mr. Speaker, let it come at an appropriate time. Mr. Speaker, I do not think, sometimes we understand the gravity of the situation in relation to these institutions. And the importance, Mr. Speaker, the absolute importance that we must attach to both of them. Sometimes I get worried about that Mr. Speaker.

Mr. Speaker, the Prime Minister indicated as part of his tourism package that he was going to take some investment in equity in LIAT and I assume some loan to LIAT. My understanding of the arrangements and I have not seen any documents but I have spoken to people involved in the issue. My understanding is that the loan, they are going to borrow more than they require so that they can put aside a portion of the funds into a sinking fund which will earn interest over time, that when it comes to repay the loans, LIAT will have the money. Mr. Speaker, I can only assume that that was done because it is not expected that LIAT is going to be any goal mine, and be highly profitable, it may continue to be a loss making entity, and therefore I assume Mr. Speaker, that the Prime Minister in terms of investment in equity recognizes the possibility that he may not be able to get any significant returns on that equity, but surely if institutions in our country are going to invest other than the Government and I am talking about public sector institutions, whether they be VINLEC or whoever that they are going in on the loan component and not on the equity side. It is all right for the Government for social and other reasons and for recognition of airport problems for the Government to go on the opposite side but Mr. Speaker, I hope that the other institutions are going on the loan side.

DR. THE HONOURABLE RALPH GONSALVES: Would the Honourable Leader of the Opposition give way so I can give him an assurance on this subject? The Government has in the estimates \$2.9 million equity, there was a rights issued by LIAT for the

raising of \$40 million, but they also have a bond issue which is a loan component and they public institutions are not being asked to get involved in the rights issue and therefore not in equity, they will have to make an independent determination in relation to their portfolio of investment whether an investment in the bond issue is something which is worthwhile for their own particular enterprise, it will no doubt come to the Minister of Finance.

HONOURABLE ARNHIM EUSTACE: I am much obliged for that Mr. Speaker, it makes me feel a little lighter because we all know the history of LIAT Mr. Speaker, and whatever restructure we undertake I believe it is only prudent that our public sector institutions other than the Government in this case participate in the loan component.

Mr. Speaker, I want to turn now to an aspect of the estimates and I want to turn Mr. Speaker, I think it is Roman 1 under the current revenue, revenue part one. Mr. Speaker, on that table headed details of current revenue, you will see the estimates for 2002 in terms of revenue, you will see the approved estimates for 2001, and the revised estimates for 2001 and the actual revenue for the year 2000. You will see, Mr. Speaker, on the top line that the – page one after the yellow page on revenue, revenue part one, recurrent revenue, you will see there Mr. Speaker, that the revised estimates for tax revenue as against the approved estimates for tax revenue is down about \$7 million. And you will see, a reduction on non-tax revenue from \$51 million down to \$33 million, roughly \$18 million, revised, as against approved. Mr. Speaker, yesterday in his presentation on the budget, the Prime Minister indicated how well, the revenue was doing for the year. And he indicated also Mr. Speaker, as of August, the 30th his Government had a recurrent surplus of four point something million dollars as against two point something million dollars for the previous year. And therefore his Government had doubled the recurrent surplus for the comparable period in the year 2000. What the Prime Minister did not tell you, Mr. Speaker, that in the year 2000 we paid the Ottley Hall that was due and in the year 2001 he did not pay it. And if he were to add that payment, Mr. Speaker, he would not be doubling any surplus, he would have to decide whether he had a surplus at all. So I just want the public to understand that when you make these claims that you have doubled the surplus that we give them the whole story. [Interjection]. I know, I am just stating it out of an abundance of caution, that all, just out of an abundance of caution, so that the public has some understanding, that is all. But Mr. Speaker, --number 8 this is outside of your league. No, no,-- Mr. Speaker, [Interjection] Never called you a country boy, Mr. Prime Minister, never. [Interjection] Never called you that either. So, you see, taxes and income and profits they are now estimating that it will raise \$75.3 million instead of 78 down roughly \$3 million. Property taxes, they expect to earn about the same as what was budgeted. Similarly with taxes and international trade and transactions. Then a reduction in tax and domestic goods a small reduction in licenses but a large reduction on non-tax revenue up to \$17 or \$18 million.

Now, Mr. Speaker, so the approved estimates was for \$305.6 million and the revised estimates is for \$280.5 million, so we have a reduction of about \$24 million dollars, so that \$208, Mr. Speaker, is to be compared with the \$260 million in the year 2000. The point I want to make Mr. Speaker, is that for the estimates for the year 2002, the Government is projecting revenue of \$310 million. So the obvious comparison now, Mr. Speaker, in terms of what you need to do with respect to the year 2000 is to move from approximately \$280, call it \$281 million to \$310 million, so you need to find approximately, the action might be slightly different but this is the revised figure, you need to find about \$29 million dollars in additional revenue. I have two things to say about that Mr. Speaker, the tax measures announced by the Prime Minister do not amount to anywhere near to that, they might come up to \$3 or \$4 million, but we are looking for \$29 million, and we are assuming here, Mr. Speaker, that you can raise that \$29 million and we are assuming here Mr. Speaker, that we can raise that \$29 million in additional revenue at a time Mr. Speaker, when the economy is in poor shape. At a time when we are proposing measures which we hope will impact on the economy over a period of time but for the year 2002 Mr. Speaker, we are not going to have any significant growth in the economy of St. Vincent and the Grenadines. So where are we going to get \$29 or \$30 million?

[Interjection] Mr. Speaker, we are talking about revenue, you know. So Mr. Speaker, that is a fundamental question. I know it is there, it is written down there, I am asking how are you going to raise it? If tourism is down, we are trying to revive it, we are not going to have any heights in 2002. We expect the worst impacts of September 11th to be with us in 2002. So how are we going to raise this additional revenue, and this Mr. Speaker, is the fundamental question and if we cannot raise that additional revenue what does it mean for the recurrent expenditure. It means Mr. Speaker, that we are going to have serious cut backs in the recurrent expenditure. That comes with the question of sustainability of this budget. I have seen nothing here, Mr. Speaker, nothing I have seen here convinces me that we can raise those additional revenues. All the categories in 2001 are already falling, so how are we going to raise them. It is not possible, if the Prime Minister wanted to, it is not politically possible to raise taxes to any degree. So how are we going to raise it? The Prime Minister has already reduced the size of the budget and I said in the House that I have no argument with that, although it is a thing that you would use for political purposes but I would not do that, how would he be able to deal with that. And if he does not do it Mr. Speaker, if we can't get that revenue how is he going to spend the recurrent. Mr. Speaker, that is the fundamental question that is left unanswered in this budget. Is this sustainable? Because Mr. Speaker, we have to be reasonably sure, otherwise we are going to have a situation where we have to have significant cutbacks. Not only in recurrent but also how are we going to finance our counterpart in the Capital budget. And if we do so, what it is we are going to have cut? You know, as a Minister of Finance he will say we will have improved efficiencies in our operations, you can say that and we might have improved efficiency but can you improve it to the extent where you will get \$30 million

in revenue? So is this budget sustainable? [Interjection]. We are talking about sustainability, you know. So you say.

Mr. Speaker, that is the question I posed. In addition to that Mr. Speaker, in terms of the expenditure we already have no payments also on the Ottley Hall debt, in this exercise, so I am to assume that no payment at all on that to be made during the year 2002. And if that is so Mr. Speaker, are we going to be able to retain the debt forgiveness that we already had? [Interjection]. Let me just do my thing. Because this is a very fundamental issue that we are discussing here. Mr. Speaker, in addition to that I would like the explanation of those debt that are not overdraft are loans at NCB which the Banana Association has, how are they reflected in these estimates; because all these are part of expenditure that is not reflected here, so we have a stretching revenue and we have a little less than we should have on the expenditure side. I understand the problem; I know how the problem arises you know, do not feel I do not understand it. Limited resources for competing needs and you have to try and match and mix as best as you can. Mr. Speaker, when you make projections for revenues and so on, sometimes you find yourself in a lot of trouble and I am saying Mr. Speaker, that this is not sustainable, Mr. Speaker.

Mr. Speaker, with respect to this matter, I want to mention one or two things about some of the, -- I cannot remember and maybe the Minister of National Security or the Minister of Agriculture in their response, -- I cannot remember now the details of the break out of the banana debt, but I know it amount to some \$31 or \$32 million, some of it were overdraft, some of it was loan at NCB and there was money owing to creditors and so on, and I think it is going to be important how that matter is dealt with.

Mr. Speaker, the Prime Minister presented some fiscal measures. Mr. Speaker, I do not believe really these were aimed at the restructuring of the economy. With the except of those that go the heart of exports, I want to say something of those which deal with corporate taxation; we are tinkering, fee and so forth, we just tinkering, a little revenue here, a little revenue there, to see if we can ease the thing a little bit, that is what it is. I approve Mr. Speaker, of the effort to stimulate exports by giving tax credits to certain levels of exports, I do not have any problem with that but I want to say about that, Mr. Speaker, is a lot of those enterprises do not pay tax anywhere, both in the tourism and the manufacturing sector because a lot of them are still in the stage where they have corporate tax concession already, tax holidays, so in terms of the impact, Mr. Speaker, let us bear that reality in mind. There is nothing wrong with it theoretically but in terms of its impact as to whether it is going to stimulate further exports.

Mr. Speaker, I want to go further, you see yesterday the Prime Minister was saying in his presentation that we were too cautious and he was bold, well he is exercising caution here now, because whether we like it or not the trading sector in this country is very large and employs a lot of persons but we have not extended that kind of

concession. If we are talking about the restructuring of the economy in all its phases and in all its sectors, if this is what we have to do, then that concession Mr. Speaker, would have applied to all corporate taxation. That is why you see Mr. Speaker, while I understand the thrust and accept the trust of it he did not go far enough. So, Mr. Speaker, in terms of the tourism sector it really not going to make a great deal of difference. People can look forward to something when their tax holiday runs out, but right now a lot of them are still on tax holidays so it is really no benefit, and I doubt there is any incentive in terms of exporting the manufacturing sector. So it's a theoretical construct Mr. Speaker, with not much effect in terms of impact at this point in time.

Mr. Speaker, we also have a situation in this country, Mr. Speaker, we are talking about unemployment and sectors, and we are talking about restructuring the economy Mr. Speaker, we are talking about extra-ordinary circumstances arising out of September 11th that is what we are talking about. We are tinkering. That is what we are doing, tinkering.

DR. THE HONOURABLE RALPH GONSALVES: Consolidation.

HONOURABLE ARNHIM EUSTACE: You use whatever word you want. It is tinkering and it takes away a lot of the impact, not only of expect of measure of this sort. Mr. Speaker, [Interjection] Well, I do not want to talk about the barrels, you know, because I listened to this barrel story yesterday, about the old lady who called the Prime Minister, I nearly drop the chair, about the old lady who called the Prime Minister to talk about – no, I nearly drop off the chair, I was stunned. Mr. Speaker, the Prime Minister just a few days ago, [Interjection]. I did not say old lady, I said somebody sent it for me. An old lady called the Prime Minister and told him that the thing isn't looking too clear, so he should just have two categories. That is the same Prime Minister who with much gusto in his convention last Sunday announced a series of measures there in terms of rates for the barrels and boxes. That is part of the sustainability you still have, so I am not bothering with you. You said you are going to give free barrels; you didn't give any free barrels. You give the rates, you give free duty, and then you put the thing on somewhere else. How can that be free barrel. But what you reacted to is the pressure, on the public. That is what you reacted to. You as Prime Minister of this country on Sunday, made that grand announcement. You did not have any rates last year, you have the rates now and then when you come two, three days later you have to turn back. The same thing you had with Burns you had to turn back. You had to change your position for the second time in recent months. [Interjection] I do not mind if you extend it, you have the authority to do it, all I am trying to say don't give us no story about old lady. My old lady my eye.

Mr. Speaker, that is just one of those things where the Prime Minister misjudged the reaction to his measure having given this grand promise of free barrel. He had to back-

back. Free of what? Well I think they will prefer the \$15 and the \$25, than the \$20, \$30, \$40 and \$50. Mr. Speaker, they are no free barrels still. The Prime Minister has still not yet kept his promise. They are still no free barrels. They are still \$15 and \$25. [Interjection] Hurting me? It is not hurting me. Why would it hurt me? Mr. Speaker, you term it free of duty, what the people want is free of charge. That what you gave them the impression with. That is the impression you gave, free of charge. And he knows that too. He meant free of charge. But when he watched the financial situation with the revenue, he said boy, look like I can't mek this. So I would come to --- I do not say anything wrong with it, but do not tell me about any old lady. You come and say \$20, \$30, \$40. Say well, I have a problem, I accept that you know, but do not come and say any old lady call me and said. That is lot nonsense. A lot of nonsense. [Outburst of laughter].

DR. THE HONOURABLE RALPH GONSALVES: Boy, you better than Soluche. It is Soluche responding to the budget. [Laughter]

HONOURABLE ARNHIM EUSTACE: I am doing the same thing that you are doing. You are going from Deputy Prime Minster now, from number 2 ordinary member No. 8. Mr. Speaker, all the other measures I said were basically nothing new, they are simple attempts Mr. Speaker, to try and garner little revenue here and there which will not bring undue hardship. The Prime Minister even went on to say how an inland letter cost ten cents; the inland thing only cost penny more, I have no problem with that, as I understand it suppose to be 20 cents. He tried a little thing there, but that is all right. All these I expect Mr. Speaker, but in terms of restructuring of our economy this budget goes no where and I am particularly concern Mr. Speaker, about the lack of sustainability in terms of the revenue position and what it means to thing, and I am concerned, Mr. Speaker, about the allocation to tourism. And I am concerned; Mr. Speaker, and I need a full explanation of how those banana debts will be taken over and paid what the implications are. All these are questions, Mr. Speaker, which are left unanswered in this, all of them, and if they stay that way, we do not really have any budget here, it is business as usual, and complete neglect of the realities of September 11th. That is what we have been talking about, Mr. Speaker.

Mr. Speaker, one of my colleagues who has responsibility for the call centres for that Ministry will deal with that particular issue, I believe he is more competent than I to deal with that issue. Because I heard a lot of figures being bandied about yesterday. But I also know some facts which are not consistent with what was said yesterday, but one of my colleagues will deal with that.

Mr. Speaker, the Prime Minister in his presentation, and I forgot to deal with this yesterday, Mr. Speaker, the Prime Minister yesterday in his presentation dealt for a brief moment with the Development Bank and he made reference Mr. Speaker, to what he called the plethora of institutions which are involved in the business of lending to

small and medium size businesses. Mr. Speaker, I am well aware and I believe, Mr. Speaker, that I have the right to call myself a development banker, having been involved in that field for 17 years. I am concerned Mr. Speaker, that you may be taking some wrong steps. I am concerned in particular, Mr. Speaker about the possibility, enunciated by the Prime Minister of a merger between the Development Bank and the NCB; he said a decision is not yet taken, but I am concerned about that possibility. The nature of the two activities are completely different. It cannot be a department either. Mr. Speaker, the Development Bank

HONOURABLE MR. SPEAKER: Honourable Members you are disturbing the Honourable Leader of the Opposition.

HONOURABLE ARNHIM EUSTACE: Mr. Speaker, Mr. Speaker,

HONOURABLE MR. SPEAKER: Just one minute please. The debate is being done by the Leader of the Opposition, let us try and cut out the cross talking.

HONOURABLE ARNHIM EUSTACE: Mr. Speaker, I want to make it absolutely clear, a development bank is not in the business for financial profitability, they would have wished to do so at a certain level. It's prime role Mr. Speaker, is to foster the development of enterprise to providing finance and technical assistance to enterprises, old for expansion and those that are new. Its terms of lending Mr. Speaker are generally more generous than a commercial bank, and it does a completely different analysis for every loan application that comes before it, it looks at both economic as well financial viability, two completely different concepts. The commercial Bank Mr. Speaker, is more concerned with profit and dealing with financial viability and it can only Mr. Speaker, do that. That is what its mandate is. I do not support the use of a commercial bank for development type projects. What the commercial bank can do Mr. Speaker, is to the extent that the development bank finances a project, the working capital requirements of that project could come from a commercial bank, fit more to deal with the short-term requirements, the development bank is completely different. So I would not wish to see, Mr. Speaker, a merger and the Prime Minister has not said that there would be a merger, he said that they are looking at the possibility, I do not wish to see a merger between the development bank and the National Commercial Bank. [Interruptions] Mr. Speaker,

HONOURABLE MR. SPEAKER: Just one minute please. I think we were looking at television time.

HONOURABLE ARNHIM EUSTACE: Mr. Speaker, that is okay. So Mr. Speaker, I just want to make that issue clear because the boards have to think differently, the management has to think differently, it is an entirely different concept all together. And we should avoid that, it is two different beast, if I could put it that way, Mr. Speaker.

Mr. Speaker, I want to say that in respect of this budget presented by the Minister of Finance; we have just all in this region and elsewhere come through some very difficult times. And Mr. Speaker, there are even more difficult times to come. Difficulties Mr. Speaker, for allocation of resources, difficulties Mr. Speaker, in dealing with matters of poverty. Difficulties Mr. Speaker, in dealing with matters of crime, difficulties, Mr. Speaker, generally speaking. I believe Mr. Speaker, that in this House and elsewhere in this country, there are people who are competent and who can bring their thinking to bear on the issues that confront us, we may not have all the skills in every area that is required but I believe Mr. Speaker, and I do know that we have some skills which are relevant to the current impasse in which we find ourselves. And in this House, Mr. Speaker, I look forward to a loosening of the tie that some of the others could speak today so that I can hear some of the skills they have to present in dealing with the issues that confront their respective ministries. [Interjection] Exactly. I know that too well.

Mr. Speaker, I am not convinced by a long way, that this budget has gone far enough in terms of confronting the fundamental issues facing our economy at this time. I accept Mr. Speaker, that the thrust is in the right direction but it has not gone far enough and I am concerned Mr. Speaker, that it may not be sustainable. I am very concerned about that, I have spent a long time over the last few days Mr. Speaker, going through the details of the estimates and I was able to infer Mr. Speaker, a number of things from those estimates and therefore I waited to hear the proposals, from the Prime Minister in his budget address before forming any conclusions because any inferences I made would have been by way of just simply looking at the figures, but Mr. Speaker, I think the crisis is deeper than the Prime Minister has admitted. And because it is a deeper crisis, Mr. Speaker, we would have to take some more drastic measures than had been taken in this budget. I know Mr. Speaker that the exercise is a difficult one but I am also of the view, Mr. Speaker, that the Governor of the Central Bank is right when he said that we need to follow up with some structural adjustment exercise, and Mr. Speaker, I do not think we are ready for that yet. I really do not think we are ready for that yet. I want to however ask the Prime Minister to again look at the question of the sustainability at the revenue side. To look again Mr. Speaker, at what we can do for the tourism industry, in terms, -- because there are ways you can supplement things afterwards if it is necessary, but certainly Mr. Speaker, I do not think as far as I see it to this point in time that this budget has gone far enough in addressing the problems facing our country. I am much obliged to you, Mr. Speaker.

HONOURABLE MR. SPEAKER: Any further debate? Any further debate!

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, Honourable Members [Applause]. I beg to move the adjournment. [Applause and desk thumping]. For the luncheon interval until 2:30 p.m. Mr. Speaker.

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

House suspended for lunch. 12:25 p.m.

House resumed after lunch. 2:35 p.m.

HONOURABLE ST. CLAIRE LEACOCK: Mr. Speaker, good afternoon to you and to this Honourable House, I trust that I am not taking liberties but I was speaking aloud to some of my colleagues and I was saying that I believe there is a benefit to us Senators in this House by virtue of the fact you have come to this Office and have had the practice of being a Senator for so many years, so I thank you for your generosity and special attendance to us Senators relegated to the ends of respective tables, for these things I say give thanks.

Mr. Speaker, I rise to make my contribution to the debate on our 2002 estimates. And I will do so essentially Mr. Speaker, in two parts. I first attempt to make my own structured presentation and with the tolerance of this good respectable House I would of necessity from time to time deviate to allude to some comments and presentations made by the Prime Minister. But before I do so Mr. Speaker, I ask for your indulgence that I be permitted perhaps for the first of two occasions this evening to reflect a little bit on the self; because there has been a matter in this House which has pained me greatly, because before I came to this House and subsequent to my coming to this House Mr. Speaker, I had had the suggestion thrown in my face that I had been a bad corporate citizen in terms of my business affairs, and my business investments, to wit Mr. Speaker, I speak specifically of the question of National Insurance contributions.

HONOURABLE MR. SPEAKER: You do know you have 45 minutes, right?

HONOURABLE ST. CLAIRE LEACOCK: I do know I have 45 minutes, Mr. Speaker, but I will take five precious minutes for myself Mr. Speaker. And in particular on a session or two ago the Prime Minister in one of his usual misjudgments elected to identify a business entity with which I am involved as in my words, 'ripping off' my workers in excess of \$30,000 in National Insurance funds. I have for sometime Mr. Speaker, been trying to address this matter and vindicate myself and after great pains I have subsequently been able this evening to get from the National Insurance Scheme my own contributions to the National Insurance Scheme and I think you would be please to know Mr. Speaker, that he National Insurance Scheme admits to receiving \$98,639.69 from the firm that has been vilified and these contributions Mr. Speaker, these contributions Mr. Speaker, go back over the years and I would use the last 10 years for convenience and I will give explanation Mr. Speaker, thus far in the year 2001, \$18,750.00. In the year 2000, \$12,910.00. In 1999 they have on their records \$821.04. I will speak to that. In 1998, \$10,821.04. in 1997, \$11,250.00. Nineteen Ninety-six \$16500.00. Nineteen Ninety-five \$15,000.00. Nineteen Ninety-four \$6,000.00. Nineteen Ninety-three \$1,744.60. They have no records for 1992, Mr. Speaker; 1991,

\$517.10. And I stay there only for convenience because I am prepared to provide explanations Mr. Speaker. And the explanation is simply this as been indicated to me by the National Insurance Scheme, and I have agreed to the professional staff not to repute them or bring them into trouble in any way, but the company spoken about Mr. Speaker, has consistently been making its payments to its NIS through a standing order deduction from a commercial bank in Kingstown in St. Vincent and the Grenadines, and they admit that there are systems have been unable to read register and allocate properly the contributions of the company because of what they defined as systems failure. In fact I try to quote them here, 'there was a system problem so the payments were never going in to the standing orders directed. I do not want to belabour the point Mr. Speaker, but simply to make the point and to establish for all and sundry that the company and myself are in fact good corporate citizens. I therefore, Mr. Speaker, having made that point and you would understand in the context of the House why I so done, I would proceed, Mr. Speaker. But so much for that.

There are a lot of people who are owing a lot of things inside of here, and you talking about me now, and I will deal with me and the distractions. [Gravel pounds] Do not mind them Mr. Leader, leave me to deal with them I am comfortable with them. One of the things I have done on my way to my doctoral work is a Masters of Science Degree and research methods, and I will bring that experience to bear on this House one of these days and a lot of you may well run for cover. Mr. Speaker, let me address substantial issues in the budget, the Honourable Leader of the Opposition, Mr. Speaker, before I address what I considered to be the country dynamics relating to the budget for the year 2002. I would from time to time, Mr. Speaker, address some of these issues but sphere of emphasis for this evening, Mr. Speaker, is basically on the organizational and managerial issues that impact St. Vincent and the Grenadines with respect to the 2002 proposals as laid before this Honourable House. I have looked around for a convenient description for the 2002 budget. And I have come to the conclusion that I can best describe as a bikini budget; interesting for what is revealed but intriguing for what is concealed. And so much of my presentation will be directed to what is in fact concealed. I contend Mr. Speaker, that at the end of the day the proof of the pudding may well still be in the eating.

Mr. Speaker, Honourable Members of this House an appreciation of this budget necessarily requires us to do a number of things, we are obliged Mr. Speaker, to have a firm understanding of our Caribbean business environment and perhaps most specifically our location as a small island state with respect to the international trading blocks with whom we have one or the other trading arrangements, trading agreements. So first thing, Mr. Speaker, I said is our location relatively to those with whom we want to trade.

Secondly, Mr. Speaker, for us to give an honest understanding to the populace of this country as to the meaningfulness or lack of it of the budget before us, we need to address in this Honourable House the peculiar challenges that confront us as a result of our smallness in size, the globalized context and international competitiveness issues which impact us. And thirdly Mr. Speaker, the public policy issues, development verses growth issues and the capacity for our public service to administer and effect the budget of this country of ours.

Mr. Speaker, the ULP administration had sold itself to the people of St. Vincent and the Grenadines as a government of change and perhaps rightfully so. I do not think that one should have any problems with that at a political and marketing strategy, because indeed Mr. Speaker, change we must, in fact those of us who do not want to change will be changed. Yet, Mr. Speaker, when one examines the budget as presented what one comes away with at the end of the day to my mind is more of the same. I think my leader said this morning, a little tinkering here, I add a band-aid there, but a lot of mascara everywhere. In other words Mr. Speaker, nowhere in the budget does one see any really sustained and strategic attempt to address the fundamental structural weakness, structural deficiencies endemic in the national economy of St. Vincent and the Grenadines and to provide a changed framework, a new dispensation, a new order, a new way to do things, we are in essence Mr. Speaker, by the budgetary proposals still trying as we say in business to make money the old fashion way, and I submit Mr. Speaker, it is just not going to happen. Mr. Speaker, I invite you when you find time in your quiet reading to just suppose the corporate plans presented before this Honourable House and which constitute an important ingredient in this budget and to see how the managerial deficiencies that are identified in the various SWOT analysis are indeed frightening and ask several questions as to whether or not we do have the structure, and the people and the system in place to execute the budget. There isn't a single Ministry Mr. Speaker, that has not indicated a major human resource deficiency, a major system's failure, a major people's problem, a financial problem, a motivational issue that can in fact propel the budget forward. And perhaps Mr. Speaker, we should give some credit to the administration for advancing the budgetary approach, one step forward, in so far as there is some attempt to take in inverted commas, a strategic view of the road ahead, but I reiterate Mr. Speaker, at least we have it on record from their own analyses that there are major deficiencies with the human resources of St. Vincent and the Grenadines at the disposal of the Minister's to execute the budgetary plans; and I say Mr. Speaker, as my colleagues and friends speak about the inheritance from the NDP and not to be side tracked this is a House which within recent times only had history within the context of 17 years, but I have brought enough literature the House this evening which would take us beyond 17 years and if some of the speakers want me to refer to some of the more notable records before 17 years I would also indulge them, but they are on hand and would be made available if and when needed. But Mr. Speaker, with the hope that I would in fact received the kind of attention, rapt attention that is due me for this presentation, I

think, the Minister of Health understands what I am saying, and I would address his Ministry, I will proceed.

Let us go back Mr. Speaker, to the top. What is the prevailing business environment which characterizes today the economy of St. Vincent and the Grenadines? I spoke earlier Mr. Speaker, of our smallness of size as an issue, but I speak now of the fact, Mr. Speaker, that however we like it or not the fundamentals of this society is that we have emerged out of what the people called in the literature a plantation economy, the estate. And it has really been through the New Democratic Party and particularly the dream of Sir James Mitchell that we saw meaningful movement away from a plantation economy type of approach by franchising so many people and making land owners in their own right but that is not the point I want to make Mr. Speaker. The point I want to make is that the plantation economy nature of our society have lead us to a state today in 2001 that our major source of productive income comes from a mono crop in the form of bananas until within recent years when through the instrumentality of the New Democratic Party by diversification of the economy tourism overtook that commodity. In essence Mr. Speaker, in the year 2001 some 50 years after the advent of banana as an industry in St. Vincent and the Grenadines we have done very little to change the fundamentals from a plantation dependence or even to try and get down the value chain and to seek the linkages. I will return to that Mr. Speaker, because it represents an important part of the challenges if we are to move this economy and this society out of the quagmire that all of us on both sides of the House find ourselves into today.

Mr. Speaker, the reference to the Campden Park Industrial Estate and Diamond Dairy I will address, because these are things for which the Minister of Foreign Affairs does not have very ready appreciation, you would note that in the estimates as the Deputy Prime Minister he has been assigned a Ministry that is responsible for only two percent of the budget. It tells us the deep respect that your Prime Minister holds for you. And your capital budget is less than 0.02%, you cannot even buy a fridge for your Ministry.

HONOURABLE MR. SPEAKER: Members, members. Senator, I must remind you that you only have 45 minutes.

HONOURABLE ST. CLAIRE LEACOCK: I will come back Mr. Speaker. I have 45 minutes Mr. Speaker, that is fine, I have 45 minutes and you give me back one for reminding me, Mr. Speaker.

Mr. Speaker, the plantation economy dependence of St. Vincent and the Grenadines as I said gives rise to this concentration of production. It results in weak internal linkages in our economy and from a governmental point of view, Mr. Speaker, it creates an over involvement of the government in the production of goods and services in St. Vincent and the Grenadines commitment as the Government maybe to the notion of a vibrant private sector at the engine of the economy. And that is fundamental, of

some of the problems that the Government faces today, to deal with, when to do and when not to do, because there is still, whether we like it or not, Mr. Speaker, a deficiency or a liturgy in some instances in the private sector in being able to manfully shoulder the responsibility of this economy and to carry it forward and so Mr. Speaker, to repeat myself, 50 years after the introduction of bananas we are still today a banana republic notwithstanding the Prime Minister mewings, or sorry Mr. Speaker, howlings, a better expression. Yes, for example Mr. Speaker, little relationship between bananas and non-banana agriculture and the other sector of the economy at this time and this morning, the Honourable Leader of the Opposition is making mention of the fact that perhaps we well need to see what other synergies we can create between bananas and the rest of the economy. Let me just take a little point out on this, Mr. Speaker, if I could just slip in a quick minute. After the 9/11 incident in which our economy suffered a set back and all have been affected, even in the great United States of America where agriculture is a great contributor, picture the person who grows corn for example maybe on acres of estates, maybe on small plots. He or she does not grow corn for a single manufacturer, for a single purpose, for a single geographic region, unlike our banana farmer who has a single purpose for his involvement in the industry. There is no elbowroom.

Mr. Speaker, I made the point earlier we have to be still grateful to the New Democratic Party for having recognizing this new dilemma sometime aback and our thrust in tourism. And when I speak about our own thrust in tourism, let me also agree, Mr. Speaker, that he tourism thrust allowed us to diversify from an over-dependence of banana that is the point. I do agree with my leader, Mr. Speaker, that in many instances there is evidence of thrust, on the part of the administration but he is quite right when he asked how come it is only 2.3% of the budget of the Ministry for example of Tourism should invested in capital expenditure and I still looking forward to hearing from the Honourable Minister of Tourism for the tourism plan because I call it as I see it, Mr. Speaker, because while we are having political differences at the time I am not going to argue that the Honourable Minister of Tourism has been less than active and purposeful in her conduct of the Ministry of Tourism thus far. I have recognized a fair degree of energy an effort on her part, but I make the point that it is important to the Minister to have the resources and the tools at their disposals and to have the appropriate marketing plans to take us forward and I am saying until I see otherwise, Mr. Speaker, and it has not been provided thus far, there is no evidence that tourism with the current low levels of investment will take us out of the economic crisis that we find ourselves in at the moment.

I had the benefit, for example Mr. Speaker, to listen to the budgetary proposals in Barbados, in their thrust for tourism; and the way in which they could quantify their problems. The way in which they could deal with their hotel existing occupancy. The way in which they could deal with their airlifts requirements, what specifically they will do for plan A, B, C, D, and E within the industry. How they deficientiate their tourism

product; how they would find the integrated links between tourism, agriculture and other sectors and to carry their society forward. I have not seen this and I have not heard this, Mr. Speaker, and I said I am quite prepared to listen when that time comes and to be convinced. But I go back to the fundamentals, Mr. Speaker, however much the Honourable Minister may say it has to be supported by the means and that is not present either in the recurrent or the capital provisions in the budget, to make that plan, if there is such a plan a reality.

Mr. Speaker, I do not know, if you have taken the time out or other Honourable Members in this House to really ask ourselves the searching question, how many business enterprises in St. Vincent and the Grenadines are either a natural monopoly or a legislative monopoly. We either talking about Banana Association, arrowroot Association, Marketing Corporation, VINLEC, Water Authority, Cable and Wireless, Port Authority, ECGC, Brewery, East Caribbean Metals. All of them, either naturally or legislative monopoly. Outside of those monopoly operations, Mr. Speaker, very few firms, very few state enterprises are in fact standing on their own legs today. Where I am going with that Mr. Speaker, where I am going with that, Mr. Speaker, you do your surveys and ask the average school child that is leaving school, where he or she wants to work, and you would be surprise how many come out on the list that I have mentioned before, as compared to the others. There are very few stand alone enterprises, Allah and OT Mayers and Erica's, a CK Greaves, a PH Veira, the Gonsalves Liquors in Middle Street who have a historical legacy of exercising good business acumen and being able to take this country forward into international business. Case in point, Mr. Speaker, I do not say it to belittle them, but to emphasize where we need to go Mr. Speaker.

Ju-c, famous drink, I do not believe that there is a better soda in the United States of America, than our own produced Ju-c in St. Vincent and the Grenadines. One of oldest establishments, but where are they in terms of market readiness, Mr. Speaker, in terms of the size of the bottle, the type of the bottle, the packaging of the bottle, to find a meaningful toehold in North America or some other market place, Mr. Speaker. Why Mr. Speaker, [Interjection]. I am glad that you are listening.

Mr. Speaker, I make this point of the structural deficiencies in the economy to highlight and explain the fact that we are indeed in an economic crisis because our structural fundamentals are as such that whenever there is a major catastrophe in the international market, we as a small, vulnerable Island State, in everything we suffer terrible we suffer from economic shock. And we do have a serious crisis on hand from we must have very clear plans and programmes to get us through. And therefore, Mr. Speaker, I go back to the question where I asked us to find appropriate linkages or we would find ourselves as a country, spinning top in mud.

Mr. Speaker, somewhere in the Prime Minister's presentation the call for buy local was sounded and I say to this Honourable House that this is not a new call. I believe going back to the Grand National exhibition, which the Honourable VI Beache may well reminisce we heard that buy local was one means of escaping from the inherent structural deficiencies in our society. In fact, Sir James Mitchell who served for many years respectfully in this House went one step further, which banned on a range of products including the famous English potato, and some of you would remember the joke of people protesting they could no longer eat the macaroni pie, because they had banned English potato. I say all that, Mr. Speaker, to address the important question of the approaches that we have taken over the years to lead ourselves out of this dilemma, and the Minister of Tourism in typical shortsightedness, reminded me of our import substitution strategy, because all that was an import substitution strategy. Anything essentially of says we can grow here, let us try and prevent it from coming outside. But we have little control over these things today. The rule driven world that we live in has taken care of that, Mr. Speaker.

I also, heard, Mr. Speaker, the Prime Minister optimistically speaking about, or addressing the question n of the dwindling manufacturing sector and offering some tax incentives to stimulate that sector. I applaud the efforts to ease the burdens of our manufacturers and in fact, I would also say it is a move in the right direction. However, Mr. Speaker, it does not reach to the root of the problem just as an import substitution, we will find that the industrialization by invitation strategy may also be inadequate for addressing a proper chain strategy for St. Vincent and the Grenadines in the year 2001. Indeed, Mr. Speaker, we all know we had very many factories come here, the Honourable Minister of Foreign Affairs in his usual one line of contributions, referred me to Campden Park where we had an Industrial Estate, where we had the Wilson Sporting Goods, and a number of other companies which have all disappeared. The point is they took advantage of the tax haven; the tax holidays and they took the money and ran. It seem to suggest to me, Mr. Speaker, that we as a people still therefore, a responsibility to find new, creative and dynamic ways to address the problems at hand and I must say, that at times in the presentation of President Chavez, last week in this Honourable House, while I may not have agreed with all of his contributions there were several challenges and directions that he pointed us, that are worthy of substantial consideration, in fact, I look over at times to the Prime Minister himself, in deep acquiescence, going back, perhaps to his academic world and probably wishing to that he was in that world, as of an academician, rather than the pragmatist that he needs to be at this time.

Mr. Speaker, while I give therefore, the tax credit concessions to the manufacturing sector some marks, I still expect some more creativity of the Prime Minister as Minister of Finance in addressing the contradictions that he has as a Socialist to his heart but now a Capitalist by mouth, and without which care he may end up with an empty stomach. I would like to say, Mr. Speaker, and to this Honourable House that there is

still much work for the Government to do and I indeed I believe they would approach it, because there is indication that they have started it, and sometimes we can only work with the materials that we have. And say so with a degree of humility, Mr. Speaker, because, in looking at times at the several SWOT analyses that were presented, I recognized that we were relatively limited in terms of public sector experience and some of the practical hardware to be able to translate some business plan. In fact, sometimes, whole expressions meant nothing, but I give them the benefit of the doubt.

Mr. Speaker, permit me therefore to say, that as a part of the creativity and the change strategy that I would have imagined that this budget would have been brought to the House that I would have seen the great attempt to find and understand and appreciate how as a country, one really perceives to create wealth. Because, this is what we are all about, you know. It is really fundamentally a question of wealth creation, who does it, or who does well. What risk does the public service takes, and what does it leave for the private sector. But I say that to make the point, Mr. Speaker, I say that to make the point that there is an inherent risk when we are addressing budgetary exercises, and wealth creation issues for the country of ours, that we falsely assume that it is countries in of, and by themselves that create wealth; not so Mr. Speaker, not so this Honourable House. You look to the United States of America and the industrialized world and in order to identify wealth creation you have to speak to the existence of profitable and viable firms. I say that to make the point, Mr. Speaker, I do not have a ready answer, but have suggestions, but more than, Mr. Speaker, the tax incentives that were provided we may have to do structural things to be able to build large firms. St. Vincent and the Grenadines, for example, Mr. Speaker, does not have to attempt to trade with the great United States of America, or Canada; it is sufficient for us to have two have two, three, four, five, or six, or how many, Mr. Speaker, large firms that relate to a Coco Cola, a Sears, a Macy's or some other major manufacturer in the United States and can in fact develop an appropriate entry mode strategy for dealing with the international world.

Take a case in point, Mr. Speaker, Gator Aide, a product marketed through out the Caribbean with all sorts of artificial flavours, Mr. Speaker, is there a potential within our St. Vincent and the Grenadines, that we can go one more than synthetic inputs to produce our own passion fruit, guava, soursop, sorrel, golden apple, whatever as a concentrate with a firm, in which one firm here is relating to another firm, not the Government. I think, Mr. Speaker, of what we now perceive for example of a success story of Erica's, now pepper sauce and her spices, and her condiments and I define her and describe her Mr. Speaker, as big fish in a small pond in St. Vincent and the Grenadines, is there an advantage for us to go, Mr. Speaker, for Erica and her like to become small fishes in a big pond, in which the brand name, the grand equity of Erica's can be alleged strategically with less say, Tabasco, and by which extension, Mr. Speaker, all of the pepper producers and the condiment producers who are now spinning top in mud, struggling for shelve space on the supermarket shelves are

concentrated perhaps at Campden Park, or some industrial estate under an Erica's recipe, and make it meaningful relationship between farm produce and the productive effort, I am saying Mr. Speaker, that these are some of the dynamics that we have to try and produce for ourselves. And Mr. Speaker, I am not speaking about untried experience in the region. We have had it, Mr. Speaker, with Red Stripe beer in Jamaica, aligning strategically with Guinness and the taking the product on the sea boat of Eastern Europe. We have it in Barbados, with RL Seals Rum, which was not going anywhere, Mr. Speaker, aligning with Malibu and Bacardi and going international. We have it in Dominica, Mr. Speaker, with the Dominica coconut products where they sold out their biggest interest to the international marketing agencies so that their soap products could now be on every cruiseship line. We have to look, Mr. Speaker, strategically at the big picture now, because to the extent, Mr. Speaker, the Private Sector grows the burden of providing for the citizens of the St. Vincent and the Grenadines is substantially reduced and those of us with our best interest in this House can breathe a little easier and in that regard, Mr. Speaker, there is a very important nexus between what is development and what is growth and that is why Mr. Speaker, we need development bank, venture capital funds at low interest rates as against commercial enterprises that are addressing other issues.

Mr. Speaker, the market place in which St. Vincent and the Grenadines operates has change and changed for all times. I really want to emphasize that. The market place in which we operate has changed and changed for all times. Let me cite an example because we speak about these things very glibly, I speak about them academically, intellectually and imperially, growing out of this town, Mr. Speaker. Twenty-five years ago in town of St. Vincent and the Grenadines from where we stand here in this Parliament and you made a journey from here all the way up to Barclays Bank, you would probably would only find one or two business today that existed 25 years ago. Businesses Mr. Speaker, like us people can die and do die, and most of them have died. Even the great Barclays bank that was 25 years ago, in fact at the time when this NDP administration came to office, the biggest bank in St. Vincent and the Grenadines, is today the smallest bank in St. Vincent and the Grenadines and the National Commercial Bank that was then the smallest bank is today the biggest bank in St. Vincent and the Grenadines. Even Barclays, Mr. Speaker...

HONOURABLE MR. SPEAKER: You have eight minutes.

HONOURABLE ST. CLAIRE LEACOCK: Thank you, Mr. Speaker. Even Barclays is considering how they can go into strategic alliances with bigger giants, Mr. Speaker, like CIBC. And it brings me to the question, Mr. Speaker, of what are we doing with the National Commercial Banks because at times I get the impression of listening inside of here that we see it and view it as an open sesame. We see it as an open sesame, Mr. Speaker. The point is, Mr. Speaker, does the Prime Minister, as Minister of Finance, or can he speak to this House and tell us today, that he is satisfied with the capital

adequacy of the National Commercial Bank. Are you, Honourable Minister of Transport, as an ex-banker yourself, comfortable with the tear one ratio? Are we addressing the fundamental issues of our National Commercial bank as an institution and are seeing the bigger picture that at this time we ought to be seeing how much we can get into strategic alliances with the other National Commercial Banks in the region so that we can take on the big banking competition which is coming to face us, rather than risking on a day to day basis the funds put aside for the National Insurance Scheme.

Mr. Speaker, it is clear to me that we have in fact outgrown much of the stereotype bureaucratic, pen pushing and risk-adverse public approaches to budget preparation, we need now to take a more pragmatic view of the world that is ahead for us.

Mr. Speaker, I want to speak now to a few issues that were raised earlier by the Prime Minister in his own address and I will leaf through them very quickly if I may. The Prime Minister in addressing this House, and some of these are questions and some are questions and some are statements you could clarify, Mr. Speaker, made mention of two very important committees, the TCE and the Economic Committee that is assisting the Government in its work. And you mentioned the role of Mr. Martin La Borde, President of the Chamber of Commerce, someone a former student of mine, for whom I have great respect, I do not know if it for good reasons that he did not indicate to this House who headed the Tripartite Committee but I want to make the point with respect to the Tripartite Committee, Mr. Speaker, sometime to which I am close to, Mr. Speaker, because I served for many years with distinction with the employers federation, and I have gone to great lengths, Mr. Speaker, and I have brought it, I have served with great distinctions with the Employers Federation for which I have tried to be pillared, and for my eight years they said for your outstanding tenure ship and service to all the St. Vincent Employers Federation over the last eight years. I read this Mr. Speaker, because it time would permit and perhaps in the future I would do so, Mr. Speaker, because I have also brought in this Honourable House and maybe I would make them documents of the House the records, the annual general reports of St. Vincent Electricity Services for all of the years that I have been there and I invite the Honourable House to read how contribution to human resources development have been captured and the far cry from the picture that has been painted here. I have been extremely patient, Mr. Speaker,....

DR. THE HONOURABLE RALPH GONSALVES: If the Honourable Member would just give way, or if he wishes me to raise a point of order.

The rules do not permit general sets of documents to be laid un-related to the budget, which is the substance of the matter which we are debating, to see how excellent the honourable gentleman was in previous occupations which he held, they are really of no relevance to the estimates.

HONOURABLE ST. CLAIRE LEACOCK: Mr. Speaker, there are some things in this Honourable House we leave

HONOURABLE MR. SPEAKER: You are quite correct, but he has just a couple more minutes, I do not think he can put forward them.

HONOURABLE ST. CLAIRE LEACOCK: Thank you, Mr. Speaker. There are some things in this Honourable House Mr. Speaker, that you leave for the public to digest and consume and to decide on, because there is another one which one day, Mr. Speaker I would also make a document of this Honourable House, because it list, all those who with their wives and uncles and accountants and others have been presented here as the good guys are perhaps other than what we are accustomed to hear. I would defend myself here, when I have to, you know. [Laughter].

Mr. Speaker,

HONOURABLE MR. SPEAKER: You need to wind up anyhow. You have just about one minute or so.

HONOURABLE ST. CLAIRE LEACOCK: Mr. Speaker, in the five minutes that I have remaining, ...

HONOURABLE MR. SPEAKER: No, you have just a minute, Sir.

HONOURABLE ST. CLAIRE LEACOCK: ... I want to make mention of the fact of two important matters that been raised in this House as solutions to our problems particularly the one Mr. Speaker, on the YES Programme, the general principle the YES Programme is a good programme. It is a good programme, but Mr. Speaker, there is an inherent danger when you attempt to give tax credit as promoted here that you may institutionalize a minimum wage because many employers may in fact in deciding on their employments strategies go the way of the YES Programme than paying our young school leavers wages which they should justly earn for taking up that position.

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, Honourable Members ...

HONOURABLE ST. CLAIRE LEACOCK: Unless I am going to be given back my five minutes.

DR. THE HONOURABLE RALPH GONSALVES: No, no, you can get back your minute. I have to raise this issue as a point of clarification. My friend misunderstands the nature and the character and the content of the YES Programme. The YES Programme is not for persons who are seeking tax credit, to employ them in their enterprises. That is not

the purpose. To employ them in public enterprises, so that the issue that they would use such young volunteers to work in their enterprises below minimum wages is a preposterous suggestion in the light of what the programme is all about. And in deed the suggestion which he is making is unlawful. Because you cannot pay below the minimum wage. I think there is a fundamental misconception in my friends head, and I just want to clarify that.

HONOURABLE MR. SPEAKER: Thank you, so you can wind up now you have just a minute. Thank you.

HONOURABLE ST. CLAIRE LEACOCK: Two minutes, you said Mr. Speaker? [Laughter] Mr. Speaker, I wanted to comment significantly on the Ministry of Health where we have seen Mr. Speaker, notwithstanding all of the plans and programmes reduction virtually in every rural clinic in St. Vincent and the Grenadines by way of recurrent expenditure. I want Mr. Speaker, to comment on the fact that in the telecoms industry and that the employees are now in a quagmire as to where they should go back and get their old jobs. Time does not permit us Mr. Speaker, to ask the interest groups and the corporate side of the United States that is involved in this industry.

Mr. Speaker, I also wanted to comment on some national security issues, Mr. Speaker, and to raise whether in view of the substantial capital expenditure for example on Fire Brigade Department whether the time is not now ripe for that unit to be a separate unit on its own or whether we should continue to burden the Commissioner of Police with all these new specialized units that are coming on stream but Mr. Speaker, time does not permit.

I want to thank you, Mr. Speaker, for your generosity. I want to thank this Honourable House for the opportunity provided me to show that, there is another way, a more creative way and that certainly that the presentation thus far, from that side of the House does not convince me that come 2002 St. Vincent and the Grenadines would be any better off for provisions laid before this Honourable House. Much obliged, Mr. Speaker.

ANNOUNCEMENT BY SPEAKER

HONOURABLE MR. SPEAKER: Honourable Minister for Telecommunications. Before I take you though let me recognize sitting in the gallery two very honourable gentlemen. The Honourable Roosevelt Skerit, the Minister of Education, Youth and Sports in Dominica. [Applause]. And Dr. Donald Peters from State University of Plattsburg, New York, United States of America. I think Plattsburg University has just offered us some 40 or so scholarships; 200 now over five years. [Applause]. So we welcome you to Parliament. Thank you.

HONOURABLE DR JERROL THOMPSON: Mr. Speaker, I rise in support of the 2002 estimates for \$419,545,820.00. Made up of \$309,736,710 in recurrent expenditure. \$109,809,110 in capital expenditure. This is an excellent budget. A budget that is reflective of our times and challenges. A progressive stimulus budget. Mr. Speaker, I am a young politician, not new to the business of serving people, however this is my first budget, and my first budget debate. I want to bring a new sense of passion for doing my duty, serving my constituency and my country. I would like to congratulate the Prime Minister and his hard working staff in his Ministry, my colleagues, the contributions from my own Ministry and other ministries and all those who worked and toiled to produce a peoples' budget that starts the process of restoring confidence, providing economic stability, hope and prosperity. [Applause].

Mr. Speaker, never should we forget what's life has been like over the last 17 years, backwardness, [Applause], the embarrassment, [applause], discrimination, victimization and the disrespect of the Vincentian people by a previous government and leaders who did not listen. We have seen decline in almost every sector, from agriculture and manufacturing to Housing. The failures, after failure, after failure have numbed our sensibilities as to what is possible and the ability to achieve our true potential. So many people had lost hope, reducing their drive to a mere acquisition of some material. Mr. Speaker, the NDP leadership led us down the garden path. They led us down a path of destruction and poverty with no type of economic sense. What kind of leadership was this? Mr. Speaker, the Leader of the Opposition boasts of being an economist but you cannot see anything that resembles that thinking, we are forced to remember Ottley Hall, with \$156,281,455.00 in debt. The Leader of the Opposition would like us to focus on the \$49 million conditional debt forgiveness. But this is not an issue of whether the glass is half full or half empty. It is not a matter of credit for reducing that part of the debt. We have to focus on the \$106,711,920 that remains, like an anchor around our nations' neck. [Applause]. We still have to pay this but I support the measures and the efforts to achieve further debt forgiveness, the suits to recover monies from the Rolla and to get to the bottom of the obvious corruption and collusion that surrounds this whole venture. Some people from the NDP would want us to move on. But I note that the Leader of the Opposition would like to remind us of the \$6 million annual payments that steal services from the poor, the youth, sportsmen and every single Vincentian here in St. Vincent and the Grenadines.

Mr. Speaker, the Leader of the Opposition was the one who agreed with his former leader that we were not the first guarantors, do you remember that, holding up that piece of paper on Ottley Hall. We were not the first guarantors. Even here in the House the Leader of the Opposition tries to make a distinction between Government guarantee a debt and a government debt. To me even though it is a slight difference, it all works out to be more or less of the same thing whether it is a banana debt or an Ottley Hall debt. He was the one who agreed with his new leader, who lied about the closure of the Chateaubelair Hospital, forcing many poor and elderly persons in the

state of chaos. He agreed with the lie, with the deception about the presence of the mealy bug here in St. Vincent and the Grenadines. We must forget Ottley Hall. We cannot forget the Union Island Marina Project, the Diamond Housing Project. The Container Port, the Kingstown Vegetable Market. Do you remember Carib Express. All these things are now coming home to roost. For the disrespect of the people with pensions and gratuity bill, after limiting teachers and public servants to wage restraints and advocating in the House today, caution and limiting wage increases, we cannot forget how they voted for themselves a huge gratuity, and was poised for a 30% wage increase. We all know what happened as a result of that. There were other important parts of Government that was simply not functioning. GESCO, DEVCO, the Housing Corporation, the Marketing Corporation, the Diamond Dairy, failures after failure, after failure.

Mr. Speaker, the question is who was the Fiscal Advisor and later Minister of Finance at these times? Today we are \$657 million or two thirds of a billion dollars in debt, two thirds of a billion dollars of our national debt. The Leader of the Opposition would like everyone to believe that we cannot compete. They have drilled this pessimistic way of thinking and failure into our youth. If the Leader of the Opposition cannot do it, then no one can. Entering office, parts of the civil service had the same type of NDP thinking, 'we cannot do,' we cannot achieve, we cannot compete, there is no point trying. We implemented the 100 Days Programme and we kick the civil service in this country into high gear. [Applause].

And Mr. Speaker, within eight months we have accomplished so much, I can tell you now that I am ready for 2002. But there is one last thing that we have to do, we literally have to perform a virtual exorcism to remove this NDP thinking from the minds of many. Mr. Speaker, my Ministry, Telecommunications, Science, Technology and Industry stands poised to take on some of these challenges. It is a new Ministry which encompasses many new components, and many rejuvenated components. Telecommunications is a new pillar of the Ministry and it is seen as a new substantial revenue earner for the economy. As a result of the liberalization of the telecoms market. We expect a flurry of activity over the next 6 to 9 months and the entry of various entities into the market place, we also expect the lowering of prices, the creation of jobs in that sector and a cheaper way of doing business. We hope that the liberalization of a telecoms market will also provide an expansion of new services. Today if you are living in Cane Garden or certain parts of Mespo, you cannot get a new telephone line. You cannot get new internet services, because there is no new lines available. All providers, not only Cable and Wireless will contribute to a universal service fund, to help provide services to underserved sectors like schools, the disabled, and for pay phones, et cetera. This would not negate the obligation of providers to provide a minimum quality of services. St. Vincent and the Grenadines has the lowest amount pay phones in the Organisation of Eastern Caribbean States, has the lowest penetration of cell phones. And has the highest number of waiters. We

have over 2,000 persons now waiting for a telephone line. The highest in the Organisation of Eastern Caribbean States.

We have established a National Telecoms Regulatory Commission, called an NTRC. This is a body that is independent of the Ministry and would regulate the whole telcoms market and industry here in St. Vincent and the Grenadines, that is essentially who would applying for cell phone, mobile cell phone services, for radio licenses things of that nature. They would recommend to me as the Minister that they approve and I am suppose to sign. Telecoms is making the OECS stronger and it is a considerable amount of respect for these five island states, but we expect that the major benefit would be cheaper communication and job creation. This NTRC is slated to open in early January. Its operational presently, but in view of the upcoming Christmas season we have to have the official opening in January. The main pillar of the Ministry though is the industry division. It was cleaved off from the Ministry of Trade and is expected to really chart the application of fiscal incentives, stimulate investment and to rejuvenate the manufacturing sector. We expect that the reduction in corporate tax from 40% to 30% for manufacturing to have an impact, significant impact and the graduated scale of 30%, 25%, 15% further reduction in tax rate for the chargeable income earned on these exports to further enhance that. What was this important to d?

Mr. Speaker, it is well known that we have a massive trade deficit. We are an import driven economy, up to August the first, our import total \$356 million, where as our exports only total \$72 million. If we look at these statistics we must do something to start to stimulate the exports of produce, because that is what is going to bring in foreign exchange and help to stabilise that whole manufacturing sector. Mr. Speaker, previously, science and technology was a small sub division of industry. Today Science and Technology itself has been designated its own department. As part of recognition of the impact of technology on our lives, we have advertised for new technical research officer and we plan to have a serious look at alternative energy, we feel that the whole concept of solar and wind and those sorts of things are things that we really need to study, there has been some un-going study by VINLEC and we need to continue these. But in partnership with the Technical College and with companies, we also need to start focus on training. We import televisions and all sorts of gadgets and when these things go bad nobody knows how to fix it, these have tremendous impact on the whole concept of solid waste management, on our import bill, and we have to start training people and we want to get the persons who import, the company that import to start making sure that persons are trained to fix and repair any of those items that are brought in.

The Information Technology Services, formerly called DATA Processing has also immersed into the Ministry, and along with the division of Telecommunication Science and Technology, these three units would chart the policy of training and understanding and certainly the popularization and acceptance of new technology and information

technology sector. We believe that good governance must involve government be more transparent and more accessible to the people. This unit would spearhead the modernisation of Government bringing services closer and more assessible to the people, and certainly improving the efficiency of Government. As part of an OAS project we plan early in the new year to start the computerization of the Registry, one would be able to obtain a birth certificate or death certificate within five minutes. We do not expect that after this project is completed you would be down there waiting for two and three hours, whilst we try and find some old book, way in the back of the vault, and this type of service certainly justifies the \$10.00 charge for a birth certificate or a death certificate. We will also assist with the modernisation of the electoral office, making sure that the security systems are in place and that various applications also, -- this is also due to start early in the New Year. This division, the foresight of Government will be getting a new mainframe computer. This mainframe computer would be the new heart and soul, the new brains of the Government network. We will establish an intranet connecting all the main Government Ministries and we would also establish what we call extra net, to other units that would be peripheral to these main ministries. In time, if the Prime Minister is away in Dominica, he would still be able to attend Cabinet meetings remotely, I will be able to communicate with my colleague of Communications and Works and set up a conference call with other ministers. We will establish what they call firewalls, to make sure that the security system is tight. And at the same time we are hoping to establish a Government website by which the people would find access to information and so forth, and this is hopefully going to link to a plan to extend internet services to the various post offices in the rural areas.

Mr. Speaker, in the various departments of Government we have all kinds of computer systems they call them by all sorts of fancy name. Asecuda, Sigtas, Sigfast, and some of these systems do not talk to each other. They do not connect with each other. The Information Technology Service Division within the Ministry has also been working very closely with the Ministry of Education in the whole implementation of the computerisation programme and the training. They plan to work with the MIS system in the Ministry of Agriculture and the Marketing Corporation and I have mentioned the Legal Department. We plan to try and fix Smart Stream, we feel it can be down. This computer system has been reeking havoc with the whole accounting system, because it was set up in the wrong way, and does not fit in with how Government's accounting system is set up. So Government accounting system is set up one way and the computer system is set up another way. We have to fix this. Within my ministries is also the Standards Bureau which is also a regulatory body whose mission is setting and improving the minimum standards in manufacturing goods and services. This not only relates to food quality and the presentation of food, it also relates to tourists industry. This unit will also getting into what we call metrology, that is the monitoring of weights and measures at the various shops. However, I have been particularly concerned about the quality of food that we eat, maybe at this time I should also lay before the House like my good Senator Leacock some qualifications; but I would spear

the House had ruled. But I am concerned about the quality of food that we import. Chicken that we import can be frozen for two years and more before comes here to St. Vincent. Five years chicken frozen come here cheaply, and it is time we do something about poultry and the poultry industry. The Small Business Enterprise Unit is a very special unit, charged with improving the way small businesses and enterprises do business. They do not give out loans but they have been able to help a tremendous amount of individuals and we looking to give this unit as much support as possible.

Mr. Speaker, DEVCO is now over 25 years old. As a matter of fact, my father was the Chairman of DEVCO during his heyday, in the 70's and 80's, and then came the economic policies that ignored agriculture, manufacturing and industrialization. Today there is a new DEVCO. DEVCO is back with new vitality, moral and pride. We have restored the respect that the NDP striped from DEVCO. Today DEVCO is charged with the industrial estate management and investment promotion. Investment promotion in the IT sector, the Call Centre Programme and restoring investor confidence. If you go down to Campden Park today you would start to see the improvements that we are making there, we cleaning up the estate. Investors talk about the new step in DEVCO and the industrial division. DEVCO has already started the Call Centre at Arnos Vale. Georgetown is to follow at the end of January. Mr. Speaker, Government was forced to go it alone. And to take full equity in the call centre, because after due diligence we did not think that the original investors had the credibility or this country's best interest at heart. The signature to that agreement signed it in haste without checking it out and it can be seen today, when he passed on any questions to someone else and he did not know much about, we know this, what kind of leadership was this?

Mr. Speaker, let me say one or two things about the call centre, because I know it has been of great concern. We have had one or two problems. We have been using a new type of technology call VISAT, and it has a number of steps, we have had one or two problems where some units have gotten burnt out because of certain things but we have been able to put it together. Today I have gotten another report that we have gotten our problems fixed. I do not know what might happen next week, but we know we have gotten our problems, but we have to have a handle on things. We have trained over 460 individuals, 288 persons will be employed as telemarketers, 62 individuals would be employed as part of the management staff, five individuals are there as trainers and 3 individuals are part of the technical staff. Mr. Speaker, of these 62 individuals, we have 5 project managers, 13 supervisors, 33 verifiers, 10 monitors, 4 drivers, these are not car drivers, these are what we call computer drivers, 8 persons who are in top management and so forth. I must say this because in the call centre industry it is not just simply you go to work and go home and all that sort of stuff. It is that these telemarketers, using computers dial, these have automatic dialers, the telemarketers do not do the dialing, the computer does the dialing for them, to specified telephones in the United States and they try to sell certain products, when

there is a sale, these sales have to be verified so that is why we need the 33 verifiers. You need supervisors, there are 13 of them and there are drivers, people who are motivational and check things and we have the IT staff and then management, human resources, the English manager. Individuals are removed and given updates, and retraining and so forth, and it is an industry that I realize a lot of Vincentians do not understand. I have known so many times that there is a power cut some where and the businesses close down and in a similar way at somewhere like a call centre you may have a glitch or so but you get your technicians in and you crank it back up again and we are off and we are going.

Mr. Speaker, all week we have been speaking with a company call TELTEC that is going to establish another call centre at Ottley Hall. The same company is also going to be establishing a medical assembly kit, and those agreements are well on the way and signed. We also have another company ASTROCOM Communication that is going to be established at Campden Park. We have four other call centres that are at the advanced stage of making inquiry here in St. Vincent and the Grenadines. We because of the way in which we are managing this sector, St. Vincent and the Grenadines is becoming as a place where you can do business. People know we are open for business. But they also know that the type of investor is that you have to be an investor who is honest, you want to make some profit, yes, but you are not going to be a crook.

Mr. Speaker, we also have been attracting a number of entities to the manufacturing sector. You have heard the Prime Minister talk about the Allan Smith and family production companies, producing pastries at Campden Park. Caribbean Sheet and Tuberla Industries, Mr. Gumbs, producing office furniture and post boxes, mail boxes and things like that. We have ABS Trowel Plaster Manufacturing. Camilles Route Tiles Manufacturing. We have a number of entities in the furniture business, we are going to be emphasizing furniture, agro products and processing. In the upcoming year we would be joining other ministries to look at the poultry farming. And we have recognized that we have excellent water here, the best water in the Caribbean probably rivaling that of Dominica. And we are hoping also to look seriously at reintroduction of the smocking industry and other cottage industries.

Mr. Speaker, we will be establishing a national institute of technology. We recognize that if we attract call centres, if we attract various industries, we have to start training. We would defer much of the industrial training to that of the Technical College, we would we working very closely with the Ministries of Education but in the Information Technology Sector we will be setting up this Unit, it is due to start in early January, and we are hoping to train tremendous amount of individuals in data processing, call centre technology and of course in advance information technology. One of the reasons why we are having problems is that we do not have enough people who are trained and we

are hoping to have that corrected. I will be talking a little bit more about the National Institute of Technology in the New Year.

Mr. Speaker, the various incentives we offer to investors, we know that we can add that we have a trained labour force, a skilled labour force, once this National Institute of Technology is established.

Mr. Speaker another area another within my ministry is the philatelic and the postal services and significant efforts are being placed on restoring the viability and profitability of the Philatelic Bureau, we plan to issue a number of First Day Covers, National Heroes, Emancipation Day, Carnival, there is also the Queen's Golden Jubilee which is also profitable. Recently we have been conducting investigations and I have spoken to the Prime Minister, we have submitted a number of entries to the White Collar Crime Unit, and we expect these to yield some dividends. We will restructure the Post Office. We have been working on a new act for over five months and expect the first reading of this Act early in the New Year. We believe that in spite of fax and E-mails, the Post Office is financially viable. We want to restore confidence in three fundamental ways. I have a draw full of letters of complaints about alleged theft. I must admit there are problems. And that they are built up and unattended by the NDP over the years. I want to apologize to all Vincentians affected. We have voted \$150,000 for new security system. We also have 174,000 for an express mail system. There are only three islands in the Caribbean that do not have an express mail system, Antigua, Dominica and St. Vincent and the Grenadines and Antigua is due to establish one on January 1st. We see a lot of potential here, and this week we have a consultant who is in discussing this with a selected staff in the Post Office about setting up this express mail system, making the Post Office a more customer friendly place is also good governance, we plan to establish a unit that deals with customer service and we plan to put a lot more mail boxes which are in high demand way out to the community, in our towns like Barrouallie, and Biabou, and Calliaqua and other places like that. The revenue to be derived from my Ministry, the Ministry of Telecommunications, Science, Technology and Industry, is \$5,810,000.00. I believe we can surpass this. I have charged everyone in the Ministry or associated with the Ministry to work with an extra zest. With a new sense of direction and purpose and to achieve every single goal that we have outlined in our corporate plan. Even though we are a new Ministry, I know the rest of the Government would accept nothing less than excellence.

Mr. Speaker, during the debate, the Leader of the Opposition suggested that education only represented 22 percent of the budget, and was only a million dollars increased, he should have realized that a significant part of training and education in information technology sector now falls under a different Ministry. And as expressed we are working in collaboration with Ministry of Education and expect that in the case of the NIT that in time it will immerge back into the Ministry of Education. I was also surprised

that under Tourism he said that there was nothing new. Mr. Speaker, for 17 years the people of North Leeward have lamented the neglect of the areas eco tourism potential. James Mitchell only came to North Leeward at election time. There was the fiasco at the wharf at the Falls of Baleine. Alpien Allen former parliamentary representative for the area was the Minister of Tourism for almost four years and almost absolutely nothing was done about tourism, even the youngest child in North Leeward knows this, today this Government and the Ministry of Tourism has facilitated and supported the establishment of North Leeward Association, with the aim to promote and help manage eco tourism heritage tourism in North Leeward. North Leeward Tourism Association will have the official opening of a Chateaubelair tourism office on December 29th this year. Today, the wharf at the Falls of Baleine has been built. There are six North Leeward sites earmarked for development under the new tourism development plan, never done before. Soon the wish that Chateaubelair be designated as a port of entry will come true. We lose valuable revenue as yachts sail right by due to bad publicity and those who enter bays like Baleine, Chato, Troumaca and Cumberland do so without leaving a red cent. This robust yachting sector would be an important part of that regional diversification, the North Leeward economy and help to alleviate, that is why I say it is a poor people's budget. For years the past NDP Government refused to part of the CTO due to petite disputes between the director there, holder and James Mitchell. St. Vincent stayed as an obscure destination while other countries excelled. The Leader of the Opposition cannot pull wool over anyone's eyes. He has to come here and talk about promotion and for 17 years there was little of anything as promotion, not only in places like North Leeward.

Mr. Speaker, today, North Leeward is cleaner brighter and a more sanitary place, if one remembers there was one time when the Computer Kings Yacht came into Chateaubelair Harbour and one look at the garbage dump at Fitz Hughes he turn right around and sailed away, with the help of Karib Cable we removed and closed six large garbage deposit in Chateaubelair and Fitz Hughes. The ice cream sounding garbage trucks came by November 15th. And with intense education programmes that are planned I expect a new sense of pride in our community and a greater readiness for tourism. On both education and tourism it is not the amount of money that you put towards a venture it is how you spend it. Use NDP tax and spend type politics is out. It is not how much, whether it should be \$3,000 or whether it should be \$4 million, whether it should be \$5 million, it is how you spend it, it is the hand you get, whether it is a good hand or a bad hand, it is how you play that hand and we have played that hand well. You cannot just throw money at the Central Market and the cruise ship berth, and say great. I stood up here and heard the Leader of the Opposition grudgingly support the historic severance payments to estate workers at Richmond Vale, only to say weeks after that it should have been paid some time later. The people are truly appreciative of that. North Leeward people are also pleased about the plans to build a thousand houses through out St. Vincent and the Grenadines over five years. All my colleagues so expect that there would be some availability of houses in

their constituency. I have been working with the Richmond Vale Academy for the last five months. And I am impressed with their three-year plan. And this programme, the Richmond Hill Academy was closed by the NDP and the people of North Leeward have never forgotten and would never forgive them.

Mr. Speaker, in the area of Agriculture, farm loans, feeder roads and markets have always been identified as being what the North Leeward community really wants. At both the Banana consultation in September and a high powered farmers' meeting in Troumaca in October with the Minister of Agriculture, the top four persons at the Marketing Corporation, the entire Ministry Agriculture came down. The Irrigation Unit and held a very valuable consultation with farmers of North Leeward. Hope and confidence is now being restored in agriculture, in that area simply because of those meetings. We plan to repair and reopen the Belmont Marketing Depot so that the farmers can sell their produce there. A number of farm roads has been earmarked for upgrade from the \$15 million that is available for that purpose and the area for some point in time will benefit from the diversification and irrigation programme. Mr. Speaker, banana is the most important crop here in St. Vincent and the Grenadines, an essential crop, which my other colleagues will talk about but I have never heard the Leader of the Opposition talk about other crops, peppers, eddoes, vegetables; tell the farmers of Rose Hall, Rose Bank and Troumaca why the NDP had neglected agriculture. I recall my opponent in the election say, agriculture has gone out, but we are going to restore agriculture because we believe in that mixed basket of tourism agriculture, manufacturing, offshore finances and of course the information technology sector.

Mr. Speaker, the people of North Leeward anxiously await the cross-island road. Not so much so because of the construction job but because of the tremendous benefits and potential it will bring. It will lift the Windward side of the island to the palm beaches on the leeward side, and the Chateaubelair port of entry. North Leeward has streamed police stations, in Chateaubelair, Rose Hall and Spring Village. Bats infested Chateaubelair police station, every week a whole set of bat dust drop out of the roof, the Spring Village Police station is in deplorable condition. North Leeward also has four clinics, in Spring Village, Couls Hill, Rose Hall and Troumaca, and one regional hospital in Chateaubelair. But because of Chateaubelair distances and essential commodity, and certainly with the burgeon in tourism industry will also gain more importance. In the upcoming year we plan to repair and renovate all police stations and all these clinics again as part of the labour intensive programme.

Mr. Speaker, in the upcoming year, in the area of sports in North Leeward we are making some attempt to start the development of the Cumberland playing field and also the Golden Grove playing field, even though there may be some shortage of funding, we realize that the sports council has these areas identified.

Mr. Speaker, one of the areas I have lamented is the fishing industry we built a number of these fish markets many of them were not furnished with the right electricity supplies. It has been difficult to get some of the local fishermen together, but tremendous efforts are being and will continue to be made to get the North Leeward Fishing Corporative going. I am hoping that before the end of the year we could conduct another meeting. I am sure it is a similar situation in Barrouallie to attempt to try and get some of these fish markets open. All these fish markets have laid there like white elephants and it is time we start getting some productivity out them.

Mr. Speaker, I believe that the people of North Leeward are good people, great people, just like any other persons anywhere else in St. Vincent and the Grenadines. They have high ideals; they want services like everyone else. It is quite clear that we are not always able within these first eight months to supply people with everything. I think it was quite clear that during the elections that we were going to attempt to create 15000 jobs in the first year. Already you have heard that we have 400 and more jobs through the YES Programme. The Call Centre that has been established at Arnos Vale, I have read out the figures, 388 persons with 30 persons on reserve over 400 persons. The Call Centre at Georgetown to be established in January will also be over 200 individuals. That is a start. At Ottley Hall again, 400 individuals. Between Allan's Bakery, the Tile Manufacturers. The Tuberler's Metals and a number of other industries that we have earmarked here for St. Vincent and the Grenadines, we know that we are going to be well passed that 1500 marked by the first year in Office. But we cannot stop there, we have to go on. And the whole business of creating jobs have to be done one by one, by one. Some persons may well have to wait. Other would have to be trained, and other re-trained. We will never though be able to employ everybody, but we are going to try and go all the way in trying to create a greater level of prosperity and pride for our people there in St. Vincent and the Grenadines.

Mr. Speaker, in the upcoming year, in spite of the fact that there may be many challenges such as shortage of staff, a lack of money for certain projects we are still going to soldier on. One of the areas though, Mr. Speaker, that I will not tolerate is what I have noticed has been the rampant level of sabotage of this government. In so many areas as soon as you turn your back there is some scheme, there is some effort to try and undermine this government. Whether it be in the roads division. Whether it is a situation like at Chateaubelair Hospital where seven individuals were sent on vacation at the same time, whether it is the accusation that services secretly are only given to NDP supporters, like terracing of lands, this is something that has to stop. As we be working on the 100 Days Programme and trying to get the Ministry going and working hard to get the telecom sector going and getting the industrialization programme, some persons may feel that we are not in step with what is going on in our constituency but I can tell you I going to be taking a whole of things, and the individuals who may think that they will be getting away with a sabotage of government or the undermining of any of my colleagues they better think twice. I know that the NDP often

say, and it there slogan, “all you win, but we still control things.” Well we are going to see who is in control. Mr. Speaker, I am a disciple of ‘together now.’ And also believe in the ennoblement of the Caribbean Civilisation. But I can tell you that any of the individuals who try to steal, try to rip off government, try to pull wool over the governments eyes, and hood wink us and to sabotage the government will seriously think twice. I am hoping that persons in my constituency of North Leeward are hearing this.

Mr. Speaker, as I have expressed I would like to bring a new sense of pride of being a politician. I know that is the same concerns of my colleagues on this side. I implore the members on the other side do not simply oppose for opposing sake. I am sure the Leader of the Opposition knows that this is a good budget. I would speak for the Leader of the Opposition because I know he knows it is a good budget. He knows the challenges he went through, he knows the neglect that he gave to tourism, tourism out of the way. He knows the neglect to agriculture, he could not careless about banana. If you listened to the Leader of the Opposition, 85% of the time it is about offshore finance, it is important, but as a leader I feel you have to get in step with what is taking place. [Interjection] I am number 11, I am proud of being number 11 because I am not so focus on position, I am not focused on position at all, you know, because all those things are not important to me. But we need something more from the Opposition. We have heard two of them speak here today and the contribution to the debate has been minimal. And I can tell you I am surprised. I expected something different. [Interjection] well you know something, you might say that but you probably do not know my own background, you see, that is where the idle boast about economics comes from. You do not know my background.

Mr. Speaker, we expect a debate that engages the people. I am sure that many Vincentians today if I could take the words from the Leader of the Opposition could not understand what he was saying. If he states that I could not understand, he could dis-straddle the people of St. Vincent could not understand and certainly Senator Leacock I am not sure what he said, I still trying to thing, I am sure the ladies there are going to have serious problems with the Hansard today. But I am hoping that Senator Shallow, Representative Ollivierre and Representative from the Northern, Friday would be able to do something better.

HONOURABLE MR. SPEAKER: You have 12 minutes.

HONOURABLE DR JERROL THOMPSON: Mr. Speaker, we face a number of challenges coming up in the New Year. In spite of the fact that the war in Afghanistan seem to be waning and in spite of the fact that there seem to be some element of recovery in various sectors of the economies around the world, in England and various parts of the Caribbean and in the United States, they say tourists are coming back to the hotels. In spite of the 11/12 people seem to be getting a little more interested in travelling. By

11/12 I mean the 12th of November. And you gonna find that we do have to start focusing on the vital sectors of the economy. I have outlined the plans with regards to information technology. And I have touched on a few of the glitches. And I have touched on a few of the ups and downs, but I have confidence that that particular sector is going to yield tremendous benefit for St. Vincent and the Grenadines. I have been talking to my two colleagues in agriculture, I know the efforts in diversification, what I saw down in Troumaca as presented by the Marketing Corporation and the plans that they had to start marketing produce locally, regionally and internationally that those particular plans are going to yield benefits. In spite of concerns, I am confident that we are going to pull through with off shore finance. I mentioned before in manufacturing, I have seen an investor confidence starting to come back. Recent trip to England, meetings in different places Vincentians were talking eagerly once again, are not only coming back to St. Vincent and invest but also sending their money, trusting the various entities in this country sending their money back as a form of investment.

Certainly in the area of tourism we have to hold firm. Regionally things have been grim, we have been left that bad hand of being obscure destination and the Minister of Tourism has been doing a tremendous job in trying to foster and promote and carry the tourism industry forward, I want to applaud her today.

I am truly grateful on behalf of the people of North Leeward for the efforts in trying to bring North Leeward into the eco tourism heritage tourism arena. There we have already started on our heritage tourism project at Fitz Hughes. The Heritage Village will have a craft centre, producing craft in a mechanized way, straw weaving and other things of that nature. We want to have a tropical garden focusing herbs and herbal plants, plants that have medicinal value. And also a small ancestral village. This probably not going to compare with the ancestral village that I expect to be established in the North Windward area, but I want everyone to know North Leeward and the leeward side of the island celebrate the history of a thriving Carib culture. We feel that in commemoration of that particular type of culture which is still active that this ancestral village along with the craft component, the tropical garden will add to the component of the North Leeward tourism product. We have found a waterfall called the Darview Falls and surprisingly this fall is about 90 feet high, 70 to 80 feet high and recently we discovered that there is another fall, 90 feet high immediately above it that has not been discovered for years. This weekend we are cleaning up the Darview fall. We are cleaning it up. There is an old damp at Troumaca built we believe in the early 18th Century. It is a path used by General Gordon who used to live in Gordon Yard, a British General when he used to go and fight against the Caribs revolting in Chateaubelair. That damp is still in pristine condition and it is a tourism attraction. We know of Richmond Beach and we know of the Trinity Falls. Recently, again we found an old sugar mill in a place called Lashum and believe it or not there was a picture obtained by one of our members from kew Gardens that has a drawing a made out of

that Sugar Mill in pristine condition, he was able to obtain this from Kew Gardens in England and we are making arrangements to try and tap into some of these pictures. We found out that in Kew Gardens in England there are hundreds of pictures of St. Vincent and the Grenadines throughout the 18th Century and we are going to make an attempt to obtain those pictures and put them on display and exhibition. Yes I should say copies of them, originals might be a little too expensive.

Mr. Speaker, I end by saying that we have been giving tourism the support and we expect with that support is going to be used wisely. We expect that the type of promotion and the type of use of funds by the tourism sector is going to be targeted; I think that is the point that the Leader of the Opposition missed. He would like to see money just thrown at things but the keyword was targeted promotion. If you have been in the habit of targeting Yugoslavia and China, and Bolivia and other places like that, you leave a couple of those places out and you target the areas where you might yield greatest dividends, and so you use the money wisely.

Mr. Speaker, as we enter into the month of December, the month of my birthday I want to send out greetings, Christmas greetings to all my constituents whether you are NDP or ULP or PPM. Yes there is one person with PPM here. He blocked the road. He learnt from us. But Mr. Speaker, I am sure that the people of North Leeward even though I may not see every single one of you, you would be benefiting in some way whether it is from the million dollar programme of works that we are implementing over this season, whether it is the reach out and touch programme for the elderly, whether like myself you have been sent a barrel and hope it is a jumbo barrel, [Interjection] \$25? I have to get on the phone, The Leader of the Opposition maybe getting a couple of barrels too. Oh, you paid full price. Well I think that Mr. Prime Minister we may have to give him a refund. You do not want a refund, well that is the kind of thing we want to see from our citizens, people who would make that contribution. You know. But I am hoping that like the members on this side to make a further contribution and reduce the salary of the persons on the opposite side by 5% like individuals here on the government bench, if you want to make a contribution. You should have made the statement here, we did not hear it.

HONOURABLE MR. SPEAKER: Could you round up please?

HONOURABLE DR JERROL THOMPSON: So Mr. Speaker, once again to the blessed people of North Leeward, the wonderful people of St. Vincent and the Grenadines, I want to wish you a merry, merry Christmas, there is a promise that I always said I was going to keep and going to be in further consultation with the Minister of Health, I know in the new year, an effort to keep in touch with my medical skills I will be making an attempt to run at least one day per week with the Chateaubelair hospital; helping the people of North Leeward, helping them alleviate. Thank you, very much, Mr. Speaker. Thank you very, much for the debate.

HONOURABLE MR. SPEAKER: Any further debate on the bill?

HONOURABLE SELMON WALTERS: Mr. Speaker, Honourable Members, as I rise to give my support to this poor people's budget so ably presented by our Prime Minister, Dr. Ralph Gonsalves this being his first budget presentation since the historic occasion that took place in this country on March 28.

Before I begin Mr. Speaker, I will like to give thanks to God for what he has done for us as a nation and as a people, Saint Vincent and the Grenadines. Mr. Speaker we are coming towards the end of the hurricane season and we have not had that kind of a disaster, we are living in the earthquake zone and we have not had one and of course we are cognizant of the fact that we have one of the largest volcanoes in the world residing here with us and we have not had that kind of a disaster, for all these things Mr. Speaker, we must thank God.

We must thank God also Mr. Speaker in a political sense that on March 28, the people of Saint Vincent and the Grenadines went to the poles and decided to bring NDP misrule to an end. The open sesame that existed Mr. Speaker where the National Commercial Bank would have been ripped off over and over again by vagabonds and scamps aided by people in the NDP all that came to an end by what happened on March 28.

Mr. Speaker, the presentation so far has been very interesting. I listened eagerly from what came from the other side trying to see if there is anything at all that one can grasp or one can learn. I listened carefully to Senator Leacock for 45 minutes, but I think what he did Mr. Speaker, he bramble his way through the 45 minutes trying to say everything and said nothing. I listened to my friend, the Leader of the Opposition as he presented in a strange style it is not his style a more humorous kind of entertainment for his three and a half hours trying to criticise the appropriable budget and being unable to do so. What he ends up doing Mr. Speaker was to entertain all of us here and all those who listen at home I believe everybody have a good laugh.

Mr. Speaker, I applaud the budget as presented by the Prime Minister because I do not think he could have been more compassionate and poor-people-loving taking into consideration the hard times in which we now live. Mr. Speaker, in the budget in the Ministry of Agriculture, we have an allocation in the Head of \$24, 409,883.00 to be spent in the year 2002, \$10,573,383.00 represent the recurrent expenditure and \$10,836,500.00 represent the capital proposal.

Mr. Speaker, we would do our best to see in the Ministry how we can wisely use this money for the benefit of the people of Saint Vincent and the Grenadines bearing in

mind Mr. Speaker, that Agriculture today is simply different from Agriculture yesterday. It seem as though the days are gone when we can simply produce commodities in bulk and export. The competition we are facing from other economies of scale would force us to change our production and marketing practices and look for niche markets and niche opportunities in which we can compete and maximise these openings for the benefits of our people in Saint Vincent and the Grenadines.

Mr. Speaker with regard to bananas the restructuring of the industry continues. The Leader of the Opposition spoke of the restructuring this morning on a regional and international level; in fact, he spoke of the restructuring at the level of WIBDECO performance regionally and in Europe. But Mr. Speaker we in this administration would take it further and bring the restructuring locally here where the farmers are concerned because after all Mr. Speaker, if we restructure the industry regionally and internationally and it is not restructured locally where the farmers can make monies and the farmers opt out of the industry then the restructuring regionally and internationally would have been a waste of time if there is no bananas to export.

Mr. Speaker, there are many reasons why the industry must be restructured. Paramount among these reasons Mr. Speaker, is simply to ensure the farmers can take home more of their earning from bananas. Because when you look at the break down Mr. Speaker, it would seem as though the farmers get the remainder of the export earnings from bananas. For example Mr. Speaker, one pound of banana in the UK market would fetch roughly about EC\$2.00. Forty percent Mr. Speaker, of that pound of banana would go back to the supermarkets for selling the bananas, so from that \$2.00 the supermarkets would take out about 40%. WIBDECO Mr. Speaker would take out a share from the \$2.00 for marketing and for distribution. GEEST bananas would take out a share for ripening and for freight to the UK. Right here at home Mr. Speaker, the Port Authority would take out its fees from that \$2.00 the BGA would take out its share for its workers. The Shipping Agent for the ships local agent would take out their share. Mr. Speaker, the Carton Manufacturers would also take out their share from that \$2.00 and the local truckers would also take out their share from that \$2.00. It is then Mr. Speaker that the farmers are now considered and when all these shares are taken out from that \$2.00 Mr. Speaker, the remainder would be about 0.39 cents or less. So the farmers are now considered to be paid and they will get 0.39 cents per pound or less. If it so happens Mr. Speaker that all these intermediary expenses are taken out and nothing is left the BGA must now go to the bank and seek loans or overdraft with which to pay the farmers. This is a situation that faces the farmers Mr. Speaker and this is what the government sets out to address locally to ensure that more monies come into the pockets of the farmers. We have to remove Mr. Speaker or slim down many of these intermediaries so that more monies can come into the pockets of the farmers and I believe this is perhaps the most important reason for restructuring the Banana Industry. Because Mr. Speaker, some farmers are leaving the Industry and if all the farmers leave not being able to make ends meet, not being

able to pay their mortgages, not being able to make it viable then there will be no industry. No matter what we will do at WIBDECO level or at the FIFES level or at the \$26 million dollars we have over paid GEEST all these are things Mr. Speaker that make it more difficult today for the farmers. But I am very happy Mr. Speaker, that this administration has taken it on board to ensure that bananas does survive and I want to publicly applaud the Prime Minister for taking it on as one of his number one priority to assist us in the ministry to ensure that the industry is restructured.

Mr. Speaker, the Leader of the Opposition I was told when he was Prime Minister and Minister of Finance refuse to give any monies to the Banana Industry. In fact, I was told that he said he prefers to lose the election than to put any money into the industry and Mr. Speaker, he lost the election. That Mr. Speaker is how important the industry is, -- get up and say you did not say so. Mr. Speaker, the industry is important, sit down man, I am not giving way.

HONOURABLE ARNHIM EUSTACE: Would you give way?

HONOURABLE SELMON WALTERS: No, I am not giving way, sit down.

HONOURABLE ARNHIM EUSTACE: Well, you must not tell lies man.

HONOURABLE SELMON WALTERS: No, it is not lies, is not lies.

HONOURABLE ARNHIM EUSTACE: Man you must not tell lies.

HONOURABLE SELMON WALTERS: Is not lies, is not lies. Mr. Speaker, the industry is important. In fact, in the Prime Minister's budget proposals we will read on page 18 that Agriculture is still the backbone of the economy and although the earnings from bananas declined Mr. Speaker, its contribution is still very significant to the GDP and we have to ensure that it survives, if it does not survive Mr. Speaker, so would the rural areas collapse.

Mr. Speaker, secondly, we have to ensure that we derive an industry that is more efficiently managed. The indebtedness of the BGA at the moment Mr. Speaker, would point to some form of mismanagement by the present management system in the BGA. In fact, Mr. Speaker, when you examine it, when we brought the last Bill to Parliament that deals with the restructuring of the Industry, one of the criticisms we got Mr. Speaker, is that Cabinet is playing too much of a leading role in the new paradigm. But Mr. Speaker, this must be so, because right now where we have farmers managing the Industry, we end up with an indebtedness in excess of \$30 million dollars and the BGA's Management does not have a clue as to how this indebtedness is going to be settled. It is left to the Government Mr. Speaker, to find ways to manage this indebtedness and to set the Industry on a new keel and therefore the Cabinet Mr.

Speaker must in the interim play a positive role and a leading role in ensuring that the Industry does survive. So Mr. Speaker, we are aiming for more efficient management in the Industry.

Mr. Speaker, in terms of the way forward, the Industry must operate on commercial lines. Gone are the days Mr. Speaker, when farmers can simply go to the Association and take credit, large volumes of credit, be it cast, be it inputs, and not servicing these debts, those days Mr. Speaker are gone. We have to ensure that we operate on commercial lines so that the indebtedness of the Association would not recur. We have to ensure that our farmers are so educated that they can manage banana as a business. That they must know what their production cost is, what is their overall operational cost, how much they intend to make and how much they intend to invest. They must ensure that monies are set aside and saved to purchase their inputs and to operate efficiently as a business. This is the way to go Mr. Speaker and we are looking to retrain our farmers to ensure that they can operate on commercial lines.

Mr. Speaker, we have to ensure also that at the farm level we go big in the new production technology; and there is one technology in terms of production, Mr. Speaker, that is proving itself well in the Langley Park and Rabacca areas. I am talking about the high-density production system that has been experimented with in Langley Park and Rabacca, the Georgetown areas and is proving well. In that high-density tissue culture performance Mr. Speaker, we are saying sometimes three or four bunches per month, very large bunches. We have to ensure Mr. Speaker, that if we are going to survive, that our farmers can live their acreage in terms of its output. We have to live the output in terms of acreage in terms of the production from 5 tons per acre up to about 20 or so tons per acre if it is to become viable.

Mr. Speaker, we intend to get assistance from our friends in Martinique, because in that French Speaking Caribbean country, we found out that they are producing over 52 tons per hectare and they have the technology to do so. And we are very happy Mr. Speaker to have gone there in September to discuss to learn from them ways that we can pass on to our farmers. And already we had a return visit from our friends in Martinique who came here to look around and to see how they can assist our farmers. And I am happy to report that on the 11th of December there is another proposed bill from our friends in Martinique who would come back to Saint Vincent to work with our farmers to increase yield per acre and to see how we can help our farmers to meet the new challenges in our new banana regime.

Mr. Speaker, mention was made of irrigation. We have to get up to the proposed 4,000 acres for irrigation. Whereas Mr. Speaker, in the dry season production falls, if we can irrigate these dry areas and maintain production in the dry season we will be well on the way to making a new paradigm a more viable one. We intend also to take irrigation down to the Richmond Vale Estate, where the farmers in that area are

producing what I was told Mr. Speaker, the number one quality in terms of bananas. In fact, I was reliably informed that the best quality so far has come out from that area without irrigation. And I am of the opinion that if they can do it down there without irrigation, so can the farmers in the irrigated areas produce a better quality. So Mr. Speaker, we will step up in the New Year the irrigation expansion to get up the irrigated acreage up to about 4,000 acres.

Mr. Speaker, one of the things that is affecting the industry is the attitude of the workers to the industry. The complaint is made often times Mr. Speaker, that the farmers some how are not getting a fair deal from the workers. In fact, one farmer complained to me that he observed one of his workers who came to the field around 8 o'clock Mr. Speaker, then he looked at the gentleman and he started to file his cutlass at 8 o'clock, finished by 9 o'clock, started by 9:10 and by 10:30 he was ready to go and he is claiming a full day's pay.

Mr. Speaker, there are others also who are not employed and they refuse to do any service in the industry. I am calling on all our people to do their best to ensure that banana does survive, be it farmers or workers. And those workers who are so engaged, I am calling on all of you to give honesty to the farmers, because if the farmers cannot do any business, neither can you.

Mr. Speaker, the N.D.P's performance in Agriculture leaves much to be desired. The cries are still rebounding through the country Mr. Speaker for a better deal in coconuts. In fact, I am of the opinion Mr. Speaker, that one of the biggest disservice done to country in terms of coconuts was done by our former Prime Minister James Mitchell, when he went on radio and publicly said that the coconut oil has in cholesterol and that has been proven Mr. Speaker, to be untrue. He was driving the final nail into the coffin of the edible oil industry. The N.D.P presided over the demise of that copra industry. And today Mr. Speaker, we have an abundance of dry coconuts in the country and we are still grabbling with what we have to do with them.

In fact, Mr. Speaker, when we came into Office, we campaigned on the possibility of bringing back the edible oil industry. We had consultations with the coconut farmers. They brought in possible investors from Illinois in the United States to examine the possibility of bringing back the edible oil industry, but so far Mr. Speaker, we not been able to get it going. But we have taken off in a different direction and that has to do with bottling of the coconut water. We have had consultation with the FAO when they sent a technical delegation to visit us earlier on in the year. And one of the things that we told the FAO is that we will like to get assistance in deriving the technology to bottle the coconut water. Last month the FAO sent back a technical delegation Mr. Speaker, we held talks with them, they went right through the country looking at the present coconut stock and came up with conclusion that the Congo Valley will be a very good place to set up a Plant to bottle coconut water.

They went on the farm of Mr. Da Silva and we held talks with the gentleman and the FAO decide initially to invest roughly about \$US200,000 into this venture. And I am happy to announce Mr. Speaker that in this year coming up 2002 we hope to take off in bottling this coconut water. Mr. Speaker the market is guaranteed because when we went to Martinique in September, we were asked about this, in fact, we were asked to produce to the hotels a certain amount of gallons of coconut water that we could not supply, so Mr. Speaker right there the market is guaranteed. It is still open we had talks with the Chamber of Commerce in Martinique. The Chamber of Commerce also sent their delegation here to talk with our Chamber of Commerce and this is one of the areas Mr. Speaker where we hope we can go into, we hope we can get it going in the interim. So Mr. Speaker, I am urging our farmers who are destroying the coconut stock not to do so, give us another year to get it going for you. In the mean time Mr. Speaker, we have to look at replanting the present stock because many of the trees we have are very old, very tall and they would not produce the volumes we want for this new venture. We are looking at the possibility of bringing in a new variety that is found in Mexico and the Philippines and Malaysia that produces large nuts, large volumes a quarter. We are getting the information on this variety to see if we can bring it in Mr. Speaker to replace the present stock so that this new venture in bottling the water would take off. Mr. Speaker, this Government is committed to ensuring that Agriculture does survive.

Mr. Speaker, Arrowroot. One of the things we are doing Mr. Speaker in arrowroot and I believe when Minister Daniel speaks, he will expand on this, is to increase the acreage under cultivation to ensure that the diversification around bananas takes impetus. We have a proposed new factory for the Orange Hill area, a multi-purpose factory that will do arrowroot in the arrowroot season and do cassava in the off arrowroot season. The monies are already allocated Mr. Speaker and we are hoping that in the year 2002 we can finalise this deal where arrowroot is concern.

I move now Mr. Speaker to Non-Banana Agriculture. Mr. Speaker, perhaps the major snag in this area of Agriculture area is the area of marketing. Our farmers would produce just about anything we asked them to produce Mr. Speaker, but sometime when we go around the country and asked the farmers to produce any of these commodities, they would asked us about the markets. And there is some timidity Mr. Speaker, because we were told that in the past people came and asked to produce passion fruits, to produce sorrels et cetera and when they were produced in abundance there were no markets. And so Mr. Speaker, we came into office with a promise to restructuring the Marketing Corporation. To make it a more market oriented enterprise. Mr. Speaker we were not satisfied with the present drive in the Marketing Corporation. The present drive seem to be one of import and distribution, we felt that it should be one of produce and export. So Mr. Speaker, we set out to restructure the enterprise. Cabinet has approved additional financing from the National Commercial

Bank to the tune of \$1.4 million dollars for the Marketing Corporation and the Board and the Management in that enterprise to restructure to make it more efficient, more effective to that extent Mr. Speaker, we are putting their a proactive Marketing Unit. That Marketing Unit Mr. Speaker is supposed to find the markets locally, regionally or internationally. Wherever the markers are we intend to find them, so that Mr. Speaker, when we go out to the farmers and asked them to produce any commodity, we can guarantee them that they will get monies for their hard work.

Mr. Speaker, earlier on our Prime Minister held discussion on the Grenadines with some hoteliers in terms of buying their local, or their vegetables et cetera from the Vincentians farmers. We discuss this matter with some of the hoteliers and they were in agreement. In fact, the Canouan developers came to us Mr. Speaker and they give us an abundance of seeds to produce a type of vegetable that they will want. We went to the farmers give them the seedling and having them producing these vegetables with a guaranteed market in the hotel chain in the Grenadines and elsewhere. Mr. Speaker, the system is what we call a contractual arrangement with the farmers. We would not leave it open Mr. Speaker for everybody to produce the particular commodity, because that would result with a glut on the market. What we are doing Mr. Speaker, is to select some farmers, give them a contract to produce a certain volume for a particular market and Mr. Speaker, with a guaranteed market. We are hoping that we can control the flow we produce by doing so and maintaining a good price level to make it viable for the farmers.

Mr. Speaker, in the area of non-banana. I must also commend the work done by the traffickers to take produce out every week and provide a guaranteed market for the farmers. The data Mr. Speaker on the volume of the produce taken up by the traffickers is sometimes not forthcoming. We have to put in place a structural system where we can measure the volume of the commodity taken out so that we can better plan how we can assist the traffickers both at home and at the market place. But we have to commend their efforts Mr. Speaker, because they do this on their own without much assistance from central funding. They too have their problems Mr. Speaker because often times they are not able to make their commitments to the farmers and sometimes the farmers' cried foul that they are not being paid. The time has come Mr. Speaker for us to look to what is happening there and see how we can assist to make more transparent more viable.

Mr. Speaker, the drive for diversification continues. In the estimates, we have some monies about \$4.1 million dollars allocated to drive diversification further along the way. We hope to make some monies available by way of grants and credit to farmers to ensure that whatever they go into around bananas does pan out. We are taking careful note Mr. Speaker with those farmers who would want to come out of bananas to go and do something else. We would give them all of our assistance if necessary to ensure that whatever they go into it becomes viable.

Mr. Speaker, Livestock. Mr. Speaker there is much concern about what is happening in the livestock industry. There is much dissatisfaction with the level of imports we are having in terms of poultry. In fact, when we look at the figures Mr. Speaker, we realise that we are importing every year roughly about \$20 million dollars worth of poultry products into the country and one of the things we are pressed to do is to see perhaps how we can reduce this heavy dependency on the importation on poultry products.

Mr. Speaker, we examined it, we have done studies on it and it challenges before us are numerous. But they are not insurmountable Mr. Speaker, where we are not being able to reduce the trade 100%, but we are hoping over the year 2002 that we can reduce it by at least 40% and so perhaps over another two years cut significantly into keeping this \$20 or so million dollars at home.

In the meantime Mr. Speaker, we are self sufficient in terms of the production of eggs. Every year around this time Mr. Speaker, there is normally a run on the supermarkets to find eggs for the Christmas season and so when we came into office, the technical staff in the Ministry and myself sat down and we decide to see how we can address this situation to ensure that we have sufficient eggs produce locally for this Christmas season. And so Mr. Speaker, I would quote from a document produced by the Ministry, which could become a document of the House, and it says Mr. Speaker, that we have 29 local farmers who are in the production of eggs and together they have in total 42,245 birds. And Mr. Speaker, the production of eggs so far is interesting to note. It says Mr. Speaker, it means that over 73,590 dozens of eggs so far are produced, between the November to December period and we are self-sufficient in eggs for the Christmas season. So Mr. Speaker, we have gone somewhere in addressing the situation. After all, all these birds will go in to reducing, even in a minuscule way the trade in poultry from the United States.

Mr. Speaker, we have a few of the technical staff in the Ministry, who are particularly assigned to work with the poultry farmers to see how we can arrive at reducing the \$21 million dollars. Already we have about 3 or 4 farmers who are involved in the production of chicken, there is one gentleman up in the Calder area, there is another set up down in the Brighton area and are hoping to expand this Mr. Speaker to put on the market locally produce chemical free chicken so that we can compete with the very old frozen chicken, chemical tinted that we receive from overseas.

Mr. Speaker, in terms of small ruminants; the establishments at Belmont and North Leeward and the establishment on the Rabacca farms are doing very well. We are producing there, Mr. Speaker, some goats and sheep that we hope to pass on to farmers. In previous times Mr. Speaker, these animals were given to farmers free of charge, it was found then that not many farmers took advantage of it and those who did, did not show great appreciation. So while the animals are produced Mr. Speaker,

the farmers would have to pay a price to get them and I believe having paid a price to get them, they will be more careful as to how they keep them and to ensure their monies are return.

Mr. Speaker, we intend in the Ministry of Agriculture under the Government to get very tough on predial larceny. I believe the theft of these animals is simply too rampant. Many of our farmers Mr. Speaker are afraid, mortally afraid of producing goats and sheep knowing that they will be stolen. Mr. Speaker, we intend to bring legislation to this Parliament to impose very severe penalties on anyone who sits at home idly, does nothing and simply wants to go and steal the animals of the hard working farmers. Mr. Speaker, this administration intends to bring this worthlessness to an end. Mr. Speaker, we also intend to work out a policy in terms of larceny of these animals by dogs. Many of our farmers Mr. Speaker, have lost significant revenue from the attack of dogs and when all these monies are lost Mr. Speaker and the dogs are caught, then the dogs quite rightly, quite naturally have no owner. One of the proposals Mr. Speaker is that we tag all dogs in the country and give them a number and so when these dogs are caught attacking anybody's animals, the dog is caught it will have a number that we can use to identify its owner and its owner will have to bear the cost for the destruction of these animals. Mr. Speaker, these are proposals that we are working on to ensure that farmers who are involved in livestock would not suffer from attacks by dogs and from thieves and vagabonds, we intend to give them as much protection as much as possible to ensure that they can survive.

I move now Mr. Speaker to Fisheries. Mr. Speaker, when we came into office in March we met a ban on the exportation of fish to the European Union Countries. In fact, we were told that the market facility in Kingstown was down graded for being not sanitary. We were made to understand Mr. Speaker that the European Delegations came to see the facilities and thought that it was not good enough to export fish for their people to eat. We were told that they were supposed to find that walls were covered with stainless steel, that the floors were supposed to be tiled and that there was supposed to be sufficient water running to keep the place clean, that the surroundings were supposed to be very clean. They were not satisfied. That the gutter behind the building was not properly drained out, that the disposal of refuse from the fish market created a stench, the movement of traffic in terms of people and vehicles was too heavy and so the facilities Mr. Speaker were down graded.

We set to work Mr. Speaker immediately and we were wondering what to do, because to revamp that whole facility would have been too expensive. The monies were not forthcoming so we fell back on the suggestion Mr. Speaker that perhaps we can upgrade the facilities in Bequia and Union Island so that they become E.U standard accepted and from there we can export to the European Union. So Mr. Speaker, we went in that direction and you can see from the estimates and the allocations that significant amount of monies were allocated for the upgrading of these two facilities. In

fact, Mr. Speaker about \$730,000 is allocated to upgrade the facilities in Bequia and Union Island so that we hope that by June our fisher folk can resume exporting fish to the E.U Countries from these two facilities.

In the mean time Mr. Speaker, in a more medium term measure, we are looking at revamping the facility here in Kingstown. We have a proposal before us to build a new facility. The Japanese have pledged to give us support in constructing this new facility. We are hoping Mr. Speaker that we can finalise this by the year 2003. So we are hoping that in the interim, the Bequia facility and the Union Island facility can take up the slack to bring more income to our fisher folk.

Mr. Speaker, we also met also met all the fishing centres in the different areas not being used, but we have them in Chateaubelair, Barrouallie, Calliaqua, and other places, Clare Valley and they are not being used. Mr. Speaker, in consultation with the Ministry and its technocrats we decided to allow the local fisher folk to form Co-operatives to operative these local facilities and I am happy Mr. Speaker that we are doing so. In fact, the facility in Barrouallie is now being managed by a Co operative from Barrouallie. We are working out a similar arrangement with the fisher folk in Clare Valley to manage that facility. We are doing the same thing with the one in Calliaqua and Chateaubelair. These facilities Mr. Speaker have been lying idle for too long we have to put them into commission to ensure that they contribute something to the fisher folk.

Mr. Speaker I move now to ICCAT. We came in to office Mr. Speaker and we met a black list on Saint Vincent and the Grenadines in terms of its selling of the big eye tuna species and tuna like species to the American market and the Japanese market. It is interesting to note Mr. Speaker that the previous Government knew of this situation since 1997/98 and did nothing. In fact, the correspondences we have discovered show that the ICCAT (the International Commission for the Conservation of Atlantic Tuna) did communicate with the previous administration that the country will be black listed if certain things were not done to have us conforming to ICCAT's recommendations. Mr. Speaker, the N.D.P did nothing. And because nothing was done Mr. Speaker, our country was black listed and what we found out then is that, the ships which operated on the high seas were debarred from selling their catch to the American market and to the Japanese market. Let me say Mr. Speaker that many of these ships were foreign owned. In fact, many of them are owned by the Taiwanese operators and they are registered here in Saint Vincent and the Grenadines. That makes them our ships and that makes fighting to lift the black list our business. We set about Mr. Speaker to ensure that we conformed to the recommendations of ICCAT. We brought to this Parliament legislation amending the Merchant Shipping Act. We brought to this Parliament legislation that hassle with Merchant Shipping to ensure that we can put in place the necessary legislation to conform to ICCAT recommendation. These include reporting on a monthly basis the catch of these ships to ensure that they conform to

the prescribe quota for the tuna and tuna like species. To ensure that they conform to the ICCAT conservation measures taking only mature species. Making sure that they conform to the quota that is allocated to us. Making sure that the conditions on board the ships are what is prescribed. We brought legislation to put all these things in place. But Mr. Speaker, earlier on this month when we went to the ICCAT meeting in Spain, Mr. Ryan and myself from the Fisheries Department, we found that we have not done enough. When we moved on the floor Mr. Speaker that we would like to have the black list lifted we were told Mr. Speaker that there are other things we needed to do. We are told Mr. Speaker that we need to set up a monitoring system where we can ensure that those ships that fish in the conservation area conform to all the recommendations. Mr. Speaker, we are not in a situation to put in such an expensive system. So right there in Spain Mr. Speaker, we held discussions with the Brazilian delegation, with the Canadian delegation...

HONOURABLE MR. SPEAKER: If you just give me one moment, I just want to make an announcement, these proceedings; Karib Cable on Channel 45 is carrying this debate live, so I just want to draw that to your attention. Everybody, pay attention, it's being carried live by Karib Cable in Channel 45. Thank you very much.

HONOURABLE SELMON WALTERS: Thank you, Mr. Speaker. I was saying that we held discussion there in Spain with the Brazilian delegation, with the Canadian delegation, the Japanese delegation and the American delegation. And we were seeking to get technical assistance to assist Saint Vincent and the Grenadines to put in the relevant technology to monitor the ships on the high seas in terms of reporting to ICCAT what the ships are doing. Mr. Speaker, the Brazilian delegation responded favorably. In fact, they are supposed to visit us with a technical delegation in December to see how they can assist us in putting in a satellite monitoring system so that we can stay here on Saint Vincent and see these ships on the high seas and have them monitored. We have also gotten commitment from the Canadian delegation for technical assistance. We have also gotten commitment from the Japanese Mr. Speaker for technical assistance some year ago Mr. Speaker to put all these things in place so that we can go back to ICCAT sometime in 2002 and report that we have done these things. In fact, Mr. Speaker, we are given the firm commitment that when we put all these measures in place, the black list will be lifted in January 2003. In the interim Mr. Speaker, we have to find ways of getting around this to ensure that we do not lose any business where the fishing fleet is concerned.

Mr. Speaker, I move now to Lands. After all, we are Ministry of Agriculture, Lands and Fisheries. Mr. Speaker when we came into office in March, we found that the situation with the Government lands left much to be desired. In fact, squatting was rampant and is rampant. On the Diamond Estate Mr. Speaker, there was total chaos. People felt that they could have constructed dwellings anyway they felt like. In fact I am blaming point blankly the Minister of the former administration who took it upon himself to send

their supporters in certain places to build structures. In fact, I have discovered some correspondences where former Ministers gave people letters to go to Diamond and other places to take up Government lands, sometimes these lands are already allocated to other people. And so Mr. Speaker, all this added to the conclusion that we are now trying to sort out. Mr. Speaker, we began by creating a registry of lands, in fact, our surveyors are working relentlessly to document all lands in the state that are Government owned. You would be surprised Mr. Speaker to find out that some lands that are in the position of some people for a number of years are state owned lands. We want to know the status of these lands Mr. Speaker, so that arrangements can be made with these occupiers with the Government so that titles can be have. In fact, that is one of the things we campaigned on: that when we come into office we would move speedily to allocate titles to the holders of these lands when they come into an arrangement with the Ministry and with the Government to do so. We are working Mr. Speaker, and right now our surveyors are out at Diamond to see how we can make the best of a bad situation. I am afraid though Mr. Speaker, that some structures may have to be demolished because where there is a 'mumble jumble' of the structures, where they come too close to the roads, where the building code is not adhere to, some of these structures will have to be demolished. Mr. Speaker, we are dealing with the squatting problem, we are bringing it under control. When we came into office a freeze was placed on the allocation of lands and this would remain until we have completed the registry and bring the whole thing under control.

Mr. Speaker, the new drive in Agriculture is one for food security. The events of September 11, Mr. Speaker, has shown us the importance of being secure locally where food is concerned. Right now we simply are importing too much food. I believe Mr. Speaker, we can produce what we are now importing, but in the past we were told it is cheaper to import, we were told you can not compete, we were told it is cheaper to buy. If this is the way to go Mr. Speaker, we are going this way at the expense of food security. It is important Mr. Speaker, to have your own food because the instability of the global environment, in terms of civil unrest and war will bring it forcefully to us that we need to have our own food. So if ships cannot come here, if aircrafts cannot, threaten by Bin Laden, we should have enough food to feed our own people and that is one of the objective Mr. Speaker, of the Ministry of Agriculture, Lands and Fisheries.

Mr. Speaker, we also intend to improve export earnings from an increase in the production of bananas. At the moment as I have said before Mr. Speaker, we are too import distribution oriented. We need to become more production and export oriented and this will be the new focus for the Ministry in the short term and we will ever preach the buy local campaign. I am urging all our people to buy local, to support the farmers, let them have their market and so there can be sufficient resources going around for all. We will all suffer Mr. Speaker, if all our foreign reserves must go back overseas to import what we should and can produce.

Mr. Speaker, we will give tremendous support to Agro-processing. I want to salute those people who are fighting to keep Agro-processing going. Mention was made earlier on of people like Erica Mc Intosh and others who keep the candle burning here Mr. Speaker and I want to say to them, that the Ministry will give you all the technical support that you are required.

Mr. Speaker, we are also bringing back the Diamond Dairy. The facility lay idle for 17 years through N.D.P neglect. When we came into office we came in on the campaign that we have sufficient fruits and vegetables to restructure, revive the Diamond Dairy. We have gone through the whole process Mr. Speaker, the facilities now in new hands; new owners and we intend to get this system going again as soon as possible so that there can be a market there Mr. Speaker, for those farmers who produce fruits and other commodities that can be processed at the Diamond Dairy. So Mr. Speaker, the Ministry is doing all that is required to keep Agriculture going.

In the Estimate Mr. Speaker, you would notice that we have a proposal there to relocate the Ministry itself because in the cramped space in that old building Mr. Speaker, we have to do some work on that and in the allocation Mr. Speaker, we have an allocation there of \$165,000 for designs of a new Ministry's building. We are still yet to decide where this building will go Mr. Speaker. Some people are saying we should go to Campden Park, some are saying we should go up to Dumbarton; others are saying we should go to Rivulet. We are yet to decide where we would go Mr. Speaker, but in the not too distant future we will make a decision as to where we go, but in the meantime we will begin the designs for the new administrative building for the Ministry of Agriculture.

Mr. Speaker, I would now turn to the Constituency of South Central Windward where the people were gracious enough to elect me as their representative and I want to publicly thank them Mr. Speaker, for doing so. I pledge them that I will do all that I can with the help of God and with the help of my colleagues on this side to see how we can bring their concerns to focus and to bring some solutions to them.

Mr. Speaker, South Central Windward is predominantly an agricultural constituency. One of the things that were made forcefully in the campaign in March is that the farmers in the constituency have two requests. Request number one is for feeder roads and request number two is for markets for their produce. I came in to office Mr. Speaker bearing these two things in mind. We have held discussions in the Cabinet, we have decided to see how much we can address this concern, so we have restructured the Marketing Board to make sure that it can be the pivot in terms of marketing for the farmers non banana produce in that area. We will see how we can keep banana going again where the farmers are concerned.

Recently Mr. Speaker, some monies were set aside for feeder roads and I am happy to announce to the farmers in those areas that come next year, we will embark on a feeder road system throughout the whole country and South Central Windward will be no exception. Mr. Speaker, if our farmers can get decent feeder roads they can reduce production cost and family farms can be very viable and agriculture will survive. So Mr. Speaker, I am very happy that the Government has allocated monies for feeder roads throughout the country, particularly targeting those agricultural areas to make sure that the farmers can go to their farms with their vehicles.

Mr. Speaker, one of the first estates that was taken over by the Government in the so-called land reform programme is the Lauders Estate. It was taken over in 1974, I think, and to date Mr. Speaker, there is not a single feeder road in Lauders.

DR. THE HONOURABLE RALPH GONSALVES: They will get the roads; they will get the roads.

HONOURABLE SELMON WALTERS: Thank you Prime Minister, the farmers are hearing, they will get the roads. Mr. Speaker, after 17 years of N.D.P the Estate of Lauders does not have a single feeder road. I came into office Mr. Speaker, promising the farmers to do my best to ensure that Lauders gets its feed road and I went to the Prime Minister and I asked him about this and I heard him say we will get the roads, Mr. Speaker, I am happy about this.

Mr. Speaker, over in Diamonds, Diamonds is easily the most neglected community after 17 years of N.D.P rule, the most neglected. They never vote N.D.P, they never vote N.D.P and for 17 years Mr. Speaker, Diamonds was neglected, when you look at the schoolyard Mr. Speaker, it is like a ravine and I have spoken to comrade Mike Browne, Minister of Education about doing something for the schoolyard in Diamonds and he has agreed and so I am happy to announce that come next year 2002 we will address the situation to the schoolyard in Diamonds.

Mr. Speaker, Diamonds is a progressive community, very progressive. When you have in that community leaders like Oscar Allen and others, they are very, very progressive minded people and Otto Sam, the warrior, Otto Sam. The N.D.P spitefully transfer Otto Sam down to Biabou because he was brave enough to talk and Mr. Speaker, we came into office and we said when we win Wednesday, Otto Sam going back to Diamonds on Thursday and we did that, we did that. We have reversed a wicked and spiteful wrong, just as how we have reversed an historic wrong when we paid the workers at Orange Hill and down at Richmond. Mr. Speaker, this is a Government that has achieved the impossible in about eight months. Where have you Mr. Speaker, seen that in about four months in office any Government can refurbish every Government owned school in the State in about four months. We have done that Mr. Speaker. We have achieved the impossible and we will always do so.

Mr. Speaker, in Diamonds we have the Machobo road that is neglected. We have the banana road, the library road, in fact, some of these roads Mr. Speaker were opened by farmers with their own monies and they were not surfaced. The N.D.P refused, but I am happy to tell the people of Diamonds that this is coming on stream.

Mr. Speaker, with regard to the community centre for Diamonds, I have consultations with the B.N.T.F and they have agreed Mr. Speaker to assist Diamonds in constructing their multi-purpose centre, this I believe would come on stream sometime towards the end of 2002. Mr. Speaker, down in Mt. Grenan, after 17 years of N.D.P, Mt. Grenan has two things for Government, one stand pipe and one small post office, they have nothing else for the Government.

Mr. Speaker, the youths in Mt. Grenan have asked for one thing. They have asked for a playing field. We have discussed the situation Mr. Speaker and we are looking into this. I cannot promise that they will get this playing field in the year 2002 but I promise that before this term is finish, the people in Mt. Grenan will have their playing field. We have identified the land Mr. Speaker, and we are moving towards buying this land so that they can get their playing field. Mr. Speaker, I want to issue a warning to those people who are occupying lands on the San Souci Estate. Many of them have not paid for the lands, I am urging you, those of you who have lands on that Estate to come to the Ministry of Agriculture in the Surveyor's Department and meet your obligation. If you do not meet your obligation Mr. Speaker, we may well have to reacquire these lands from the people, because there are a lot of people Mr. Speaker who need housing spots and farm lands and those who occupy them are not paying for them, we will take them back if you do not meet your obligations.

Mr. Speaker, at New Adelphi, we have a water problem. When we came into office, we campaign on bringing water to New Adelphi. I have written Mr. Speaker, to the Water Authority, asking that this situation be addressed, they have responded that there is nothing they can do about this situation, because the people are living on a hill and I am told that the gravity fed area, it is not possible to put water in the yards. I have said the Water Authority then why not put a standpipe in the interim and they have said no, but Mr. Speaker, I would not give up, I would ensure with the help of my colleagues on this side that the people in New Adelphi get their water.

Mr. Speaker, over in Higher Lowmans when we came into office the youths on the block asked one thing, they had one request that they wanted a public telephone booth, there is none in higher Lowmans. I wrote to Cable and Wireless asking that a booth be put in at Higher Lowmans and they have responded positively and said that the booth will be put in at Higher Lowmans before this year is finished and so Mr. Speaker, I am very happy to report to the people in Higher Lowmans that before this year is finished they will have their telephone public booth.

Mr. Speaker we will also in the year 2002 complete the paved road in Higher Lowmans going down to the river and over across to advantage street. We have also held consultation with some funding agencies with the intention of doing paving on old road in Higher Lowmans. So all these things Mr. Speaker, we hope to address in the year 2002 and perhaps also in 2003.

Mr. Speaker, in Chapmans, the community centre is incomplete. When we came into office there was no water in that building, we have put in water and we intend to paint the building Mr. Speaker and put some furniture into it that it can be used. There are some areas in that village Mr. Speaker where there have to be retaining walls we are moving on that, as a matter of fact right now, retaining walls are being constructed in some areas where the road is undermined and we intend to finish this project in about three or four different places in the village. Mr. Speaker, there in Chapmans also the cemetery is filled out. We have held consultation with the people as to where we will acquire some lands for a new cemetery. We have looked at a couple of sites Mr. Speaker, and in the up-coming year, we will move in to pull some of these sites so that the cemetery in Chapmans could be either relocated or extended, that we will do Mr. Speaker in the first half of the year 2002, God being our helper. Mr. Speaker, I spoke already about the Lauders feeder road.

In Greggs, Mr. Speaker, we are moving to construct the clinic for the people in Greggs. We have heard in the Prime Minister's address that it was so mentioned that in the year 2002 the people of Greggs would get their clinic. We intend also Mr. Speaker, to pay the farmers who have their monies tied up in the Corporative. 100,000 thousand dollars is allocated for the land on which the clinic is going to be built and we are hoping Mr. Speaker that we can pay the people their monies for Christmas. I have spoken at Cabinet and we have all agreed Mr. Speaker that the monies would be paid and I am hoping that we can get it out to the people so that they can get their corporative monies so invested many years ago for Christmas.

Mr. Speaker, there also in Greggs we have to refurbish that community centre. It has been vandalised and badly used and we are hoping that we can find money; I have spoken to Minister Miguel about that, that we can refurbish it. I promise the people also of Greggs Mr. Speaker, that some time perhaps in the medium term we can address the thrash mountain road that the farmers who are farming up there would like their vehicles to go right in their lands. I believe with the up coming feeder road drive we probably can address the thrash mountain road right down to pavement.

HONOURABLE MR. SPEAKER: Member has 10 minutes.

HONOURABLE SELMON WALTERS: Thank you Mr. Speaker. Mr. Speaker, the people in Hadley's Village and Long Piece are interested in acquiring the Daniel's Estate. When

we came into office, we examined this possibility Mr. Speaker it is still on the card. I am hoping that perhaps in the medium term to the long term they can get this land for housing and for farming. Down at South Union Mr. Speaker, the road is on the B.N.T.F programme for surfacing in the year up coming, so also is the Cane Land, San Souci road in Diamonds. Mr. Speaker, I have a programme for the entire constituency that we are using and we are hoping that we can put it in place, so that the people who voted me cannot say that they do not regret that they have voted out an incompetent man. Mr. Speaker the sporting facilities in the constituency would have to be examined. I have spoken to the National Sports Council about this and we have agreed that sometime next week we will make a tour of the constituency to see how we can address these sporting concerns. The playing field at North Union is very uneven, it has been constructed in a riverbed and so stones are there dropping out and the fellers who play their football there often time report injuries because of the unevenness. I have spoken to the Sports Council about this and they have agreed that in the dry season, we will roll it out and make it more players friendly. Again the Diamonds playing field, we are going to look at this Mr. Speaker, to see how we can get this going. The hard court at Lauders and Lowmans are vandalised, we have to see how we can get them repaired and get them going. The hard court at Greggs Mr. Speaker, the National Lottery had given us a promise that they will finish it, it has been constructed by the Lottery but it was not completed. There is a washroom facility that is to be put in and a couple other things that are to be put in Mr. Speaker, we are working on all these things to see how we can address the concerns of the people of South Central Windward.

Mr. Speaker, all that is left for me to do is to commend this Budget to the House and to the people of Saint Vincent and the Grenadines. As I have said before, the Opposition tried to condemn the Budget but they failed to do so because this poor people friendly Budget is geared at alleviating the sufferings of the people of Saint Vincent and the Grenadines after 17 years of hardships under the N.D.P.

Mr. Speaker, coming back to the feeder roads system though, the farmers who farmed Maroon Hill and Macy are being fooled for a number of years about getting their feeder road. I am happy to tell those farmers that under the new system in March 2002 or there about, we hope to open this feeder road from Maroon Hill onward to Macy and other places.

Mr. Speaker, we are now embarking on a joyous Christmas season and I want to wish all the people of South Central Windward, when it comes a merry Christmas. Whether they live in Mt. Greenan, San Souci, Diamonds, New Adelphi, New Grounds, North Union, South Union, Lapreen, Long Piece, Hadley Village, Chapmans, Lowmans Windward, Greggs or Lauders wherever the people live, I wish all of them a happy Christmas. Higher Lowmans, Lively, Fire bun areas going over to Park Hill and all my friends in New Adelphi and elsewhere, I wish all of you a Happy Christmas. Mr.

Speaker, you to, I wants to wish you and your family a Happy Christmas. The members of the Staff of the House, my colleagues on this side of the House, my friends on the other side, the Leader of the Opposition is my friend you know, even sometimes I have to rough him up, he is my friend and everybody in the House I want to wish all of you a Happy Christmas and God's blessing on all of us. Mr. Speaker, I am much obliged.

HONOURABLE MR. SPEAKER: Thank you. Any further debate?

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, there does not appear to be any further debate before we take the break for members convenience. I beg to move Mr. Speaker that we suspend the sitting of the House for half an hour for members' convenience.

Question put and agreed to.

House suspended 5:45 p.m. (Tea)

House resumed 6:25 p.m.

HONOURABLE CLAYTON BURGIN: Mr. Speaker, Honourable Members, I rise to give my unequivocal support to this excellent budget presented here in this Honourable House by the Honourable Minister of Finance and Prime Minister. [Applause].

Mr. Speaker, as was said by many of my colleagues on this side this budget is a poor people's budget. This budget, Mr. Speaker, caters for everyone, it may be said Mr. Speaker, that this budget caters for the unborn to the aged and some may jokingly say even for the dead, because you notice 20% increase by NIS for death benefits so that we give our deceased ones a better burial when they pass away. But be that as it may, Mr. Speaker, this budget presented in this Honourable House is one, which alleviate poverty among the poor of our society. The numerous capital projects listed in the budget would create employment for our citizens. This will reduce the unemployment rate that we have in St. Vincent and the Grenadines.

Mr. Speaker, it was said earlier on that unemployment went up but this is far from the truth when we have over 400 persons employed in the Youth Empowerment Service Programme, the Yes SVG, this is a programme that has not been in place before, so 400 extra persons who were unemployed are now on the employment list in St. Vincent and the Grenadines. Thanks to the Unity Labour Party and the Prime Minister of this country.

Mr. Speaker, for the last eight months we have been fulfilling our promises that we made in our manifestoes, in the 100 Days and the other documents by the Unity Labour Party. Let us look at the YES Programme Mr. Speaker. We said in our First

100 Days and in the document on page 7, that we would have this programme, the Youth Empowerment Service programme which would cater for about 750 persons within the first year of our administration and to date we have over 410 persons of yesterday registered out of that 750, Mr. Speaker. Mr. Speaker, this government is a government with a plan. This government is a government with a programme, we do not do things willy nilly, Mr. Speaker, we make sure that we sit down and we strategize and we talk with the people to see where we are going. We just do not plan and say here you take this. We plan with them Mr. Speaker. Mr. Speaker, persons in the YES programme are from Fancy right down to Union Island, and each constituency has an average of about 27 persons on that YES programme at this point in time. Persons in this programme are on what we call an apprenticeship system. In this system they are taught skills and the skills that they are taught are life skill; Mr. Speaker, skills that will inculcate in them healthy attitude towards work, healthy attitudes towards productivity, and healthy attitudes towards nation building, that is what this YES programme is all about, Mr. Speaker. [Applause]. Mr. Speaker, we are creating them in this YES programme expertise that we would very much need and use in the not too distant future. Mr. Speaker, we talk about education, and these youths are being prepared to enhance the teaching service of St. Vincent and the Grenadines, in what way, Mr. Speaker, is this being done? We have 56 persons on the YES programme attending the Teachers' College at this present, because Mr. Speaker we want to have a trained qualified, and skilled teaching service within St. Vincent and the Grenadines. [Applause]. And Mr. Speaker, not forgetting the 49 QATs that were appointed this year, enhancing the capacity of the teaching service and the Ministry of Education, Youth and Sports in promoting education for our nation, St. Vincent and the Grenadines.

Mr. Speaker, all the Youth Empowerment Service persons who are in this apprenticeship system are spread throughout St. Vincent and the Grenadines as I mention early on from Fancy right down to Union Island, they are placed in Departments in all the Ministries within the Government. They are placed in the schools from pre-schools right up to the secondary school, and post secondary institutions in St. Vincent and the Grenadines and these youths are learning the trade of teaching health, in the ITC sector, tourism sector and many other areas, Mr. Speaker. Mr. Speaker, we have persons attached to the Salvation Army assisting that organisation in carrying out its programme for this country. [Applause]. Mr. Speaker, we are alleviating poverty in this country, and we have started.

Mention was made earlier on about the number of jobs that have been created during the school repair programme buy the Minister of Education, Youth and Sports will speak to that issue more fulsomely when he takes this place to present to the people of this nation. Mr. Speaker, in all these efforts we have to congratulate the Youth Affairs Department. This Department is the one spearheading the Youth Empowerment Service Programme, this programme which was launched in August this year, and they

are assisting in placing these youths within the various places that have been requested by the various Ministries and also the 15 parliamentarians that have seats within this country.

Mr. Speaker, we allow each parliamentarian to select at least 10 persons to be on this programme. That is part of the together now that we are talking about and the other 260 persons. [Interjection] You did not get any, and I heard that you sent in a list with 20 names, and they are placed all in the Call Centre. Yes man some placed in Call Centre before. You sent ten, all right. Mr. Speaker, in our 100 Days Programme on page 18 mention was made about having a one stop unemployment centre for the young people of this nation and Mr. Speaker, we have lived up to that promise that we have made in our 100 Days Programme. We have four such centres throughout St. Vincent and the Grenadines, as a matter of fact five. One in Byrea, one in Marriaqua, one in Kingstown, one in Barrouallie and one in Union Island. And what has been happening in these programmes, Mr. Speaker, is that persons are able to go to these centres, register, and give all the data about themselves so that we can have them on record and see in which direction we have to make our plans in order to create employment, training and educational opportunities for these students, or these youths who are registering in these programmes. Mr. Speaker, meaningful employment of youths sustain productivity. Meaningful employment of youths sustain and improve productivity, and that is what we are doing in this government, we are making sure that our youths are not only employed, but they are employed meaningfully so that they can sustain themselves and improve on the productivity of this country. Mr. Speaker, this government places the development of our young people very high on our agenda. When we talk about the 1000 low and lower income houses to improve the housing condition within St. Vincent and the Grenadines, we are catering for the youth as well, it says in our Youth Manifesto that they are part of this programme, because, Mr. Speaker, let me remind this Honorable House and the listeners that youths make up the largest portion of this country's population.

Mr. Speaker, another thing that we are doing in the Ministry of Education, Youth and Sports is to restructure the Youth Department. The Youth Department is being housed in cramped space at this point in time. We are working towards improving on that situation, we are looking around to see how best we can maximize the minimum spaces that we have available within the Ministry of Education and within other Governmental departments. Part of the restructuring of the Youth Department Mr. Speaker, would be to upgrade the skills of the personnel we have in the Youth Department we have to provide training for them, in order that they would carry out the mandate of the Ministry of Education and also of this government. Nevertheless, Mr. Speaker, the staff at the Youth Department has been performing quite well under the conditions mentioned. Recently they facilitated the delegation of five persons to attend the Guyana tourism conference, I guess the Minister of Tourism and Culture has to get in touch with them and find out about these youths who were at that conference so that

she can use them in what ever way she feels she can. Also the Youth Department facilitated a delegation of two to the Commonwealth Youth forum in Australia, these are the things that we are doing Mr. Speaker. There has been the formation of the new forage club as school based forage clubs, as organisations, in Greggs and Overland and we have to sustain these forage clubs and these organisations, Mr. Speaker, in order to keep our youths occupied, to keep them from getting into anti social activities. Anti social activities that would get them into trouble we have to keep them on a straight path, Mr. Speaker.

We have produced new promotional flyers for Foragers so that the movement can grow within the school system and outside of the school system, we have to find all available means to occupy our youths, Mr. Speaker because they are so full of energy that if you leave them idle they would get into trouble so we have to do our best so we are doing that within the Ministry of Education, Youth and Sports with the help of the Youth Affairs Department.

Mr. Speaker, since coming into office the Unity Labour Party government has seen the formation of a Police Youth Club in some areas within St. Vincent and the Grenadines. [Applause] The pilot project started in Barrouallie the Constituency of the Minister of Foreign Affairs. And Mr. Speaker, the Youth Department would be working hand in hand with the Police Department to ensure that all Police Stations through out St. Vincent and the Grenadines have youth clubs attached to them. That is a way of getting the youths involved, Mr. Speaker, these things never happened before, Mr. Speaker, never. They were never thought of before, because we are interested in our people, in our students, in our youths, we are not only interested in ourselves and in our pockets, we are interested in the people of St. Vincent and the Grenadines.

Mr. Speaker, I mentioned a while ago about restructuring of the Youth Department. In doing this we had the Youth Affairs Department using the services of the CYP and the National Youth Commission, to work together to ensure that we have a policy, a department that can really and truly carry out the work for the youths of this nation. Mr. Speaker, just recently we also had the outstanding young achievers exhibition where schools from Kingstown and rural areas visited the display, and this was really appreciated by those persons who were not involved and see what can be done and what the young achievers have achieved. And these Mr. Speaker, are the kind of programmes that we are talking about to enhance the development of our young people and to get them involved in desirable activities that would benefit this country and move this country forward. Mr. Speaker, the importance of employment, sound education and good health are imperatives that contribute towards good living and helping the process of the eradication of poverty. Mr. Speaker, a number of jobs will be created in the year 2002 and those jobs are based on eradicating and alleviating poverty, and also at the same time building the economy of this country, St. Vincent

and the Grenadines. And our budget has shown us the direction in which we are going with the development of our country.

Mr. Speaker, the youths within the YES programme; the reports received from the supervisors and those persons who are in charge of where they are attached, the reports have been very good indeed. It is said that they are producing excellent work and we must congratulate the young people, despite the fact that many persons said that they have nothing to offer. They have a lot to offer. And I have been told that they are even more productive in some cases than the regular work force that we have in those establishments. That is the report from supervisors, because we monitor them all the time. You see Mr. Speaker, they are young and bright and energetic young people and they want to be in the forefront of development, because they know that they have a government that is interested in their welfare so they want to be a part of it, I am sure that they are really keen on assisting the government to assist them.

Mr. Speaker, on the issue of unemployment, we in the Unity Labour Party want to create a change from what has been, and we will create this change Mr. Speaker, in the attitude of our work force. One youth president from another country said, so we will, and do we shall. We will create change and we shall create change. No more are we going to have our citizens being on welfare, we are going to put them on what we call workfare. [Applause]. It is time enough for us to work for what we want, because the Bible says by the sweat of your brow you shall eat bread. And those who do not labour they should suffer they should not eat, so we are going to ensure that you work. We are creating the kind of training for you, we are creating the opportunities for you, but some persons have this mentality that has been inculcated to them over the past 17 years that they are taking a long time to get it out of their system by sitting down there and not looking for something to do, when things are around them. So we are going to create them, we are going to coax them; we are going to change that attitude and let you realize that you have to get up and get, you know. You must get up and get, we have to move forward in this country. Anyone who wants to stand in the way of progress we will have to deal with them. Because this is a progressive country and we are moving forward by leaps and bounds and who do not want to get on board that's them. Because we are giving you all the opportunities, all the training, we are begging you, we are imploring you to get involved, to participate in the process of development of your community, of yourself, of your family and of your country.

Mr. Speaker, in the area of sports, the Unity Labour Party regard sports as vital to National Development, it says so in the Youth Manifesto on page 16 and Mr. Speaker, what are we going to do? We are going to promote our sportsmen and women and we have been doing such Mr. Speaker, in the area of sports we have employed a number of persons under the YES programme and outside of the YES Programme since we came into Office in the last eight months or so. We have persons who over the years have been begging for some sort of employment and were denied the opportunity to

get in meaningful and gainful employment in St. Vincent and the Grenadines but since this Government came into office we have moved ahead to ensure that our national sportsmen and women are being given training providing with the educational opportunities and employment in this country. We have Pamenous Ballantyne who was on the bread line for a long time, Mr. Speaker, now he is attached at the National Sports Council, so is Nixon Mc Lean at the National Sports Council, Cameron Cuffy with the St. Vincent and the Grenadines Cricket Association. Venus Byum, Rommel Currency, these are young crickets, Erma Fisher in netball, Debbie Jordan, Kenroy Peters, Ulrick Jack, Dayton Butler, Maxford Pie, Die Cato, Cassandra Labord, Madonna Hinkson, Jacintha Adams, Curlon Francis, Ricky Dean Alexander, Michelle Jack, Winston Charles, Mr. Speaker, Donald Abraham, Attiba Phillips, Kemuel Browne and Kawansa Phillips just to name a few, those are persons in the youth programme attached to the Ministry assisting our nation. A number of persons are benefiting directly and indirectly because most of these persons, Mr. Speaker, they are attached to schools and when a school has a population of 200 going up to 600 you could see the number of persons who are benefiting from this programme, Mr. Speaker, and not hearing anything from those persons who are so partial in their outlook that they cannot see the thousands who are benefiting from this programme directly and indirectly. This is a government for the people, this is a government as I said before which has a programme, a government with initiative, creativity, and all the other good elements that you could mention.

Mr. Speaker, and those persons are not only linked to these schools giving of their skills and their time and talent, they are being trained at that same time by professionals within the Ministry of Education, Youth and Sports, and outside from the NGO community to enhance their skills to make them more efficient and more effective in carrying out the programme.

Mr. Speaker, the Government has promised that appropriate structures would be put in place for our sports men and women, and what we are doing, we are enhancing our playing facilities, we are going to upgrade, as a matter of fact, Mr. Speaker, we have started upgrading our facilities so that our sports men and women can have decent facilities to engage themselves in, in the sporting field and sporting areas, so that they can compete with the best within the Caribbean. Mr. Speaker, we are going to upgrade playing fields, we are looking at lands throughout St. Vincent and the Grenadines where there are no recreational sites, so that we can create recreational sites for our citizens so that they can have a place after work where they can go and engage themselves in some activities to lighten up the mood and also to learn a skill. Mr. Speaker, in our manifesto we said that we would have good will ambassadors at large, and we have four of our sports men and women being give the title ambassadors at large and have been given a diplomatic passport to represent this country, St. Vincent and the Grenadines, overseas, and at home as well. Mr. Speaker, this ambassador at large business we do not just do it just so, we do not just hand it

out to anybody who we think make the national side whether it is football cricket, we have to analyse it. We have to look at those persons who have made tremendous contribution to the nation, those persons who have put the country on the map those are the things that we are looking at. And Mr. Speaker, we are looking at other good sports men and women out there and they are being taken under review because the list has not been exhausted, but for the time being we have those four persons and we are looking at other persons and we are taking suggestions and ideas and working on them, Mr. Speaker, and folks would know that those ambassadors at large are Pamenos Ballantyne, Nixon Mc Lean, Cameron Cuffy and Skiddy Francis-Crick those are our ambassadors at large. So this government, Mr. Speaker, is sticking, [Interjection] Yes, Becket but I was looking at sports, I guess Rene will talk about the cultural part of it. Yes Becket in the area of culture, yes, he is a Layou man. All right.

Mr. Speaker, we also said in our manifesto that we look for monies for our National Stadium and Mr. Speaker, within 8 months we have not only looked for monies but we have monies to start the National stadium for our sports men and women and when I look at the national stadium and the cricket ground in St. Lucia, Mr. Speaker, that is in progress at this point in time, should be completed in March next year, Mr. Speaker, we really have to up grade our playing facilities if we want to compete. Because when I look at that facility there, if we keep ours in this condition, our cricket field at Arnos Vale, and how it is looking, we would have to start saying good-bye to those international games because we have Grenada and now St. Lucia to compete with. So we are going to upgrade our playing facilities and monies have been earmarked to upgrade the Arnos Playing Field in the coming year. So sportsmen and women who use that facility you can rest assure that next year some work would be done in upgrading our premier playing facility at Arnos Vale, and at present the netball complex is being repaired to the tune of \$80,000 at this point in time, getting it ready for the Under 16 Caribbean Tournament that is scheduled for the 9th of December, so Mr. Speaker, we are moving ahead and we are moving with haste in our development thrust, despite the set back we would have had most recently, we are still moving ahead, and what we are asking our citizens to do is to be a part, play your part, you have a role to play in the development of this country, so do it.

Mr. Speaker, we are pursuing sports-tourism programme for this country: sports, tourism, culture and all the other factors go hand in hand and we cannot isolate one from the other. Mr. Speaker, we promise to create employment and provide training, for our coaches, sportsmen and women and we have been doing that Mr. Speaker. We in the not too distant future, would be getting from Cuba, professionals to coach our basketballers and coach volleyballers and coach boxing, coach, athletic coach, so Mr. Speaker, we are moving apace, in getting our sports men and coaches trained so that they can deliver the goods and prepare our various national teams and get them in readiness for national, regional and international programmes. Mr. Speaker, the development of proper sporting recreational and leisure programmes is critical to the

development and upliftment of our youth and this nation. When you have a well-defined sporting recreational and leisure programme, you are catering for the physical, social, mental, economical and spiritual needs of the individual. Mr. Speaker, such a programme would offer a positive outlook for the natural enthusiasm, energies and creativity of our youth. It will also act, as I said before, as a deterrent to non-productive and anti social activities such as drugs, crime and violence. These are some of the things, Mr. Speaker, that our young people are getting themselves involved in, and we have to correct that. We have to have programmes that will point them in the right direction and all of us Mr. Speaker, we have a role to play in this. The fear of crime in the past and probably at this point in time, has what we call a deliberating effect upon people's lives, restricting their abilities to participate fully in life and in the community and in the society, so we have to ensure that we put a stopping to that sort of activity. We have to make our society a desirable place for all of us to live, for all of us to work, and also to play, Mr. Speaker. We have to create an environment that is safe, attractive and sustainable and we have to do this through new creative models of management. We have to move away from some of the old style that we have, even though some of them are relevant, we have to try to keep up with the times and meet the needs of the youths of this country.

I said earlier on, that our aim is to overcome the obstacles that are in the way of progress, and crime among the young people is one such obstacle that we have to remove. Mr. Speaker, we in this government are going to be very proactive in our development. We are going to be proactive in the development of the economic potential and capabilities that surround us and we have to do this in order to find the jobs so badly needed by our citizens, despite the fact that we have created so many jobs at present we still have to create more because there are a number of persons out there who are unemployed. Mr. Speaker, we have to create a confident, healthy and culturally diverse society where everyone would be given the opportunity to fulfill his or her needs, to fulfill his or her aspiration and to fulfill his or her ambitions, that is what we have to do, and this budget Mr. Speaker, and this Government, we are working towards fulfilling those needs. Mr. Speaker, let us not forget that our children are the future; success for them and the whole nation in the long term is in their education, that is why Mr. Speaker, at present we are reviewing the education sector plan to make sure that it meets the needs of our citizens, and as I said before the Minister of Education will speak to this matter more fulsomely. The school has to support the youth in their education, Mr. Speaker, we are working for educational attainment for our pupils; we are working towards increasing the attainment of the education level among our students and how can the school help in this, you might have to start giving them educational work with parents involvement and we are talking about the young and preschool children. We have to give them more early years and preschool support Mr. Speaker, and that was mentioned by the Prime Minister in his opening speech. We have to create and provide them with access to IT, Information Technology that is why we are going towards computerizing our schools. Mr. Speaker, in the youth

education, individual support is necessary. I want to urge students to have extra study groups that would support them through their education. You could call them probably study clubs, access clubs to IT, whatever. We Mr. Speaker, would provide them with advice and financial support in going on to college and university and earlier on mention was made about 200 scholarships that we are going to get for the next five years for our young people in this country. And this afternoon we had those personnel from the Plattsburg University, Mr. Speaker, coming in here with us and Minister of Education and myself, we had discussions with them this morning, negotiating the package for our citizens, for our students of this country.

Mr. Speaker, we have to create youth projects, create involvement in community activities so that our young people can participate. We have to make sure that they have greater access to sports, leisure and cultural activities. We have to ensure that we have youth support workers to support them and create youth forums for our young people, Mr. Speaker. Mr. Speaker, from since April when we came into Office a number of achievements have been gained and made by the Sports Department. There has been the reintroduction you could say of the National Sports Council, it has been dormant for some time so I have to say the reintroduction with energized leadership and they have been working forthrightly towards the development of sports, towards improving our sporting facilities and these Mr. Speaker are manifestations of what we have been doing. There has been the implementation of the schools physical fitness test. This is something Mr. Speaker, where you have to ensure that the children are fit before they get involved in strenuous physical activities, and personnel PE teachers are being trained to carry out these tests to see that they can participate in certain sporting activities, and they have the help of Dr. Perry De Freitas from sports medicine to assist them.

The Ministry of Education has been very much involved in the retreat of the National Sports Council this was a retreat where we brought all the national associations together, Mr. Speaker, to plan and to tell them the way forward, the way we are thinking from the National Sports Council and the Government's point of view. We have organized the Grenadines Netball competition, very successful competition. There has been the reintroduction of primary school football competition, something that has been dead for a long time, under 13, Senator Leacock would love to hear that, he was there at the opening. And I had expected to hear Senator Leacock talk more on sports, and football this morning, but I guess he knows that sports is in capable hands and it would get its due. [Interjection] I know that, I know that, and I know we are doing a good job and we will continue to that. And I know that you would work along with us. All right.

We also had the reintroduction of competitions in the secondary schools as well. Well recently there has been a court for Netball and volleyball at South Rivers Methodist School, that has just recently been established. There has been the establishment of a

court for netball and volleyball at the South Rivers Primary School. {Applause}. We had three workshops Mr. Speaker, for 35 primary school physical education teachers who are involved in the kiddies cricket programme sponsored by Scotia Bank and WICB. Thirty-five physical educational teachers being trained in the kiddy cricket, Mr. Speaker. Mr. Speaker, because we know that cricket on the West Indies side of things not too bright these days, so we are starting it off here in St. Vincent and the Grenadines to really uplift West Indies cricket and we are starting right here within our schools, Mr. Speaker. Mr. Speaker, we are not just talking about the things that we want to do you know, we are doing them, we have been doing them for the last eight months or so. Mr. Speaker, I mentioned earlier on that the Sports Department placed a number of persons on the YES programme so need for me to reiterate that again. [Interjection] Thank you Mr. Prime Minister and the Sportsmen and women of St. Vincent, and we are going to do more you know, because Mr. Speaker, Honourable Members in April of next year the Lawn Tennis Association would be hosting the Davis Cup Association, right here in St. Vincent, for the first time, do not think – [Interjection]. I am not taking the credit for the facility but we are going to enhance the facility at Villa, we are going to make sure that there is another court. I am not taking the credit for the court, but I am doing work on it, and it is in East St. George, so it was a good thing, you see it was the best site you looked for to build it, right Brother Eustace, the best site to build it on.

DR. THE HONOURABLE RALPH GONSALVES: When he spoke he did not speak about East Kingstown at all, he abandoned his constituency. [Laughter].

HONOURABLE CLAYTON BURGIN: The Honourable Leader of the Opposition is my constituent so I got to make sure that everything is in order in East St. George, so we can appreciate what we are doing.

Mr. Speaker, I mentioned awhile ago about the introduction of the under 13 football, we also had the introduction of Primary School under 13 cricket competition this year as well within the time when we got into office. It has been out for some time. Only in certain areas you had some interesting citizens who were putting in the schools in those communities together, but the Ministry, they were not fully integrated, as marginalized friend would say. Mr. Speaker, it is also the hope of this Government and the Ministry of Education and Sports, to light the Victoria Park to facilitate night games. Because Mr. Speaker, most of the time when you finished working at 4:00, at 5:00 you do not have the time to go and get involved in sporting activity, because the sun tends to be down by the time you get home. So for those persons who are always working late we are catering for them by trying to creating lighting facilities at the major sporting and recreational facilities within St. Vincent and the Grenadines and we are working towards that and next year we would be doing some of that and continue within this period of our administration.

Mr. Speaker, tomorrow Friday, November the 30th 2001 is Belize Solidarity Day and school children are asked to donate at least one dollar to this fund that has been set up because of the consequence of the hurricane damage in Belize, so I just want to make that announcement. So Mr. Speaker, we do have corporate citizens in St. Vincent and the Grenadines. A new lease of life and spirit and energy has been spread over this nation from since March the 28th.

Mr. Speaker, we have been putting together a register of current national players, officials and administrators of sports and all the various national associations have presented their sports programme for the year, to the National Sports Council and also those persons in recent time who represented St. Vincent and the Grenadines and what we are doing with this list, Mr. Speaker, is going through that list and try to find employment training and education for those persons who are not already trained and employed.

Mr. Speaker, at this point in time many things have been said about a lot of areas, agriculture and those other factors, now I would like to talk about the constituency of East St. George. At this point in time I want to once again thank the people and voters of East St. George for having elected me to ensure that East St. George be the model constituency of St. Vincent and the Grenadines. And Mr. Speaker, I am going to work towards that, and within the constituency of East St. George Mr. Speaker, I have capable men and women that would assist in this process because we have to do things together.

Mr. Speaker, since being elected a number things have been done in East St. George, as part of the school repairs programme we had repairs to the Calliaqua Anglican School, repairs to the Brighton Primary School and those repairs Mr. Speaker, created employment for persons some of them who have never worked before until such programme got on the way. Mr. Speaker, the roads in East St. George, as the rest of the nation were in deplorable conditions and this was so because of neglect. We did not look after the drainage so if you have no drainage, the water would have to find some way to run, so it used the road and that is what has caused the disrepair and the deteriorating conditions of our roads. We have been doing some work on the repairs of roads. East St. George has a large network of roads and I know everyone thinks that his or her road is the worst, but we have repaired some roads, we have cleaned a number of drains, trip a number of fence, overhanging and so on in East St. George, this created employment. One young lady said to me, she said thank you Comrade first time I work in 17 years with the Government. [Applause]. She used to have to walk about, beg for a job here and there, as a domestic and that is something of a scarce commodity. We have built river defences, because what we find happening Mr. Speaker is that some persons for one reason or the other go and build their structure right on the river bank and then you know you have to protect the people, even though you tell them not to build certain places, they would say well, they have to find some

place to build and that is the most suitable place, so we have built a lot of river defences, construct a number of retaining walls. In East St. George a number of youths are on the YES programme, about 35. [Interjection] No I did not take all, because I said the average pre constituency is about 27, so when you add them up, you know, so I did not take the majority. Yes and Bequia has 33. So can you imagine that, smaller constituency?

Mr. Speaker, more persons have worked in the last eight months within East St. George, than maybe within the last couple of years. Mr. Speaker we have done, environmental and beautification work in certain areas in East St. George, and there are some beautification groups in East St. George. Mr. Speaker, I have been having community meetings with my constituents, talking to them telling them about the programme with the Government and where we want to take this country. As a matter of fact, on Saturday at 5 p.m. there would be another such programme in Belmont school, the Honourable Minister of Education and myself would be there, meeting the residents of that area, talking to them. Yes, we know that we have been working very hard and they must admit that they have not been seeing us the way they want to see us, but the majority understands the situation and what we are doing, is to meet everybody, talk to them show them that we not only going to see them every five years, but we are going to be with them as often as possible, every month, we would see some people from one or two villages to tell them that we are working tremendously hard for their well fare. And if they see us too often it means that we are not working. As one youngster said to me, he said, Mr. Burgin if I see you too often I would say that I waste my vote, because you are not doing anything, I wish the rest of the country could be like that.

HONOURABLE MR. SPEAKER: Member has ten minutes.

HONOURABLE CLAYTON BURGIN: Mr. Speaker, what we plan to do in East St. George there would be the repair of the clinic in East St. George, more jobs. Upgrading of the Mental Health Centre, more jobs. The improvement of the Louis Punnett Home that is more jobs for East St. George, enhancement of the Coast Guard Base, more jobs, Mr. Speaker, construction of a Day Care Centre for the aged in Prospects, more jobs. Mr. Speaker, there would be the construction of a service shed at the Coast Guard Base in Calliaqua, there would be the renovation of Calliaqua Police Station. As I said I want to make it a model constituency, and I think we are the largest constituency with over 20,000 people in East St. George, you know so we have to have a large trunk of the budget, well Gomergy said half is his own that is why the ULP took a long time to win back the East St. George seat. Because traditionally those people from North were PPP and then went over to the NDP, but because of the good work we have been doing and my volunteer nature, you know, we are there to stay. [Applause].

There would be construction and repairs of roads and that is more jobs and I was reliably informed by the Minister of Transport and Works that work on the Chopins Road commence before the end of this year. Mr. Speaker, phase two of the Community College will commence, 1 ½ million dollars, I think that the Prime Minister said for the resource centre, and we have set up security, at the facility at the Community Centre. No longer would we have, as police on duty all the time, as I said, undesirable and vagabonds interfering with our students and our children. So we have things under control. Mr. Speaker, the Minister of Agriculture promised me that the Fish market would be up and running in the new year. There would be the computerization of the Brighton Methodist School. Mr. Speaker, we have already set up a system within our party council to advise on housing, debt benefits, and legal issues and we have persons who promised to assist in these matters. I am going to ensure those playing fields and there creational sites are upgraded. As a matter of fact, as I said before we have only Brighton and Calliaqua for 20,000 people. [Interjection] I do not think it is wise for anyone to try to do that at this point in time. [Laughter].

Mr. Speaker, the Housing and land situation in East St. George, we need to address that as well, and land issue, the Minister of Agriculture promised me there was some folks living in an area of upper Cane Hall, Glen area and we want to have the issue of land title settled because, they cannot get the basic amenities because that is unsettled, because the Minister of Agriculture promised that he would assist me, in that area. We are going to provide training opportunities in the form of a workshop, and promoting healthy lifestyles, for our citizens and our community. I am going to encourage community participation, so that the people of East St. George can be a part of the decision making process and that is why we are setting up, these unofficial village groups that I am talking about. We are going to establish programmes for parents and families giving them advice on diet and parenting skills and so on. Earlier on we heard that chickens that are stored for 15 years are being sent to us, so you know we have to watch that. We are going to promote drug counseling and support programmes in reducing the drug dependency within our community. Mr. Speaker, we are going to set up crime watch communities within East St. George because you know the tourism area is mainly in East St. George, so we have to protect the area, and the Minister said that she has some tourism police to look after the welfare of the tourists.

So Mr. Speaker, we are going places and at this point in time Mr. Speaker, I want to take this opportunity to thank all those persons in East St. George, my supporters, supporters of the NDP, supporters of the PPM and those who did not support anyone. I want to congratulate them for their support that they have been giving to the party since, and I want to wish them all that is best for the Christmas and the new year and Mr. Speaker, to you Sir, I want to wish you a joyful season and also to the my colleagues on the Government side, and my friends on the Opposition side and all of

St. Vincent and the Grenadines. The working Government is with you, we have a budget that is for you, I support this budget fully, Mr. Speaker, I thank you.

HONOURABLE CONRAD SAYERS: Mr. Speaker, Honourable Members, I rise to give whole-hearted and fulsome support to this 2002 budget presented in such a capable and excellent way by our Honourable Prime Minister.

Mr. Speaker, this budget as well as the theme of the ULP Government, the senior public servants and all those who are involved, must be highly complimented for creating and producing a budget of this quality. I know Mr. Speaker, that it is the job of the opposition to detract and anyone of us had we been in opposition would have tried to knit pick at budget Mr. Speaker, to belittle it as it were and see how best we can minimize the impact on the electorate, nevertheless I think it is quite clear Mr. Speaker, that the effect of the debate on the other is very minimal and so Mr. Speaker I feel very proud of the content of this budget and so are many Vincentians. As I speak to you, Mr. Speaker, and to the rest of St. Vincent and the Grenadines I must say that I am very happy to have heard that this debate is carried live on Channel 45 courtesy Karib Cable. This represents a step in the right direction for Parliamentary procedures and exercise in this country. [Applause]. Democracy and transparency, already the Prime Minister has set the pace, or taken the initiative to put this on radio live. Gone are the days when it was a little whispering in some secret room, far removed from the people on whom it must impact, Mr. Speaker, and so people took little or no notice of what is happening and all they are saying why this thing don't look sharp finish, because they could not follow head or foot from what was going on and for the first time Mr. Speaker, the people of this country are able to follow, step by step, CSPAN, of what is going on in this country. [Applause] And this could only add down to a greater level of political consciousness of our people, so that our people would be able to take issue by issue and deal with it in a creative way. Why do you think with all the railings we hear on certain radio stations when you go through the streets people are not bothering with the things that they are trying to make issue of. The none issues that they are trying to make issues of. People not bothering with them. People know what is important. People know what the priorities are in this country, and so they are paying attention to the major socioeconomic and political issues that would affect their lives and the lives of their children. [Applause].

Mr. Speaker, being a member of this Government I had the opportunity to understand the hand which the Prime Minister was given, I understand the rationale of my good friend, the Leader of the Opposition, he said it was not a bad hand but to come into the Government with such a deficit with so many things need to be repaired, every week Mr. Speaker, we are facing a lot of twisted, poor policies, we call it mess-to-clean, left over from the last administration, every week there is something that we wonder, sometimes we sit and we say to ourselves, what these guys were doing? What were these guys doing? You take every single thing that comes to mind immediately. Look

at the Colonial Homes arrangement out there, look at that, that is such an entangled mess. Diamond Dairy another entangled mess. Diamond Dairy another entangled mess, as you take them one by one what were the objectives of these people? What did they have in mind? And so Mr. Speaker, all of us have to say thank God for a new lease on life for St. Vincent and the Grenadines that our country has an opportunity to raise his head and stand proudly among the nations through out the region, and our people through out the world where ever they are as Vincentians are beginning to feel proud again of being Vincentians. [Applause]. News do get around quickly and it seems to be moving like wild fire. I have a friend in Germany a very intelligent fellow, he did not have any confidence and believe that our political leader could pull it off, and he called me about a month ago Mr. Speaker, and he said I must admit that I was wrong about Dr. Gonsalves. He said I must admit that I was wrong. He said this man would go down as one of the greatest this country has ever had. [Applause]. And when you hear such a critical person saying that you must know the impact it has had on him. I think they know it, and maybe one day it might slip out and they might say well, you know, I agree.

Mr. Speaker, a budget of \$420 million approximately at a time such as this, is indeed a commendable feat. When one takes into account, Mr. Speaker, that this budget is not simply a padded budget I work with this Government for many years and I remember every year certain things are coming back and back, and back and back, just to pad the budget. Yes, and nothing every happens with those things. Mr. Speaker, this is indeed a practical, down to earth, poor people's budget. [Applause]. It is a budget with a social consciousness, a budget with heart, it is a sensitive budget. It is a budget that could make a difference to the lives of ambitious working people in this country. I want to thank with the same breath those conscious and conscientious public servants and other workers who agreed that at such a time this, taking a freeze on wages is the right thing to do. [Applause].

Mr. Speaker, I remember some years ago the workers of Barbados had to take a pay cut, we have not asked that, we have said you are going to get your increments, but in terms of further increases you are going to take a freeze and that is what they requested for that matter until this period of economic stringency is over. And indeed Mr. Speaker, like every thing else there must be an end to this time, and I believe that the American public is going to regain confidence in flying and tourists are going to move out again and the cruise ship industry is going to be on the upswing and so we are going to have a thriving tourism industry in this country once again. I believe that out of this evil will come a lot of good in the long run. Sometimes you need these things to stimulate the creativity of our people, to wake up our people to realize that the economy is fragile and that they must put their hands to the wheel and move forward as a people. [Interjection] Somebody saying something, I do not think so. [Laughter] When one considers Mr. Speaker, that throughout the developed world, the European Community, the ACP countries of Africa, the Caribbean and the Pacific and particularly

in this region there is a state of economic recession we must agree that this budget is the right step in the direction of economic recovery in this country.

Mr. Speaker, I remember a year and a half to two ago when the present Leader of the Opposition was standing before this nation, saying the whole world is in economic recession, every where things are bad, we cannot do better here, Mr. Speaker, my good friend seem to have a pension of can't happen and can't be done. But we here believe in can do. [Applause] We have what you call a possibility, thinking mentality. We see the light at the end of the tunnel, a pot of gold at the end of the rainbow. And so Mr. Speaker, this country is led by a group of positive people, conscious people, forward- looking people, proactive people, an optimist to take us through this millennium.

Mr. Speaker, we in this Labour Government is a people's government that believe in putting people first, when the Prime Minister said that he listened to an old lady, he said this old lady in the eyes of many does not seem to have any significance but the Prime Minister did not brush her aside he simply took her advice and made an adjustment for the benefit of all people in this country. That is indeed a listening Prime Minister we have here Mr. Speaker. You cannot listen when you have wooden ears my friend.

Mr. Speaker, the quality of life is an important goal, improving the quality of life is an important goal of this administration. And hence we believe and it is our vision to create a Vincentian personality who is at once educated, conscious of his rights and responsibilities, industrious, hardworking, honest, forth-right, peaceful and civilized. And one of the greatest tools in the hands of any administration to effect this kind of change is the instrument of education; for we believe Mr. Speaker, that education is the primary and most significant ingredient in improving the quality of life of the people of this land. We believe Mr. Speaker, that education is the door way from poverty into a higher standard of living, into a more enjoyable life style, into a more useful life, making one an asset to his country instead of a liability. And this Mr. Speaker, as you realize is not just talk, we do not say we are declaring this a decade of education and a decade of the environment and nothing happens when the decade is passed. From the word go, this Government has sought to set out the priorities for educational improvement in this country. And one of the things we recognized is that you cannot have improved education if you have poor facilities and poor buildings and because of that Mr. Speaker, our Government was able to secure funding for the refurbishing of 72 schools throughout the length and the breath of this country. Gone are the days Mr. Speaker, when just after school is reopened you find the parents parading on the street, gone are the days when you find the parents picketing the Ministry of Education simply because there is a plumbing problem. Or the children are getting wet when the rain comes or the windows are broken. Or there are no furniture and you have to sit on the floor. Gone are those days, and we hope that they will go forever under the ULP

Government. At this time I am appealing to the parents to educate their children to take care of the furniture and the school premises and I am appealing to children to likewise do your part to ensure that your school is in good shape and to take care of the sewage system, that you take care of the furniture, that you avoid any graffiti on the walls of the school. Always have a sense of pride in your school and ensure that your school looks clean and tidy and that there is a place conducive for learning. Mr. Speaker, it make little sense or no sense at all if you improve the physical facilities of the school buildings and you ignore the staff, the conditions of the staff to teach the children in the school. And that is why this Government Mr. Speaker, was able to give appointment of 49 teachers who were on the waiting list for a long time. Under then Labour Government when I left the Teacher's College in June in August I received my letter of appointment. And we ought to return to those days, Mr. Speaker, because labour is for workers and workers are people and we are a people's government Mr. Speaker. And I am sure those teachers as they hear me they are nodding their heads in approval and they are happy that they did vote labour, they did vote ULP for this kind of relief. There is an increase in the numbers of teachers being trained at this time. One hundred teachers are trained in one batch, this is a tremendous improvement Mr. Speaker, 20 teachers in the secondary Programme, this was scrapped formerly, but this Government believes that you must train people, specifically for secondary education and therefore we have opened the door to more teacher and a higher level of training. I was taken out to that college sometime ago about a little year ago to look at the conditions there and the thing was in such a mess, the environment, the grounds, the lack of drainage, Mr. Speaker, I would hope that this government will continue on the trend to improve the educational facilities and seek to do something to improve whatever negative conditions that exist at the Teachers' College because it must be realized Mr. Speaker, that we cannot do every thing at once and I got to tell some people that this is a government, that is why you are given five years as a term because you cannot do everything in the first year. I have heard people say to me, well do not expect you all to do anything in the first year but after the second year and the number of things that we have done in the first year is a great, great surprise to people through out this region. As the Prime Minister spoke last Sunday Mrs. Liz Thompson of Barbados sat there as a Parliamentarian of some 19 years experience in politics and she nod her head in approval, in agreement when she heard the list of achievement by this government, she too was shocked. Mr. Speaker, when the 100 Days Programme was published there are many who went on radio and said that this cannot be done. They are fooling people, where are they going to find the money to do these things. We said to them many of the things do not take anymore or many resources than exist at the present time. We said to them we are going to make the resources we have work to do, what we want done. Mr. Speaker, and as they match what is accomplished against what was planned to be accomplished I know many of them approvingly are nodding and saying that this Labour Government is something else. This ULP Government is a creative Government, Mr. Speaker, and we want to keep on the creative path.

Mr. Speaker, this Government realizes that we are living in a hemisphere that calls for bilingual skills, even multi lingual for that matter, because being so close to Martinique, Guadeloupe, Haiti, the Dominican Republic, Venezuela, Cuba, Curios and all these other countries, we realize that it is important that we do not just stick to English Language but we must create a citizenry who have linguistic skills so that they may communicate effectively with other nations and enter into bilateral relations with these nations to the benefit of this country, and so for that reason our Government has embarked on a programme of improving the language skills of our children by teaching both Spanish and French in our schools at a higher level in more schools than ever before. The plan to send some one hundred students to Cuba to study Spanish is indeed a commendable idea and we look forward to welcoming and treating very kindly those Cuban teachers who come here to teach Spanish and those who come here to assist us in the field of nursing. We are a civilization that embraces all other civilizations that are willing to co-operate with us and help to uplift the standard of life of humanity.

Mr. Speaker, education is so important to us that we have decided to not just continue but lift up and promote to a higher degree the whole of computerization of our schools. So from 11 schools we have decided to push it on to 27 in the first instance with a view to computerize all the schools throughout St. Vincent and the Grenadines. Mr. Speaker, we realize that we are living in an age in which information technology and telecommunications are the way to go. We recognize Mr. Speaker that electronic business is the way of the future and so we want to make our people computer literate. So that they could benefit from the opportunities that are offered from E-Business and E- Commerce throughout the world.

Mr. Speaker, another reason why our Government has proven itself to be a people's Government is the fact that we have taken account of poverty in this country. Some years ago a study indicated that there is a poverty index of 4)% in this country, we are moving steadfastly Mr. Speaker, to alleviate, and I must dare say eradicate such poverty and already we have done a number of things to achieve this because we realize Mr. Speaker that poverty cripples the effectiveness of a people. We realize that poverty prevents a people realizing their greatest potential; their creativity is stunted when they are in poverty. And so Mr. Speaker, this Government has established a poverty alleviation fund putting \$0.25 of a million dollars in the budget with the hope that the contribution from the European Union this will move to \$10 million and hence being able to cater to alleviate and eventually eradicate poverty from this country. Because you see poverty and health, poverty and sickness are in direct relation. Because if you are very poor you cannot buy the necessary food, your nutrition would be very poor and your body would not get the kind of nourishment to enable it to function effectively and so because of that illness, one is not able to be as productive and if you are not productive you cannot create wealth in the country and if you cannot

create wealth you cannot experience and enjoy prosperity and hence our programme of alleviating poverty is a step in the positive direction, a step in the right direction. We are hoping Mr. Speaker, in seeing an improvement in the work ethics of our people, work attitude, to see a lifting of the standards from people who take pride in begging, from people who take pride in not just asking for a job but working at the job and creating something and making a difference to their employer and making a difference to this country. If your people would recognize the importance of working and doing something with the hours of work then our country would be lifted to a higher standard.

Mr. Speaker, we in this administration are indeed moving quickly to do a number of things that would change the face of this country that will help our people to enjoy a better standard of living. Mr. Speaker, as I talk about that, it is so easy for many of our people to waste the opportunities that come to them. I always feel a bit hurt when I drive or walk through the streets and see young children of school age not going to school. I am appealing to parents, this Government has continued and move to strengthen the school feeding programme, there are some children who say they cannot go to school because they do not have things to eat. Over the years children have always said that or they make various excuses but the fact is Mr. Speaker, many of them do not want to submit themselves to the discipline of the school environment and to the discipline of studies, and I am appealing to parents to take this opportunity to send your children to school, teach your children the value of studying and achieving a sound education so that they could be an asset to the development of this country. Those people out of school, take advantage of this government's opportunity for further education, out of school, adult education programmes are there for you. My advice is to take full advantage of them and make it work for you and your children future.

I come to another aspect of poverty alleviation Mr. Speaker, because we all realize that if everybody were employee, then you would have no employer and so we recognize that there are some people who have the ability to be self employed and this government has therefore established a fund that would assist the setting up of small business so that persons can get between five and \$15,000 to establish a business on their own. This is indeed commendable and you know Mr. Speaker, there are many people in the past who wanted to set up business and had brilliant ideas, they know what they wanted, they had a plan but they just could not get the money, why? Someone was saying to them bring someone to sign. People did not want to take that risk and sign for another person. So therefore they just stood there and languished and realized that they could not experience the full fulfillment of their dreams, but with this administration comes a new hope, a new dawn of possibilities that we could in fact lend between \$10 to \$15,000 to small business people to become their own bosses and run their own business. And Mr. Speaker, we are not just lending out this money willy nilly just because we want to score political points we are ensuring that the people who get that loan have been trained in running business two weeks of intensive training to enable them to run business effectively and some of them have been

running businesses already but they cannot move on to the next stage so this is just a push in the right direction. I have personally guided persons to go and get such loans and they have set up their businesses already and there are persons waiting in line to do so already 40 persons who otherwise would have been looking for job somewhere are now able to hire persons to work with them that is indeed progress.

Mr. Speaker, on the question -- and perhaps I should just say something more to persons who are into business, Mr. Speaker, because I want to say to those of you who are getting this loan, do not just take it for granted because there are many administrations who would not have given you that opportunity, I want to encourage you to gear your mind to be a serious business person, begin to think seriously about your business, think of ensuring that your business is a successful one, put in the hours of work, make the plans, look ahead and be sure that you don't eat beyond your profit. Do not eat your seed, make sure you have something to plough back into the business and the business will continue to grow, and grow and grow and be sure that you pay back those loans. We do not want this experiment to fail. If you pay back the loans others will be able to borrow and that money could be made available to other people and to your self in the future. So Mr. Speaker, let us trust that our people are going to prove that the faith that this government has in them is well placed.

Mr. Speaker, I want to turn to the question of culture. Culture you know, Mr. Speaker, is not just a waste of time activity. In deed culture is reflective of the total embodiment of all of ours lives. Civilized activities, and cultural activities bring enrichment and refinement to ones personality. It is one of the factors, or ingredients that separate people from animals and barbarians. If you are uncultured you are crude. You are uncivilized, and so Mr. Speaker, when this government puts an emphasis on culture, it is because we want to create a Vincentian personality whose life can rub off positively on those around us and those in other countries. We want to improve our musical skills, our dramatic, skills, our skills of expression, creative thinking and expression and so it was a sad loss when that so called Peace Memorial Hall was allowed to fall to a dilapidated state in which it became useless, criminal neglect. Mr. Speaker, we are hearing of a another site that is being used, another location that is being used in some instances where you would have had the firms table tennis competition, in the Peace Memorial Hall, it is now in another house of disrepute, that house. We are not giving any advertisement Mr. Speaker. We are not advertising any place, the whole idea is a commercial venture, you know, Mr. Speaker, if we put down the Peace Memorial Hall we will have a place for people to come and they would have to pay, and so it would make money. So we are not giving any advertisement, Mr. Speaker. They have gotten enough already. [Interjection] But that is the trouble, once again, and so Mr. Speaker, I was very happy to have seen the plan for a refurbished Memorial Hall building. That plan would make a grand and an attractive building, for the people of this country so we can once again look forward to music, festivals in that building. We can look forward to table tennis competitions. And we can look forward to community and

school drama festivals. All these things have suffered Mr. Speaker, because that building is out of use. Emancipation day is coming, Mr. Speaker, emancipation day is coming for the people of St. Vincent and the Grenadines. Already economic, financial emancipation came to the people of North Windward and North Leeward when the ULP righted that historic wrong and gave the people their severance pay to which they were duly entitled, and we are going to bring further emancipation to the people of this country. So we are looking forward to the completion of that building.

Mr. Speaker, I like to refer briefly to -- because we are Central Kingstown and because a lot of business is done in Kingstown, I would like to refer to the question of the Government's move to clean up the city and to improve the face of Kingstown, the environment of Kingstown. The past administration knew that this was an imperative but they did not have the courage and they did not have the political will to do it. And although they passed a law in 1993 the law which we now put into effect they just did not do anything about it. And so Mr. Speaker, this Government has taken the move to make Kingstown a more presentable and sanitary place to visitors, even the people who were removed, who strupes their teeth as we may say, now begin to compliment government and say yes, this was indeed necessary. [Applause]. A necessary move. And they respect the ULP for that move. It is only a little selfishness why some of them began to react negatively but they know, and I want to say to those people that this Government is not insensitive, we understand that you need to make a living, and we understand that you need to make a living, and we are already making plans to provide you with certain small buildings to house many of you who have been displaced from that activity. We urge you to think of different ways of do business.

You see, Mr. Speaker, this Government does not want people to be there five, ten, fifteen years in a state of poverty and squalor. When they remove those things at the back of the city there on the bay side, it was amazing at the number of rats and cockroaches that were flying about the place and running about the place, to think that we were harbouring those things in our city as the Representative for Central Kingstown I would have none of it Mr. Speaker, I would have none of that. I want to see a clean city. And on that note I want to refer to what happened last Sunday. While we were there at the Convention last Sunday, boasting about the improved look of the city which it has been consistently improved, to our great surprise, someone, and a group of people, I must say, were responsible for such a neglect so that you had garbage stewed about the place back of Tokyo and around the streets. When I saw tourists walking along certain garbage, it really got me so angry, I call our Prime Minister immediately and told the Prime Minister I was not happy about it, he is right here, he knows I called him, I called the Warden for the Town Board the next day and I registered my dissatisfaction. Mr. Speaker, I am not the kind of person who do things for show, I do things because I could make a difference. I work under and I work effectively, and there are many things I do, but I do things that have an effect. I may not go on the radio and say, some people do that and they only want to say blanny, to

make people think they – I do it because I want to make a difference. And I would not like to see that happen again where Kingstown is left in such a state of neglect and I want the persons who are responsible for that to answer. Answer in a very fulsome way to our satisfaction why that should happen and why some action should not be taken against them for such a neglect. We want to keep Kingstown clean Mr. Speaker. And I would like to see the Tokyo's building painted. You know, a lot of people do not realize this you know, those buildings at Tokyo there, those shall shops, not China Town, Tokyo are not just wooden buildings, you know, they have blocks inside, concrete blocks, I used to follow every step of that development, and when I saw them putting the blocks I felt good, and when I saw them putting the wood over it I wondered why, but you know what, they did not paint it. You go to Bequia and see similar buildings, all of them are painted white and lovely. Why those here in the capital must look so dirty? Mr. Speaker, I am seeking to have this matter redress and to have these buildings painted and to have the town looking better and brighter and more becoming of one of the cities of this Caribbean region that is a place to visit.

Mr. Speaker, talking about places to visit I received a publication from the Caribbean Florida, Caribbean Cruise people and when I saw the cruise ship berth where these people dock in different countries, the exquisite beauty, the cleanliness, the uplifted appearance in as much as I felt proud of the improvement of the cruise ship berth these days, I still felt ashamed that we are a long way of competing with what exists around the region. We have a long way to go Mr. Speaker, but the tourists who came here before and have returned are quite happy that there is a concerted effort to bring about much needed improvement to the cruise ship berth area. And so we continue Mr. Speaker, to bring about such improvement and would continue to provide the kind of security and the kind of environment that they require for their welcome as they visit St. Vincent.

Mr. Speaker, I am going to speak now about the question of trade and trade related matters. I had the privilege of going to Brussels on the 6th of November for an ACP trade Minister's meeting and that meeting was preceded by a meeting of trade officials or technocrats who hammered out certain agreements and provided the platform for us so that we can come up with certain solid positions to go forward on the 9th to the 14th to the 5th Ministerial meeting at Doha the capital of Qatar in the Middle East. When you hear my colleagues laughing they have their own joke, we have a joke on that eh. They say if I can survive those I can survive anything. Mr. Speaker, that meeting first of all in Brussels created an opportunity for the ACP countries to demonstrate a level of unity and solidarity and consciousness that the Europeans has never seen before. We left there with a solid position that we would not agree to a new round of trade negotiations unless we can see a waiver in the Cotonou Agreement. Mr. Speaker, that was the position taken by us of ACP as we traveled to Doha. In Doha we had to face a declaration that was provided by the European countries themselves. A declaration that we as the ACP countries do our part. And you know, Mr. Speaker, previous to this

meeting you know, many persons, or ministers of certain ACP countries were not taught in WTO matters and many of them have signed agreements, the contents of which they do not understand and after these agreements were signed then came the revelation of what the contents are and so we have to abide by many things to which we do not agree. And that was a means resistance by many of the ACP countries to a new round until we fully are able to discuss and study the proposals that were brought before us. Mr. Speaker, some of the things we insisted on is SND, it is what you called the Special and Deferential Treatment. We recognize that as Small Island developing states, we have fragile economies and that we in our trade relations and our involvement in the multilateral trading system must be dealt with the kind of sensitivity reflective of our small size, of our small economies and we are happy in the final draft agreement by the WTO that some of these things were recognized.

Let me say for some those people who do not quite understand because we must understand, because we must remember Mr. Speaker, that we are speaking to a lot of people at a great cross section sometimes we forget to break down the things we are speaking to them so they can understand, and one of the things about me Mr. Speaker, I have spoken for 15 to 19 years to small farmers, and I have learnt to put a lot of the big words behind my back and just have a simple vocabulary to deal with them. So Mr. Speaker, I want to say that the WTO, the World Trade Organisation is an organisation of nations. Right now some 145 nations, among the latest to gain accession to the WTO is the Republic of China our good friend Taiwan, who gained accession under the trade name or the territorial name of separate customs territory of Taiwan, Pengrow, Kinlyn and Methslou. This is the status under which they were admitted to the WTO but it was a very happy day Mr. Speaker, to be part of that accession of our friends and I went warmly and congratulated, Mr. Lyn and some of the others there that we were happy to have them among the trading bodies of the world. Mr. Speaker, one of the vexing problems caused a lot of debate in the WTO was what you called the TRIP agreement. The Trade Related Intellectual Property Rights. You see in the previous trips agreements or the one that they proposed it does not allow developing countries to gain access to medicine in times of epidemic or medical crisis. You remember, I think it was Kenya who developed a treatment for the AIDS disease but they did not allow to make the fullest use of this and to have it sold throughout the world. The Agreement as insisted upon by the ACP countries must ensure that the creators and the inventors of such inventions benefit equally to those who would be involved in promoting and selling it. It also ensure that there is the right of the determination by governments to ensure the security and the health of the their people in times of medical crisis. Mr. Speaker, this agreement meant so much to the developed countries that it was a fight tooth an nail but this agreement finally got support from a lot of countries so that eventually they agreed to allow the developing countries to have access to cheaper medicine and be able to determine the course of action to take to safe-guard the public health of its people.

Mr. Speaker, one of the other things we insisted is the whole question of the ability to implement the WTO rules. Now you know the WTO has a lot of complex rules in place and we do not have what you call the capacity to implement these and so we were asking for technical assistance, and financial assistance to enable us to implement the rules of the WTO and this was agreed to. Now one of the little tricks in the whole rules base organisation of WTO is what you call the LDCs. Now in our region here the LDCs mean the Lesser Developed Countries, as against the more developed countries. But for the WTO LDCs means Least Developed Countries and there are 19 of them recognized in the world, and only one they recognized in the Western Hemisphere is Haiti, so St. Vincent is out of that. And what they have done is to provide a lot of support from the LDCs and say we graduate beyond that and cannot get the kind of support. But you see Mr. Speaker, the criteria they use for judging us many times around, because one examine and analyze our economy properly we realize that we cannot stand up as a real developed or developing country in the true sense of the word, nevertheless the indexes they used made us qualify and so we must live with it. Mr. Speaker, I think another thing that is important is the whole question of the waiver of the Contonou Agreement that waiver is granted with a conditionality, granted up to 2008 the Latin American countries are the ones who are putting up an objection. And they were saying -- that was Honduras, Ecuador and Panama, -- and they were saying that they want certain guarantees so what is going to happen is that the present banana regime, the ruling that was agreed to, they are asking for guarantee that that ruling would be in place and that they would allow us the privilege until 2008 and if the European countries should veer from that agreement and they will take the whole thing to court, to arbitration and so roll back the gains of the waiver, so the waiver as it stands now is very dicy and is dependent upon what happens between Europe and some of the Latin American countries at the present time. But I think Mr. Speaker, that this ministry was a very successful one and because of that the ACP countries agreed to a new round of negotiations as it commenced somewhere in January 2002 and to end no later than January 2005. Mr. Speaker indeed we are living in a globalized environment. And we in this country have got to rise to the occasion by lifting the standard and the quality of our own products and I am pleased with the Ministry of Trade by putting on that buy local hand in hand lets build this land exhibition. Natural Vinci exhibition, showing Vinci products. I want to thank all the participating entrepreneurs, business people because without you we could not have made this exhibition a success. I want to thank the staff of the Ministry, the entire Ministry staff all those who put their hands and hearts and talents together to bring off this thing.

Mr. Speaker, I want to encourage all entrepreneurs to move for quality. Less move for higher quality. Forget the short cuts, ensure that your labels are attractive that you give the right quantity or volume of stuff, that you follow all the standards of hygiene and production in industry. That you carry out proper marketing studies and ensure that you compete on a proper footing with the rest of the region so that your product could make St. Vincent and the Grenadines proud. Mr. Speaker, I want to encourage

local persons to buy local. Let us support local industry, let us ensure that our people are able to continue employing others, continue to rolling over their business and continue to making this economy a viable one. Thanks again, and let us look forward to another buy local exhibition.

Mr. Speaker, may I just ask you how much time I have before I move on?

HONOURABLE MR. SPEAKER: You have until 8:50.

HONOURABLE CONRAD SAYERS: My how time flies when you are having fun, Mr. Speaker, I shall wrap up now. But I have to talk about my lovely constituents. But first, Mr. Speaker, I must do something, because I always see my constituents and I would talk to them, I would talk to them now, but I would want to say some quick things. One the Ministry has made provisions to have sufficient stamps on hand because a lot of business people are not putting the stamps on the receipts and the other invoices, and this country is losing a lot of money because of that. In 2000 we gain some \$1.4 million for this year up to September, we had \$1.2 million, Mr. Speaker, a lot of people are not putting stamps, we are appealing to them to do so, to the consumers, and the customers when you buy ensure that you get stamps on your receipts and therefore enable us to use that money to provide other social services to this country. We are extending the stamp duty to gas stations, to restaurants and to fast food outlets, we would be checking the registers and we would be ensuring that we have the full corporation of such entities. [Applause]. We thank you very much on that.

Mr. Speaker, let me wrap up now with my constituency, to all the people, let me start from the South right down here in Kingstown, Paul's Avenue. River Road, Mc Kies Hill, Level Gardens, Kingstown Park, all over and seeing this case Mr. Speaker, you cannot leave out anybody because everybody is equally important right, so Paul Over, Redemption Sharpes, Green Hill, Dascent Cottage, Largo Height, Lodge Village, Mr. Speaker, Sugar Ridge, New Montrose, Old Montrose, Mr. Speaker, I want to thank Block 2000, I want to thank all of you for your great support that you gave me. People in the Buckhorn Area, people in Sharpes Dale area, I want to thank you very kindly for the tremendous support you gave me enabling me to crash two giants head on and throw them out of the race, two giants, we want to thank you very much, without you it could not have been done. Right now, Mr. Speaker, we have had a number of projects in Central Kingstown, we have already demolished the bath in Paul's Avenue that was a health hazard, we are going to put in its place a playing area, in the interim until we find another purpose, with the agreement of the community for that area, we have began, -- already Mr. Speaker we fix the roads in Lodge Village and Green Hill, roads that were there for so long, so bad. I notice that the quality of work deteriorates rather quickly, I understand it has to do with some addition of diesel to the stuff, but we have to work that out Mr. Speaker, and let the roads from Murray's Village right through Buckhorn have been fixed. There was crater in the Bonadie Corner there for years,

everybody must slow down and hope to pass that successfully. It has been fixed, Mr. Speaker, we have already done some by roads in Lodge Village, we are going to build a bridge over to Largo Height from Lodge Village, work on this to commence soon, Mr. Speaker, we are extending the roads higher up in Green Hill over to Largo Height. Mr. Speaker, there are certain persons who have had retaining walls. To think of Miss Sarah Hoight, there at Block 2000 at Back Road, in Old Montrose and a number of other persons. We have begun to fix the playing fields, right now the Sharps playing field which is left there as a dust bowl has begun to be upgraded we have fixed bleachers, we have fenced round the entire place. We put two gates on the playing field, these are to be painted, we re hoping to establish some lights for the night matches, in that place, Mr. Speaker, to bring life again to Redemption Sharpes and to make a place for sporting activities. Green Hill also some attention is to be paid to the playing field in Green Hill that is to be done in the new year, also in Paul's Avenue at the back of Bishop College that playing field would be fixed also for the new year.

Mr. Speaker, we are hoping to put down some telephones in Paul's Avenue and Lower Kingstown Park and lights, I have already applied for 24 lights for the entire constituency, these I understand would be coming, and I hope Mr. Speaker, that these would arrive for Christmas, because there are certain people who are still living in darkness after 17 years of NDP reign, in Kingstown. So we hope that this would be fixed.

Mr. Speaker, I want to say in Central Kingstown we are on the move, we have formed a number of district councils in Largo Height, Green Hill, Redemption Sharpes, Kingstown Park and we are hoping to form some in Block 2000 area and Paul Over and we thank those people for their support and hope that they continue to work together for greater success.

Mr. Speaker, there is much more to be said, I thank you Mr. Prime Minister Starlift a group of which I am very proud, we are happy that through the assistance of the Prime Minister, and the Minister of Culture that they will be sent to Grenada to participate in the steel band competition coming up this weekend and they have received \$30,000 in financial assistance from the Government. [Applause]. \$10,000 from the Office of the Prime Minister and \$20,000 from the National Lottery. This is indeed a Government that knows the importance of culture, and we believe that Starlift will do us proud there in Grenada. Mr. Speaker, we expect people to join them and to be there with them and make this a tremendous success. The pan yard, this is a place, that the Government, through the instrumentality and support of the Prime Minister we are going to prepare a place for them to practice their pan. We also thinking of Nelson Block and the other cultural artiste for Paul's Avenue to see if we can do something to assist them. Mr. Speaker we are on the move. We are going to repair the community centres and we want to bring about some computer training in some of these places in the constituency. Mr. Speaker, I can see a bright future for Kingstown and for the rest of

St. Vincent and the Grenadines, in spite of all odds and I still believe that we face optimism.

I want to at this time Mr. Speaker, wish you and your family, a Merry Christmas and a bright and prosperous new year. I want to wish all my colleagues on this side of the House and my colleagues on the other side of the House a bright and prosperous new year. To the Clerk of the House and the other members of staff, the stenographers, my friend the Sergeant-of-Arms, I want to wish all of you a very Merry Christmas. Every member in the constituency of Central Kingstown, whatever your persuasion I trust that this Christmas would be a bright one for you. I have some Christmas jobs coming up for you, for those persons the streets, the area is very clean already and we are going to continue to make it tidy and clean. Go through Central Kingstown you would be impressed of the tidiness of that area. [Applause] Mr. Speaker, I want to wish this budget a very successful real fulsome passage through this House and thank all of you, very much obliged, Mr. Speaker.

HONOURABLE MR. SPEAKER: Any further debate on the bill?

DR. THE HONOURABLE RALPH GONSALVES: Mr. Speaker, every time I rise, the Opposition looks very nervous. I have given them my word that the last speaker, would like to be Member for Central Kingstown, the Minister of State in the Ministry of Foreign Affairs Commerce and Trade. Mr. Speaker, accordingly, we have had a long day, from 9 o'clock this morning and I know, I am particularly concerned about my friend, the Leader of the Opposition who would have gone to sleep about 2 o'clock this morning and I think that is why – the last hour when you are Leader of the Opposition Mr. Speaker, is very difficult and I noticed that he could not quite make the last hour. I know what it is for that last hour. So I think that I would like him to go home early this evening to have a good nap because he did not have one last night, he had to prepare for his speech today.

Accordingly, Mr. Speaker, Honourable Members I beg to move the motion for the suspension of this sitting of the House until tomorrow morning at 9:00 a.m.

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

***Question put and agreed to.
House suspended accordingly at 8:45 p.m.***