

Mr Speaker,

The only ingredient missing from yesterday's Budget was announcing the date for General Elections.

Acknowledging a pendulum shift against his almost 13 year old administration, the Prime Minister and Minister of Finance threw the entire *"wash pan"* at the electorate, in the hope of reversing the declining popularity of his government.

The big question to be answered therefore is whether the electorate of Barbados will fall for this elementary political stunt...this time around.

Issues that have consistently been sidestepped and glossed over by this administration are all of a sudden being singled out for full attention because at last the Government is getting the message that the people of Barbados have had enough.

Land and Housing, for the first time, are taking centre stage in this government's slew of election giveaways. All of a sudden a Government that cannot properly build 50 houses in 3 terms is undertaking to provide thousands of housing solutions and make thousands of house spots available to Barbadians.

For almost 13 long years poor people in this country appealed to the Government to control and even curtail the sale of prime lots to non-Barbadians and also to contain the escalating price of land.

For almost 13 years this government placed the interests of its friends and financiers above those of the people of Barbados and now, with an election around the corner, is coming like a proverbial backyard farmer, throwing scratch-grain through the back door.

I declare yesterday's policy initiatives in the vital sectors of housing, land access and rising cost of living as nothing more than *"political hush-money"*, designed to stem complaints but not intended to trigger any meaningful benefits to the people of Barbados or transformation.

The Minister of Finance devoted a full 10 per cent of his presentation to lands and housing, but after dancing all around the subject, never once addressed the salient point of fundamental interest and importance to Barbadians.

This evening in Barbados, after all the *"lotta long-talk"*, Barbadians still have to compete with deep-pocketed Europeans, Americans, Caribbean nationals and others to buy a piece of the rock. Their Grantley's and Errol Barrow's still have to compete against the pound sterling, the Deutsche Mark and the American dollar...because this Government is unwilling and or unable to say *"enough is enough"* and that a significant proportion of what is left of *"the rock"* will be retained for Barbadians.

Well today, I am saying to Barbadians, at home and abroad, that within 90 days of being elected the Government of this country, a Democratic Labour Party administration will introduce a policy of zoning certain lands for exclusive Barbadian purchase.

Additionally, a Democratic Labour Party administration will make it compulsory that all land for sale in major developments be advertised, inclusive of asking price on the local market prior to promotion and sale to non-Barbadians. Proof of advertising must be supplied when applying for transfer to non-Barbadian interests.

Mr. Speaker, for the past 13 years Barbadians have been asking who will be there for them now that this government has virtually sold the patrimony of this country to the highest bidder.

This evening I say in response to the question, "Who will?"...the Democratic Labour Party will:

When it comes to land and land use in this country, a Democratic Labour Party administration will:

- In the first 100 days introduce the **Agriculture Protection Act** that will require a 2/3 majority of both houses of parliament for a change-of-use of any area over 2 acres land from agriculture. We will reserve 30,000 acres for agricultural use.
- We will - Introduce legislation that makes it mandatory that any such change of zoning of land be approved by parliament. The days of a single minister reposing such power and authority in himself will be over.

- We will - Introduce amendments to the **Land Acquisition Act** that will require government to pay compensation on the **replacement value** rather than the **market value** of properties being acquired.
- We will - Provide a subsidy of \$2.50 per sq ft to first time land owners with lots up to 5000 sq ft throughout urban and rural Barbados. This policy will go beyond the tenantry land transfer scheme.
- We will - Require all land transactions be registered with the **Land Registry Department**. This will speed up transfer of titles and compilation of the land register.

Housing

"Owning a piece of the rock" remains one of the major concerns of Barbadians from all strata of society, especially those now starting out on life's journey. The plight of pensioners in maintaining *"a roof over their heads"* is also of major concern to the Democratic Labour Party. Any caring government will make this a priority.

The Democratic Labour Party is philosophically committed to ensuring that every Barbadian resident has access to comfortable shelter.

We have been discussing these issues for over a decade now. Our 1999 and 2003 manifesto would reflect this.

The fact that the Minister of Finance attempted to dabble in this area yesterday is indicative more of the derivatives of the politics of inclusion than any serious change in attitude or philosophy to the issue of the entitlement of Barbadians to own the roof over their heads.

Any General Council Member of the Democratic Labour Party or even active branch member for that matter would attest to having heard some of those policies pertaining to housing outlined by various party spokespersons over the past seven years.

Clearly, what you have here Mr. Speaker, is a government that was bankrupt of ideas, reaching into the Democratic Labour Party and running off with not only its personalities but several of its policies. Yet, in so doing they still have missed some of the salient aspects of our policy.

First, the proposal to twin future upscale housing developments to the provision of a small percentage of low-income units is neither new nor desirable.

While this sounds politically correct, it opens the flood gates that Barbadians are seeking to close. This may have worked before the horse bolted from the stable and was even proposed by the Democratic Labour Party when the land grab was taking place.

But such a policy will now be used as an excuse by this Government to sell off and apportion significant chunks of land to large scale developers in return for their building a few low income units on the periphery of such lands, probably in the most remote corner of the sub-division.

In other words, the message that this government is sending is that there will be no containment or cessation of large scale exclusive property developments and that our lands will continue to be sold on the world market to the highest bidder. Barbados is for sale! The only conditionality now is that somewhere nearby you have to put down a few low cost units for the natives.

Knowing this government, it will probably give permission for the upscale houses to be cordoned off and even for more gated communities to be established, whereby access cannot be obtained by those living on the second and third grade sites.

Mr. Speaker, we insist that that is a recipe for the proliferation of the two Barbados' that the Democratic Labour Party has been warning is emerging as a result of the misguided policies of this Barbados Labour Party administration.

I am saying to the people of Barbados this evening: have no fear, that particular policy will be reviewed and revamped by the Democratic Labour Party when it assumes the reign of office very soon after the hosting of the Final of Cricket World Cup 2007!

Land and its usage have been inextricably linked with our history. The institutions of slavery, the plantation system, and colonialism guaranteed a landless emancipation in Barbados that have all affected our psyche and severely limited the opportunities for the average man in the street to make a meaningful contribution to his society.

Land is our most limited resource, and is the basis for every thing that we produce to sustain ourselves; on the other hand, the human being through his ability to think, is our most infinite resource. It is the human being that develops, activates, utilizes and exploits the other resources for his usage and enjoyment through his creative faculties, and not the other way around. A finite resource cannot dictate to and activate an infinite resource

We in the Democratic Labour Party do not accept that the *“land issue”* is too complex to solve. The Prime Minister may believe so, I do not!

This Barbados Labour Party administration, via its fiscal measures and preferential land use policies are bent on selling out our birthright and destroying the rich legacy of the Democratic Labour Party and our forefathers who fought for our freedoms and rights, especially the right to own land.

We've seen under this Prime Minister's leadership: Zone 1 land changed to Zone 2 and sold to friends and preferred citizens; taxation measures introduced that favour the foreigner at the expense of the Barbadian; the transformation of arable land to golf courses and upscale

housing developments; permission to develop coastal land that hinder beach access to Barbadians.

The dictum that *"land must fetch its highest economic value"* is likely to result in the transformation of government buildings into hotel/condo development projects on the south and west coasts. But what about new Hotels?

The proposed Bathsheba development, the proposed Brown's Beach development; the recently announced upscale condo and private villa development in St Philip, and presumably others agreed to and not yet unveiled. Under this Prime Minister nothing is untouchable: Cove Bay, Archers Bay, River Bay, Bath; all spots that Barbadians use as escapes from the rigours of life will be put on the *"auction block"* to be sold to the highest bidder.

The policies of the Member for St. Peter are all designed to deprive Barbadians of their patrimony: the selling off of their birthright by ensuring that preference will be given to the mighty few and the rich at the expense of the majority of Barbadians, thereby keeping them in a state of degradation and life long subjugation and dependence.

These policies are a sure recipe for violent social unrest and unmitigated disaster and therefore should not be encouraged.

The new investment policy as enunciated by The Prime Minister is not and cannot be self sustaining. You cannot *"sell land to pay bills"!*

Quick fixes and short term developmental policy measures cannot by definition correct the endemic and systemic economic problems created by this Barbados Labour Party administration.

The Democratic Labour Party is committed to change and a new Land Use Policy for Barbados...as referenced to earlier.

None of the policies outlined by the Minister of Finance yesterday speaks to the issue of the containment of land prices. They have promised to make a few affordable lots available. But, only Heaven knows! With the current Minister of Housing and Lands no one knows when such a programme will actually come on stream.

The housing policy as outlined by the Minister of Finance yesterday was incoherent, unconvincing and lacking the type of passion that would qualify it as anything other than an attempt to shut up those who insist that housing is a major failing of the government.

The Democratic Labour Party has given long and careful study to this matter and no...it did not discuss all ideas in the presence of those who have now been "included". Therefore not all its policies have been carted away.

That's why I am in a position to announce this evening, in addition to those that we have previously made reference to, that a Democratic Labour Party administration will:

In the first 100 days remove VAT from building materials on houses valued up to \$400,000.

- **Provide 500 lots of land in five (5) months at only the sites and services cost for first time homeowners. These lots can quickly be identified along the vacant areas of either side of long tenantry roads where the sites and services have already been established. Such land will be acquired by private treaty where necessary to speed up the process.**
- **Provide 2, 500 house spots for sale to low and middle income wage earners in the first term of a DLP government.**
- **Provide 2000 other housing solutions per year in the first term of a DLP government. These will include rental units, terrace units and starter homes.**

- **Build and maintain a pool of rent-to-purchase units for low income earners, pensioners, and the disabled who may not qualify for mortgages and loans.**
- **Establish Housing Communities for low income earners in which all the amenities — commercial and recreational are provided e.g. day nursery, pharmacy, mini-mart.**
- **Promote the concept of starter home projects and partner with private sector companies (through tax incentives) in promoting the concept of *“build and live”* - long a tradition in Barbados.**
- **Explore the concept of reverse mortgages with the finance institutions and give incentives where necessary, to provide for the dignified existence of our elderly in their golden years.**

- **Provide a waiver of taxes on purchase of property by first-time home-owners.**
- **NHC rental units and lots – twenty-year plus tenants shall own units and lots on payment of legal expenses**
- **NHC tenants for less than 20 years will get interest free loan to purchase Unit or Lot**

We have said in the recent past and we believe that this is the area in which any government must aggressively focus its energies in the next three years.

Cost of Living

Mr. Speaker, another area on which the Minister of Finance sought to *"beg pardon"* of the Barbadian electorate pertains to the spiralling cost of living. This was an area of his presentation that clearly he approached with caution.

Comments made were clearly in reaction to recent opinion poll data, which made it compelling for the matter to be dealt with in the Budget, but on which the Minister obviously does not have any particularly strong views or conviction.

The Minister spoke yesterday for close to 20 minutes on the subject, but at the end did not empathise with consumers or outline specific initiatives guaranteed to contain and or reduce the price of items, particularly food, in Barbados.

He will set up another Committee to *"monitor"* prices and give advice.

What all the policy measures outlined by the Minister approximate to is *"hot air"*, for at the end of the day what a 100 dollars did not do last week, it still cannot and will not do next week.

In fact, there is absolutely nothing in yesterday's budget to prevent last week's 100 dollars fetching only 85 dollars worth of goods next week.

The simple point that consumers in this country must accept is that this Prime Minister and this current government cannot and will not do anything to contain spiralling prices in Barbados. They have been compromised.

Like the proverbial fox, they have entered into the hen house. They are now in bed with the same people against whom they would have to act if the price of goods in Barbados is to be brought down or at least under control.

Mr. Speaker, if there is one thing that we can gather from the mass confusion in relation to the spiralling cost of living in this country, it is that the government has no clear policy on it.

We have heard from all the great economists in that party about the causes of high cost of living and where it emanates, but not a word on how to solve it.

First it was that we were importing inflation. Then according to the Prime Minister it was the CESS and the high oil prices that caused the jump.

Indeed the Minister of Finance is on record as saying that when he removes the CESS it would bring down the prices in this country.

Then, never to be out done, the Hon. Member for St. Michael North West, who believes that he is the most brilliant economist in the world, jumps into the debate and contradicts his boss by saying that removing the CESS would not reduce prices in Barbados. And I want to quote him sir.

"...if anything, my pronouncement on cess should lead to a substantial reduction in price – if I am purely political, that is what I should say....but I am a trained economist and my training does not allow me to make that type of statement"

Can you imagine it? ...a Minister of State in this country accusing his boss, the Prime Minister and substantive Minister of Finance, of trying to fool Barbadians that he could do something about the cost of living in Barbados. Absolutely incredible!

But the great economist went further. Every week in this House he gets up and tries to blame the people of Barbados for the high cost of living. We buy too much lunch. We like to pay high prices for stuff that we can get cheaper. I don't know where these cheap things are in Barbados but apparently he knows. Just like land - it is us. According to the Prime Minister, Bajans and not foreigners, created the "*problem*" of high land prices through vacant lots.

Then it takes the Fair Trading Commission more than a few months to tell us what a foreign ambassador living in this country told us almost a year ago...and which every body in Barbados except the government seems to have known.

But in all of it, not a word from any of these great economists about how they will make life easier for ordinary Barbadians. And the question I ask is why?

Nobody over there wants to admit it but this government is ultimately responsible for the fact that ordinary Barbadians cannot eke out a living in this country. Make no mistake, it is the job of the government and the role of the state to intervene in the market to correct failings of the system and re-balance inequities therein.

But what did this government do? They stood idly by wallowing in their own self-importance while housewives and single parent homemakers in this country suffered at the hands of the market.

And they are still standing idly by because the concessions in yesterday's budget – particularly the reverse tax credit - will take many months to be realised. There is no immediate benefit or reduction in the cost of food items and services.

But that is because it was poor Barbadians who are suffering.

If it was a problem affecting the private sector believe me, the Hon. Member for St. Peter would have been in here in a flash – leaving no stone unturned - trying to bring redress.

But not for ordinary Barbadians. They could wait till it is time for another election.

We all saw it Mr. Speaker....a gradual contraction and consolidation of the import, wholesale and retail distribution sectors in this country. This government sat idly by as small and medium size business, black businesses, was forced out of the sector by bigger players and never lifted a hand to help them.

I am sure you remember, when the Hon. Prime Minister said that he was tired of hearing about poor black people....he said it ...not me. But he isn't tired hearing about the wealthy merchants that bank roll his party...he isn't interested in consumers in this country. His passion is for helping expatriate investors in every way he can. And he has publicly said so.

And then this ridiculous exercise of pulling out an inadequate basket of goods and asking Barbadians to drive up and down the country trying to find the lowest prices as if we are on some national shop-til-you-drop game show. Unbelievable, Sir.

What are you in power for? Use the offices you have to produce outcomes that serve the interests of the people who elected you. There is no doubt sir that price movements and cost of living outcomes cannot be reduced to any one variable, but surely we know where the bulk of the problem comes from.

Yes we import a lot of inflation in Barbados, and yes we know that government trade, and fiscal policy options affect prices; just as we know that demand and supply variables also influence prices.

But clearly in Barbados the oligopolistic structure that we have allowed to emerge and consolidate in food distribution in particular have made an already difficult situation worse and this needs to be addressed.

In this regard, a new DLP administration will use the power and patronage of the government not to crush those that are already there but to allow for other players to come to the sector and be able to survive. We commit to internal liberalization of that sector to spread the options available to Barbadians.

I go further, a new DLP administration will commit to providing incentives to new and existing small and medium size players to come into the sector.

Additionally we will honour a previous commitment to ensure that in the at least 40% of all government's procurement requests for goods and services are reserved for sourcing from small and medium size enterprises.

We believe that this will reinvigorate and create greater competition in the wholesale and retail distribution sectors by providing a sense of comfort to smaller players that they have a platform from which to engage greater levels of competition to the traditional bigger players.

But we need to go further than that. A new DLP administration will look at the available basket of goods on which VAT and other impositions may apply.

Mr. Speaker, it is no mystery that that basket is too limited and in light of the high incidence of chronic non-communicable diseases and the need for healthier eating among the population something must be done to ease the cost of foods that fall into these categories sir.

In this respect the DLP will commit to expanding that basket significantly, following full consultations with sector stakeholders, consumer bodies, and nutritional experts.

Equally we believe that the time has come for a more comprehensive measure of price movements on basic food and other items in this country.

We believe that we have outlived the retail price index and will push for the initiation of a real consumer price index.

More than that, we also know that energy cost have risen more often than they have fallen in the last 2 years. Indeed we also know that this has driven up the cost of production, relative the cost of living.

While a full DLP energy policy will be unveiled in the weeks ahead I am moved this evening to tell Barbadians that on electing a new DLP administration we will commit to removing the VAT on utility bills for households and businesses alike.

We strongly feel that while this will cause some loss in revenue for the government the additional spur of business from greater household disposable income and business revenue for greater investments will more than make up for the shortfalls.

We will also need as a country to look very closely at our external trade policy and the impact this can and is having on price movements in the market.

Let it be known that the Democratic Labour Party's foremost commitment is to protecting jobs of Barbadians and creating market access opportunities to expand exports and in turn drive production and job creation in the country.

At the same time we are mindful that workers are also consumers and as a net food importing country we have to be very careful how we balance the need to protect jobs in the local market, balance our trade accounts and at the same time provide food for Barbadians at a reasonable cost.

In this regard we strongly feel that in line with our current negotiations strategy and mindful of existing external trade obligations the time has come for a complete review of our various regimes of protection for goods coming into Barbados.

While in most cases defensive trade measures whether tariff or non-tariff are necessary, some need to be lowered and others completely removed. But more of that...at another time and in another place.

Suffice it to say, that a Democratic Labour Party administration will not be beholden to any interest group in Barbados and that we will take the fight to those who are responsible for artificially increasing the price of goods in Barbados.

It is unacceptable that a housewife, even with the increased cost of airline tickets, could get on a plane and fly from here to Trinidad or St. Lucia and do a month's shopping at a price cheaper to what she would pay here in Barbados, even if she took the Government's advice and drove all around Barbados, picking up an item at 21 different supermarkets.

Barbados can and should rest assured that a Democratic Labour Party administration will do something tangible and meaningful about this vexing issue of the cost of living...because as I said from the outset, we are beholden to no one.

There is another deeper irony to this matter. Quote Ronald Toppin June 20 2000 on the Fair Trading Commission Bill.

I accept that I too was fooled by the Minister's comments. We on this side supported the Bill; we urged its effective implementation.

When I heard those statements, I recall vividly feeling that the Minister would not be in that Ministry for much longer. He may have meant what he said, but it was not the policy of his Leader.

Health Care

Another feature that jumps out from the Minister's presentation, Mr. Speaker relates to the vexing issue of health care in Barbados.

Mr. Speaker we find ourselves at the sad, sorry state in Barbados tonight where citizens are mortally afraid of falling ill and having to be rushed to the Queen Elizabeth Hospital.

Within the past four years there have been horror stories upon horror stories about that institution.

The problems are multifarious. It would take me the entire three hours allotted to speak of the ills and the lack of confidence that Barbadians have in that institution, due in no small measure to the absence of a coherent policy by the Government.

In a nutshell, there is no direction and no leadership of the health sector in Barbados. All management systems have been destroyed by this Barbados Labour Party administration and the only person in the country having any confidence in the Minister of Health is the Prime Minister who appointed him.

Therefore, before a national live audience yesterday and with this among the three burning issues on the minds of all Barbadians, one would have thought that the Prime Minister and Minister of Finance would have devoted a significant proportion of his speech to at least returning hope to this sector. But, alas, we waited in vain.

The Prime Minister and his Cabinet are clearly among the selected few in Barbados who can jet off to far off lands for medical attention. They are also among the minority in Barbados who can sign a cheque for any amount of money at private health care institutions. The vast majority of Barbadians, falling ill tomorrow, have to trek down to Queen Elizabeth and put their fate in the hand of the man who calms the waters and who can walk the sea.

The Prime Minister and Minister of Finance, after once again reaffirming his support for the privatisation of health services in Barbados...after pledging a regime of assistance to the developers of his next pet project...a 200 million private hospital, had this and only this to say about the Queen Elizabeth Hospital:

“Mr. Speaker, I now wish to turn my attention to the Queen Elizabeth Hospital. The Queen Elizabeth Hospital has struggled in part because it has not always been provided with the full financing to meet its current and capital needs.

I therefore propose to provide the Hospital, in the coming Financial Year, with a transfer sufficient to cover its operating deficit and in addition to support its approaches to the capital market for its capital needs.

Therefore the subvention for the Financial Year 2007-2008 will be \$120 million, an increase from \$110 million of the previous year. The following year I propose to increase the subvention to \$125 million. Support will be given to the placing of a Special Bond by the Queen Elizabeth Hospital to carry out a complete recapitalisation programme."

That's it, Mr. Speaker. That's the embodiment of this Government's attitude to the affairs of the health of its citizens. Hundreds of millions of dollars are spent on a cricket stadium. Hundreds of millions of dollars are wasted on Gems, JAWS, Greenland, National Housing Corporation building at Warrens, an airport that becomes dysfunctional when it rains and a Hilton Hotel that should have cost 70 per cent of its declared price.

Yet, with all the problems in health the Prime Minister and Minister of Finance is throwing a meagre \$10 million at the problem this year, with an additional five million next year.

The clear message to Barbadians here is Pray to God that you do not fall ill. This is the first government in the history of modern civilisation that has abandoned health care and left it totally to market forces. Whether that remains the state of affairs for long, is entirely dependent on the electorate of Barbados.

The Democratic Labour Party will roll out its comprehensive policy in relation to health care in the weeks ahead, when the media is less focussed and preoccupied with coverage of the hosting of Cricket World Cup.

In brief, however, we will:

Move immediately to effect change at the Accident & Emergency Department of the QEH.

- We will expand the physical space by constructing a new Accident and emergency wing, providing more beds and equipment.
- We will expand the asthma bay.
- We will set up a General Practitioner service as adjunct to the A&E to streamline patients entering the A&E thereby alleviating the long waits.
- We will upgrade the Geriatric Hospitals to treat the elderly for emergencies thereby taking the strain off of the A&E and freeing beds.
- We will upgrade and open selected polyclinics on 24 hr/7days a week basis.

- Expand the basket of zero rated foods to include cereals and other healthy living foods. Foods for diabetics and other with chronic diseases.
- Presently a vast number of over the counter medicines are only zero rated for VAT if prescribed by a doctor. The DLP will zero rate all medicines.

Education and Youth Concerns

A fourth feature of the presentation by the Hon. Minister of Finance yesterday related to his stunning silence on the worrisome issue of Education and Youth Concerns.

Mr. Speaker, the Hon. Minister of Finance is new at parenting...though we are told he has a teenage child. Nevertheless, that is not an excuse for his callous disregard of issues confronting parents relative to the declining performance academically and otherwise of our children.

The Prime Minister and Minister of Finance speaks and sees everything in terms of revenues and expenditures. His interest in education relates only to its cost.

I have been a parent – of my own three children and also a guardian - from the time my first daughter was conceived. I therefore share the concern and anxiety of parents who desperately need to hear that help and hope are on the way for their offspring.

Right now in my own home, I have a child in Primary School, a child in Secondary School and a child and spouse in tertiary institutions. This has given me a unique insight into the challenges at all levels of the education system.

We live in an age where many of our school children are drifting into an abyss of promiscuous sexual behaviour, drug abuse, violence and other forms of anti-social behaviour. Academic performances are on the decline.

Our boys are under threat and morale among teachers is at its lowest, with many resigning the service and heading for greener pastures beyond our shores.

Education in Barbados is in deep crisis.

The cornerstone of modern Barbados and that which gave us the competitive edge over all others is under siege and the Prime Minister addresses the country for three solid hours and says not a word about Education and what this government intends to do to stop the rot.

He reaches out to his friends in motor racing circles and other sectors, but he could not find a sentence in that address to put the minds and souls of parents and teachers alike at ease.

Parenting, to those of us who started at the beginning, is more, much, much more than posing in photographs.

Once again, I have a story of betrayal to tell. I was one of those Barbadians who took in the Edutech Project hook, line and sinker. I believed that such a technological revolution in education was timely. We were told that it was going to be the largest public sector investment ever.

I saw teaching methods changing, new curricula and our children having the use of technology to reduce the boredom they face in the classroom.

I have done some investigating on the state of Edutech since the government is silent on its existence.

I am sad to say that the original Edutech programme on which so many hopes were pinned has been downgraded.

Originally contracted to end two years ago, it will now end in 2008. Two years ago only 30 schools out of 103 were completed.

Eductech has not changed student performance and behaviour in our schools is worse.

It is a sad tale: The fifteen Phase One Schools are now storing malfunctioning outdated 1999 equipment. The Budget required for the timely completion of the project has been slashed every year.

\$188 million and very little to show for it!

Better Representation of the people

Mr. Speaker, across Barbados, the region and the world today the cry of the voters is for politicians and elected representatives in particular, to reconnect to the people. In many countries, Barbados included, elected representatives appear committed and focused more on their political mortality and the polarized agenda of their parties than on carrying forward the charter of representation espoused in their election campaigns and on which premise they were elected.

The Democratic Labour Party has over the last three years canvassed the views of Barbadians on this thorny issue. Barbadians are generally not satisfied with the quality and style representation they receive.

This has led to a frightening high proportion of eligible voters becoming cynical and indifferent to the point where they have withdrawn from the voting process.

Too many Barbadians perceive voting as a waste of time since too many parliamentarians have made themselves inaccessible and become unresponsive to their needs soon after winning their seat in parliament.

A re-elected Democratic Labour Party will put systems in place to reverse this trend as well as attempt to rekindle trust and confidence in the system of parliamentary elections and constituency representation.

A Democratic Labour Party will:

- Establish state-funded Constituency Councils to execute community enhancement and development projects. The council will comprise representatives of the church, civic society, and the political administration. In this way perennial problems of street lighting, sporting and recreational facilities, drainage, poverty alleviation and the like can be administered and resolved at the constituency level. An initial budget of \$100,000 will be granted to each council. After a needs assessment is done an annual budget will be provided.

- These constituency councils will be accountable to the constituents and the country. Each council will be mandated to hold a half yearly public consultation meeting to report on their activities, spending and respond to concerns from the public.

- Each representative will also be mandated to present a “State of the Constituency Report” at the time of the Constituency Councils’ consultation meeting. These meetings will be broadcast live on radio and television.

- Stipulate that in order to qualify for state funding of constituency offices each Member of Parliament identify one day per week as Constituency affairs Day, where the member is physically present at the office or visibly involved in constituency related activities.

Better Deal for the Public Service

Surprisingly, Mr. Speaker, in his obvious attempt at an election budget yesterday, the Minister of Finance did not pay attention to the particular plight of public officers.

He clearly assumes that party loyalties will overshadow all else. If you can poison the minds of voters as it relates to the Democratic Labour Party then they are likely to revert to the Barbados Labour Party, come what may. We do not subscribe to this type of level of arrogance. The Democratic Labour Party is conscious of the concerns and fears of public officers.

Our ongoing consultations and interactions suggest to us that something special and deliberate needs to be done to reach out to those whose job it is to implement the policies of the government.

Accordingly, a re-elected DLP Government will:

- Establish a Home Ownership Revolving Fund for public sector workers, providing interest free loans to appointed public servants with 5 years service who are first time home-owners. This fund will be capitalised with an initial injection of \$40 million.
- Increase the no interest vehicle loan facility from \$35,000 to \$60,000 and expand the scales of workers who will qualify.

- To stop the drain of human resources through recruitment by other countries, we will seek to make the quality of life better for our police force, teachers and nurses.

We will provide in addition to the above stated policies:

- Duty free access to motor cars for personal use for these three categories of public servants.

Better Deal for Pensioners

The Democratic Labour Party is committed to caring for all Barbadians in their senior years.

We will introduce a minimum pension threshold for all Barbadians. No Barbadian citizen will receive less than \$500 per month on reaching pensionable age.

We will maintain the differential between contributory and non-contributory pensions.

- In the first 100 days of a DLP government those old age pensioners now receiving a non-contributory pension of \$96 a week will receive \$116.00 per week or \$6,032 per year which is \$502.66 per month.
- Pensioners receiving \$119.00 per week will receive \$142.00 per week or \$7,384.00 or \$615.33 per month.
- We will remove all personal income taxes on pensions.

The Economy

I listened with some amusement yesterday as the Prime Minister sought to paint a very rosy picture of the Barbados economy. Once again we were regaled with the litany of statistics and achievements which arithmetically may be sound but a preoccupation with which ignores the human stories behind the statistics.

Growth is one thing; development is another.

Among his most impressive statements about the state of our economy was, *"We have reformed our indirect tax system to reduce our dependence on taxes on trade to be able to function successfully in a liberalized world."*

Yet we all know that there is an element of increased regressiveness to our tax structure which is not altogether resolved by the reverse tax credit: indirect taxes continue to increase their share of tax revenue or at best to maintain their share.

We have also reformed our personal and corporation tax systems to move Barbados in the direction of being a low tax jurisdiction. Here too there has been increased regressivity of income tax structure: I was flipping through a recent study entitled **Examining the Impact of Taxation on Income Distribution in Barbados** by Daniel Boamah, Sharri Byron and Chadelle Maxwell, published in the December 2006 Economic review and their conclusions were,

“The full impact of the 1992 income tax reform occurred in 1993 and the abolition of stabilisation taxes and various levies, as well as the elimination of several itemised deductions and allowances that had hitherto benefited the higher income group the most, appeared to have shifted income distribution in favour of the lower income group.”

They go on, *“On the other hand... between 1997 and 1998, the low income earners saw their share of post-tax income decline by 4.6 percentage points whereas the middle and high income had their post-tax income increase by 1.9 and 2.7 percentage points, respectively, suggesting a deterioration in the position of low-income earners relative to the other two groups.”*

The concluded that the year 2004, which saw a decrease in the basic tax rate to 20% and a rise in the tax-free allowance, higher income earners experienced an expansion of their share of post-tax income while the post tax incomes for low and middle income earners declined.

It was instructive that in this Budget the Minister of Finance has finally acknowledged that Barbados has a *“working poor.”*

This is of significance because it speaks to the plight in our economy of the middle-class and the extent to which their position had been eroded by tax reform.

The Minister of Finance said, *"We have introduced major new incentives and supports to shore up all of our productive sectors, and introduced modern legislation to encourage the development of our small businesses."* We agree that there have been a plethora of funds. But what is the human story behind these statements? How many of these incentives have been properly executed? Have any worked?

He said also, "We have reformed the telecommunications sector, our laws on Insolvency called the Fair Trading Commission into existence, and introduced arrangements to facilitate E commerce and E government – all with a view to building a more competitive, modern, market-driven economy." These are empty boasts which are not supported by reality. What e-commerce can there be when there is still no public key infrastructure? What e-government are we talking about?

As part of his "great transformation theory" the Prime Minister said, *"We have reformed our education system"* and we could add to that, with crumbling buildings?

And neglected teachers? *"and our community development programme to train our people to live in today's technological and information age."*

I assume the Prime Minister does not mean Edutech or the struggling community computer technology project.

The Minister of Finance said, *"Our evaluation of our recent economic performance should not therefore be the usual stock-taking exercise. After virtually 10 years of adjustment, we can now form better judgements as to the resilience and the sustainability of the transformations that have been made, and to determine the nature of any new strategic directions that are now required."*

In our major economic sector, there is increased concentration of tourism market.

The more balanced distribution of tourism market in 1980s and early 1990's has now become very concentrated with Britain being overwhelmingly dominant. Increased risk within the structure of the tourism market.

"The strong growth in our economy has been principally reflected in an impressive employment record; with unemployment falling to 7.6% - the lowest rate in our recent history." There is a human story behind these statistics. What levels of income for these jobs?

"In the past few years, a far-reaching programme of fiscal reform has been carried out that has seen 26,000 persons taken off the tax roll, the first 25,000 dollars of personal income exempted from tax, the top personal income tax rates brought down from 40% to 35% and the basic from 25% to 20%."

Why then, as the Study I referred to earlier confirms, a greater percentage of taxpayers categorized as low income and why low income taxpayers earn a smaller percentage of national income, smaller percentage of high income earn a higher % of income, and middle class share of income hardly increased?

"All other homeowners have benefited by the exemption of the first \$125,000 of their properties from tax, and the reduction of the rates." This has benefited wealthy far more than the poor.

"Four years ago, Barbadians paid \$500 in land taxes on a property worth \$250,000. Today they are paying only \$125 in tax on property of a similar value."

Why doesn't the Prime Minister tell us how the rich have benefited?

"Our foreign exchange reserves have remained in a very sturdy condition." Yet still falling despite increases in interest rates.

There is also evidence that the strength of our social capital and the functioning of some areas of the social sector, especially the health sector need to be improved and to be provided with greater resources. How much more, and when? What about the schools?

"The rate of expansion in credit abated from 23% (\$730 million) in 2005 to 13.6% (\$520 million) in 2006." Still a large increase and at what cost to the middle class homeowner with a mortgage? At what cost to businesses that have to use overdrafts? At what cost to Government in raising funds locally? Can government even get the funds it needs?

" In addition, backed primarily by a significant pick up in net private capital inflows," mainly for real estate (see page 11 2006 Economic Review) – " the capital account of our balance of payments registered an estimated surplus of \$717.4 million in 2006, roughly \$134 million more than in 2005 and the largest surplus on record."

“It indicates the soundness of the policies we have deployed to attract private capital flows to Barbados.” Largely real estate.

“As we prepare to host the 2007 Cricket World Cup final, the performance of our economy assures that, no matter how stern may be the challenge, Barbados is ready to take its rightful place on the global stage.” Except where it matters: the quality of the health care institutions, the quality of the physical plant of the schools to serve the young people, the future of the country.

I respectfully suggest that the following constitute the essential matters on which our efforts to continue to transform Barbados for the better must be concentrated.

- 1. We must expand the effort to build a genuine export culture in Barbados.*
- 2. We must institute new measures to take all of our productive sectors to a new higher level of performance and competitiveness.*

3. *We must significantly raise the level of savings, both as the means to protect the balance of payments, and to raise the resources to finance investment in an expanding economy.*
4. *We must institutionalize and secure the gains which wage earners and enterprises have realized from tax reform and put in place a dynamic programme of tax reform to meet the needs of the working poor.*
5. *True to the provisions of our National Strategic Plan we must institute measures to make Barbados truly a model of a Green, Environmentally sound Economy.*
6. *We must aggressively implement measures to significantly reduce the rate of inflation and the general level of prices.*
7. *We must aggressively and positively address problems relating to affordable housing, access to land and land prices.*
8. *We must expand the scope of our programme to eradicate poverty.*

9. *We must open new areas of special development that can enhance our capacity to generate jobs, foreign exchange and income.*
10. *Finally we must boldly liberalize our financial sector and change our approach to the use of exchange controls to enable Barbados to realize its potential to be the leading financial centre in the region, and an important location for the performance of international business of all sorts.*

“The domestic debt is projected to grow by 10%, while the foreign debt is projected to remain at the same level as it was at March 31, 2006.” At what rate did interest payments grow? When interest rates are liberalized, how fast will the interest on the public debt grow? Even faster! It grew by 11% in 2006. (page 8 – CCB 2006 Review)

The Minister of Finance boasted that, *“Unlike some other countries, some of which are benefiting from debt-relief programmes provided by the International community, Barbados has, and will continue to pay its debts as they fall due, and can account for and fully justify the purposes to which all of our loans have been put.*

The new Hilton Hotel, the major expansion of our Airport and Seaport, the impressive upgrading of our roads, our capital city and our general infrastructure, the transformation of our educational system,” (in what way?) the building of new institutions to provide development finance to our productive sectors, the investment to protect and improve our coastal areas are all graphic evidence of borrowed funds well and truly spent. What about the wastage on the building of the new prison instead of building something we could afford and use the rest of the money elsewhere in the future since annual payments would be lower? He forgot the borrowing for Hotels & Resorts Limited, the borrowing for Greenland etc.

Despite the comments by the Minister of Finance, the IMF Article 45 2006 consultation states on page 19, *“Public debt levels are being lowered, but they should be brought down to much safer levels at a faster pace. Rating agencies and other market participants consider high public debt to one of the key weaknesses of the Barbadian economy, and the current debt path would only gradually reduce debt ratios.... Furthermore the pension system exposure to the public sector should be reduced”*

The Prime Minister has warned that, “However, in pursuit of the debt management programme I have just described, we propose to amend our fiscal stance, and once the World Cup related expenditures have been taken off our books, to set a new target for the overall fiscal deficit of 1% of GDP per year, and primary fiscal surpluses in the region of over 4% as compared to the 3% over the past 16 years.” What does this mean? Cutback in government spending or more taxes? More VAT? This was portended in the IMF Article 4 Consultation Report

“At present the main vehicles which the Central Bank uses to conduct monetary policy are the minimum deposit rate, reserve requirements and moral suasion. Since 2001, the total reserve requirement has been reduced from 25% to 17% and as part of the liberalization process, the Government intends to reduce the securities element of this requirement by a further 6 percentage points.” Government policy seems to be going in two directions at the same time. Who will fund govt? Will expenditures be cut to suit? Or more taxes levied?

Currently changes in the minimum deposit rate require approval from the Minister of Finance. As part of the Government’s commitment to fully liberalize domestic interest rates, it intends to cede authority to the Central Bank to make changes to the minimum deposit rate without recourse to the Minister of Finance. This is no liberalization. How often has Minister of Finance refused to approve interest rate recommendation of CBB?

THE REMOVAL OF EXCHANGE CONTROLS

The Prime Minister main economic strategy outlined in the budget is the removal of all exchange controls with respect to CARICOM by the end of the year and the further removal in respect to the rest of the world to follow. By doing this he is making a significant gamble.

The Minister of Finance is making the assumption that the freeing up of exchange controls and thereby increasing our financial openness would result in a greater flow of capital into our domestic economy which would give rise to increased domestic investment and economic growth. However, this is a very bold and risky assumption in which we have some fundamental concerns.

The experience of the past two decades of many developing countries has placed these countries at significant financial risk and collapse.

First, evidence suggests that periods of strong cross-border capital flows tend to be highly concentrated to a small number of recipient countries. The increase in capital inflows in recent times, for instance, was directed to only a small number of large, middle-income countries of Latin America and Asia.

Thus, despite Barbados liberalizing its financial system to attract capital it may not benefit from any influx of foreign capital but what is likely to happen is that capital might flow out of the country seeking better investment opportunities.

Recently we heard of some large local investors indicating that they are seeking new investments in other regional economies, this will unfortunately increasingly become the trend. Thus instead of attracting capital we may find ourselves even more capital scarce.

Secondly, if we follow the Minister's assumption that greater capital will flow into the country and will have a positive impact on domestic investment, the impact of those investments on long-run growth in Barbados may be limited, if such inflows are used to finance speculative or low-quality domestic investments such as investments in the real estate sector. Over time low-productivity investments in the non-tradables sector may reduce the economy's capacity to export and lead to growing external imbalances.

Thirdly, if the large capital inflows are in fact achieved by our greater financial openness this can have some significant undesirable macroeconomic effects, including rapid monetary expansion, due to the difficulty and cost of pursuing aggressive sterilization policies, further inflationary pressures, resulting from the effect of capital inflows on domestic spending, real exchange rate appreciation, and widening current account deficits.

Fourthly, small developing economies such as Barbados are often rationed out of world capital markets. Barbados may indeed be able to borrow only in 'good times', whereas in 'bad times' the country may face credit constraints. Access may thus be pro-cyclical.

Clearly, in such conditions, one of the alleged benefits of accessing world capital markets - the ability to borrow to smooth consumption in the face of temporary adverse shocks - is not probable. Furthermore, favourable shocks may attract large capital flows and encourage local consumption and spending at levels that are unsustainable in the long term, forcing the country to over-adjust when an adverse shock hits.

Fifthly, the removal of our exchange control arrangements may also be conducive to a high degree of volatility in capital movements, a specific manifestation of this being large reversals in short-term flows, associated with speculative pressures on the domestic currency. The possibility of large reversals of short-term capital flows raises the risk that borrowers may face costly "liquidity runs".

The higher the level of our short-term debt is, relative to Barbados' international reserves, the greater the risk such runs will occur. High levels of short-term liabilities intermediated by the financial system also create risks of bank runs and systemic financial crises.

I want to say that despite the may be an initial inflow of capital into the banking sector, if the financial sector continues to engage in its present lending practices, this will have very little benefits to the ordinary Bajan and small businesses and entrepreneurs. The local banks may continue to ration credit to small firms, which tend to operate in the non-tradables sector and concentrate instead on larger and stronger ones companies. If banks do indeed continue to follow a strategy of concentrating their lending operations only to the most creditworthy corporate (and, to a lesser extent, households) borrowers, their presence will be less likely to contribute to an overall increase in efficiency in the financial sector.

More importantly, by leading to a higher degree of credit rationing to small business and entrepreneurs, they may have an adverse effect on output, employment, and income distribution in our economy.

What has been our experience of financial liberalization so far?

The dearth of investment instruments and the illiquidity of some of these instruments in the local market, has in recent times greatly reduce the probability of a large infusion of portfolio capital inflows. The recent level of interest rates has led local investors to be more active in seeking viable investment opportunities abroad.

Since 2003, provisions have been made by the Central Bank of Barbados for the establishment of second tier reserves, which have allowed particular institutions to undertake additional foreign investments, provided that these funds are returned at the request of the Central Bank.

In 2004 this program permitted a number of institutional investors to increase their overseas investments in the Caribbean and extra-regionally, this resulted in the significant increase in equity outflows.

In order to realize benefits from the removal of exchange controls a number of things need to be done.

A greater sequence approach to removal of exchange controls should have been implemented. The major fiscal imbalances that are present in our economy should have been tackled first before we engage in an all out removal of exchange control restrictions.

An examination of the experience of many countries that have gone before in this direction reveals that successful liberalizations were embedded within a broader program that sought to reform the real economy and the financial sector as well as upgrade the Government's capacity to prudentially regulate, monitor and enforce capital adequacy standards.

Sound macroeconomic policies are a basic pre-requisite for such liberalization. The experience of many countries shows that fiscal deficits emerge as one of the important factors accounting for success or failure of these types of liberalization programs. If the fiscal situation is not under control, the Central Bank policies can become ineffective because of the lack of fiscal discipline.

Interest rates to be determined by the market

I also have some issues with this strategy of allowing interest rates to be determined solely by the market. I must admit that the rigidity of the banking sector and the dominance of foreign banks has long necessitated an interest rate policy. However, due to the size of our banking sector and the absence of significant competition but strong evidence of collusion behaviour among banks is likely to result in artificial interest rate setting which can be to the disadvantage of many ordinary citizens.

This can be very counterproductive to many of the initiatives outlined in this budget and by extension the local economy. Banks may now have an incentive to further collude and drive up lending rates. What will result is that despite all of government initiatives outlined in the budget to increase householders' disposable incomes the rise in interest rates would make the costs of borrowing more expensive.

“As I indicated earlier, during the course of the past 10 years, a comprehensive set of policies have been introduced to provide all of our productive sectors with concessions, technical assistance to support their restructuring, support to help them penetrate niche markets, access to development finance through Fund Access and Enterprise Growth Fund, and new institutional arrangements to improve the environment within which business takes place and to reduce the cost of doing business. With what effect? Why have tradeable sectors so weak? (See p. 21 of the CBB Review 2006)

Tourism

The Minister said, *“No major policy initiatives have been proposed in respect of our Tourism Industry which has been the beneficiary of the most far-reaching financial, marketing and institutional supports in recent time.”* Including buying guests through Best of Barbados package used by a few favoured properties.

Agriculture

“To take our agricultural sector to the next level we must accelerate the programme to reform the sugar cane industry.” We will spend over US\$150 million plus annual operating costs to save US\$15 million in revenue

“The government has agreed to support the BAMC’s application to the Caribbean Development Bank for a loan of US \$160 million to facilitate the financing of activities under the Cane Industry Restructuring Project.”

What are the annual net foreign exchange benefits?

The provision of \$250,000.00 to conduct a feasibility study for the establishment of the sugar museum. What does this add to agriculture?

In order to facilitate this process therefore and to ensure the further development of the Industry, it is being proposed that a Poultry Board be established. How will this help the industry?

The Ministry of Agriculture and Rural Development, in collaboration with the Pig Producers Cooperative Society and the Barbados Agricultural Society, will therefore be establishing a Pig Development Centre at the Greenland Livestock Station for the collection of fresh semen from the genetically improved boars acquired through this pig improvement exercise. But this existed years ago: why was it allowed to decay?

To assist those farmers without access to financing and who are desirous of importing cows in order to add to their stock, it is therefore the intention of the government to provide financing via, the Agricultural Development Fund (ADF) for this purpose. What's new about this? The DLP had this as far back as the 1960s. The BLP let it die? Only to recreate it as theirs? Mind games gain.

Promoting Youth in Agriculture What happened to the 4H programme? *The agricultural sector is faced with the problem of having an aging agricultural population. A programme has been devised to turn this around.*

“Plans are now being made for a similar project to be undertaken as part of the Bath Plantation in St. John by the Ministry of Agriculture and Rural Development, in conjunction with the Food and Agriculture Organisation (FAO) An initial capitalization amount of \$ 2 million will be provided for the youth programme at Bath through the Agricultural Development Fund.”

There were plans for an agricultural school in Bath way back in the 1970's. And the BLP in 1976 put it on hold.

Adoption of New Technologies

“As part of its competitiveness enhancement programme, the Ministry of Agriculture and Rural Development has continued to promote the use of technology as a means of reducing cost, increasing output, and quality and generally enhancing efficiencies within the sector. Already the sector has been successfully adopting greenhouse and various other technologies but there is need to accelerate the rate of the use of new technologies among the farming community. To facilitate this: Government will introduce a fifteen year tax holiday for those Organisations investing in high end technology.” But where will you get the money to invest?

“We therefore propose that qualifying registered exporters should not be required to pay VAT at the time of importation of their inputs, that is, raw materials, packaging and equipment. The qualifying criteria will be set in such a way as to ensure that the exposure of the VAT Division is no more than it would be with a non-exporting company. Current research suggests that this qualifying criteria will require companies to earn at least 40% of their gross annual revenue through exports.” What about the small person now getting into exports? This will help only the large ones

Yesterday's presentation by the Prime Minister showed the policy of a government emboldened by the elitist view that we should all be grateful for the fact that he has been able to attract to this country rich philanthropists.

The presentation did not address the critical issues for the agricultural sector.

Instead of arresting the decline in the agricultural sector, it will be accelerated. The three major initiatives the Minister mentioned for the sector are nothing new.

I am told, these were requested by the sector in some cases for quite some time. The real issue for the sector is the hostile policy environment which exists in respect of land use and the fact that this is being further complicated by the open door policy to the ownership of agricultural land.

On the question of the poultry board, one hopes that it does not go the way of the dairy board which is still to be established.

It is strange that the Minister could effectively zero rate inputs for manufacturing companies but on the other hand he could not find the time to look at zero rating agricultural inputs.

The fact that the Minister is liberalising the financial sector could also spell serious problems for the agricultural sector in that already high interest rates could go higher to attract as he says "foreign investors". This could cause further pressure on prices as businesses try to cope with the increasing costs of financing overdrafts.

These actions may seriously impair the competitiveness of the local agricultural sector.

In respect of the bound rates and their reduction this is the only effective protection the sector has. This would literally undermine the food security agenda unless the Minister intends to prop these industries from the public purse putting additional pressure on the government's already slim resources.

The issue of the removal of the 6% cess and the raising of the environmental levy for purported "good causes" is really farcical. The Environmental Levy is spread across a much wider range of goods than the VAT consequently there is likely to be a further inflationary impact similar to that caused by the 6% cess.

We have heard that Government proposes to bring a proposed Physical Development Plan to parliament for debate. Unless a radical revision is made to the current system of land transfers out of agriculture, the sector will be under stress.

It is clear that some system needs to be established to make available pioneer funds for those willing to establish farming enterprises. These funds would provide financing for individuals wishing to enter into the agriculture for the first time. The cost of establishing farming enterprises can be prohibitive and therefore young people seeking to enter the industry should be afforded some form of financial support.

Manufacturing

Manufacturers in all sectors continue to confront daily challenges such as access to finance, competition from regional counterparts (especially with products from Trinidad and Jamaica) and cheap imports.

Garment manufacturers continue to struggle to survive as several major Barbadian companies contract Trinidadian manufacturers to produce uniforms for their employees. Policies need to be implemented to allow manufacturers to have a more level playing field.

Fuel for vehicles (delivery, salesmen etc.) and high electricity costs are another area of concern. Thirty percent (30%) of manufacturers now run generators 24/7 and their reported energy savings are tremendous.

Government makes funds available for small and medium sized businesses; however, present policies need to be redefined to ensure easier access for all no matter the size. All manufacturers are affected by the lack of access to finance.

Traditional banks and agencies assigned with the responsibility to oversee the distribution of funds are unwilling to circulate these funds. There is a need for less red tape.

Port Charges: RS&D (receive, store & deliver) charges need to be reviewed as they are burdensome.

Tonnage dues are charged twice - on raw materials when imported and again on finished products when being exported.

Free along side charges (FAS) continue to be out of proportion with our competitors.

Port delays are of concern as cruise liners are almost always given priority over cargo ships.

Barbadian manufacturers want to see the Government take immediate practical steps that will enable them to innovate, compete, and grow. A Democratic Labour Party government will:

- Implement policies to protect manufacturers from high port charges and tonnage dues.
- Implement policies that will encourage access to, and a freer flow of, finance

- Implement a two-year write-off for investments in new manufacturing, processing, and associated information and communication, energy, and environmental technologies;

International Business

There are no measures which will ensure realistic growth of the sector. The sector is poorly regulated and not responsive. Poor insurance regulation and legislation has seen little resulting growth to this sector. We must have immediate review of the insurance legislation and beef up our regulation and regulators.

There are no innovative measures to attract new business. In our view, the areas of opportunities are in mutual fund administration not assets management as stated by the Minister of Finance. The quality asset managers will not relocate to Barbados. They will wish to be in the centres i.e New York, London, Toronto. But we can provide the back office. This is where our emphasis should be.

Whereas there are incentives for offshore professionals to locate to Barbados, there should be a link between work permits, residency and the growth of Barbadians to ascend to top positions. We should offer 5 year work permits with a clear mandate that a Barbadian must be identified and trained to takeover. In this way, we truly develop our people and ensure top quality jobs.

In the area of private banks and trust companies, we have made it almost impossible for average qualified Barbadians to be involved by having too high a capitalisation requirement. We should establish a regime which reduces the capital requirement if a certain percentage of the equity in the company is owned by Barbadian and in particular employees.

The Mutual Funds Act must be amended. The International Trusts Act 1995 should be amended and we should be able to offer Private Trust Companies and encourage family offices to set up in Barbados.

Qualified Barbadians – particularly Accountants - are moving to other jurisdictions in particular accountants. In their places, we are importing labour and no doubt paying higher wages. We must examine this carefully: Why should an ACCA from Ireland be paid more than a home grown ACCA. I am not saying that Barbadians will not leave for the experience, I am questioning the so called expertise we are importing and giving tax incentives to.

For several years we have had the FIU under staffed and without resources. Its untrue to classify us as a well regulated jurisdiction. We need to develop and train a cadre of regulators. Indeed we may have to import a few while sending some of our own people abroad for training.

The International Business sector cannot be measured in the fact that there were 200 more companies. 200 more companies means what in terms of government revenue. We are still behind the Bahamas, The Cayman Islands, The BVi and ALL European centres in terms of the contribution of their sectors to their economies.

We must provide incentives for local involvement in the sector if it is to grow. I have already highlighted reduced capitalisation costs, maybe a further personal allowance if your income is generated by foreign exchanged earned outside of Barbados and remitted to Barbados .

Insights From What The People Are Saying

I found the recent Cadres Opinion Poll interesting. Politics operates at two different levels. One is the level of personality. The other relates to policy and programmes. Owen Arthur wins hands down on the former, but fails miserably on the latter.

People believe that his party, particularly his Cabinet Ministers have failed disastrously, in living up to the Manifesto promises and delivering to the electorate.

The overwhelming message of this representative sample of Barbadians is that this country is in for surprises once the electorate wakes up to the fact that even though the image of the country is bright, the reality for ordinary Barbadians is far gloomier.

The problem is that too many people confuse the nation for the citizen. Because the nation is faring well does not mean that the average citizen is alright. Behind the statistics are stories of human being falling through the cracks; living from pay-check to pay-check.

We can therefore expect a general Election soon after World Cup, when people are still basking in the achievement of successfully hosting the third largest sporting event in the world.....and long before the bills start to roll in.

This Budget is therefore more of the same. It is nothing more than an exercise in applying more opium to a patient that is already high, and laying out the wares for an expensive Presidential Election.

The real problem, however, is that the BLP Government has been pouring more and more new wine into old wineskins.

You will recall that immediately after Independence, Errol Barrow and the Democratic Labour Party embarked on a programme of social reconstruction that began to alter the structure of Barbadian society. Using education as a tool, droves of young Barbadians escaped the pull of the plantations and began to experience economic independence and upward social mobility.

Tom Adams built on this foundation and by building efficient highways that criss-crossed the country, opened up several areas for housing and economic development.

All that the Minister of Finance has done in three terms is to pour more money into existing systems without creating new opportunities for expansion and growth.

This government has invested heavily in large projects, many of which have bought him kudos. But he has also wasted public money on large projects like Greenland, Gems of Barbados and Edutech, which have been monumental disasters.

Basically what the Prime Minister has been doing is pouring new wine into old wine skins. Our education system has been sending out into the world of work thousands of better-educated Barbadian youth. Because they have had more education than their parents they expect more.

We therefore face a revolution of rising expectation simply because opportunities have not been increasing at a comparable rate to motivate them to excel and absorb them smoothly into the workforce.

As a result we have a crisis of youth. While the economy is “booming” many of them are unemployed and even unemployable.

Let me remind the government that no amount of handouts can reduce the army of boys and girls on the Block. Neither can these handouts distract attention from the impending crisis.

I believe that the uncompleted Barrow revolution has created serious problems for the longest serving Prime Minister in our short post-Independence history. The energies released in the Education system have not found creative outlets in the rest of our social system.

All the other institutions of society have remained untouched, leading to bottlenecks, frustration and violence in our schools, on our buses and in our streets.

The Report on Law and Order and the frantic effort to devise a new National Youth Service Programme are clear evidence that our children and young people are in trouble. When our youth are in trouble our nation is in trouble.

These fires have been stoked by, among other things:

- The Dreaded 11 Plus Examination that brand half our children as failures as early as 11 years of age;
- Academically based tertiary level education that discriminate against those young people who are gifted in areas other than linguistics and mathematics;

- A Polytechnic and a Community College that require almost the same qualifications for entry as the University of the West Indies;
- A proliferation of dead-end jobs that are not commensurate with the education we give our children;
- The proliferation of drugs, which many youngsters use with impunity;
- A “bashment” mentality that is designed to distract our young people.

The truth is that nothing has been done to change the other institutions to correspond with the early changes in education.

For example, nothing has been done to strengthen the family. Instead as the culture of conspicuous consumption has grown under Owen Arthur during the past 12 years, conflict within families over money has escalated. New materialistic values are now being transmitted within families. Hence the increase in domestic violence.

At the same time religious values have been eroded. In the face of the onslaught from the mass media the church has gone into hiding.

With respect to employment there have been no policies or investment to foster creativity among our young people on a large scale.

Lip service has been paid to supporting cultural, artistic, sporting and related industries but little more than token efforts have been made.

It would appear that as "One Barbados" has become more affluent, community spirit has declined. Successful Barbadians have moved and are still moving out of villages and settling in the heights and terraces.

The culture of these places, which has arrive through the media of Multi-Channel Television and overseas visits, is one in which you never get to know your neighbour or share anything with him/her. We have forgotten that it takes a community to raise a child.

Mr. Speaker, this country is coming apart at the seams. At least two Barbados' have emerged. One Barbados is characterized by:

- Large houses that cut off the residents from their environment and their community.
- At least two cars that cut them off from the people they pass on the streets.
- Television and other means of communication that link them with their reference groups thousands of miles away.
- Going on regular shopping sprees abroad for foodstuff, appliances and clothing.

The other is the Barbados of the majority of citizens who have to stay put and catch hell.

These are the people who remained silent during the Cadres survey and who said they want a change of Government. These are the natural supporters of the Democratic Labour Party.

These are the same people who listed the following issues as their major concerns:

NATIONAL ISSUES	%
Cost of Living	33.2
Unemployment	13.8
Crime	12.1
Housing	9.8
The Economy	9.8

Youth Concerns	7.9
CONSTITUENCY ISSUES	
Unemployment	19.6
Roads and other Infrastructure	19.0
Youth Concerns	18.0
Housing	17.8
Crime	15.4
Social Services	9.5

These are the issues that confront Barbadians when the national jump-up is over. These are the issues that people want to see Government addressing not in a token manner but structurally. They want to see radical solutions to these perennial problems.

I believe that it is time for us to go back to the drawing board.

I believe that the time is ripe to complete the social revolution started by Errol Barrow.

I believe that we have to revisit Education and devote more time to quality than quantity.

We plan to introduce interest-based education so that all our differently gifted children can realize their potential through our education system.

We plan to make all schools centres of excellence focussing on different talents.

We plan to create more opportunities at the tertiary level for young people to realize their God-given potential at the highest level.

I believe that it is time for us to look at ways of diversifying the economy.

I believe that workers should get satisfaction as well as a decent income from their work.

I believe that it is about time we break our people out of the job syndrome.

As a follow-up to more meaningful education, the DLP Government will give incentives for young entrepreneurs to create wealth and employment in non-traditional industries.

I believe that politics is too important to be left exclusively to politicians.

I am concerned that over 30% of our citizens are alienated from the political process.

The new DLP Government will give power back to the people.

We will establish local Government Structures that throw up leaders who are more representative.

We will establish systems that make political leaders more accountable to the people on a regular basis.

I also believe that religious values are essential for social well-being.

I believe that when fundamental values, which have a religious base are erased, the society is in trouble.

The new DLP Government will ensure that every child gets the opportunity to internalize essential moral values.

I believe that families are the building blocks of nations.

I believe that education begins at home.

Strong nations are built by strong families.

The new DLP Government will give maximum support to families, starting with parenting education and generous support to parents in the raising of their children. We need to give on-going assistance to unemployed single-parents.

I believe that decent housing is the key to good family life, educational success and productivity at work.

I believe that every citizen has the right to decent affordable housing.

The new DLP Government will make housing the number 1 priority in its first term of office.

We shall explore ways and means of empowering people to solve their own housing problems, as shown above.

We believe that this country has lost its way by adopting an alien life style that militates against community life and shared leisure.

I believe that man is a social animal who needs to be involved in community life.

The new Democratic Labour Party Government will support the rejuvenation of communities.

We will use sports and recreation as a means of doing so.

We will also support all sports to ensure that Barbadians derive other social, health, psychological and economic benefits from involvement in sport.

Mr. Speaker, surely it is now clear to all that have taken the scales off their eyes and are seeing the administration for what it is....or should I say what it is not.

This is not a government working on behalf of the broad masses of working people in this country. This is not a government listening to the deafening cries of its citizens as to their inability to get by in this country.

This government is not troubled in the least that we are fast approaching a country of tenants where anybody other than an ordinary Barbadian can own land.

This is not a government willing to accept that through its policies it is creating two Barbados' - one for the rich and well-to-do – and another where the rest of us are marginalized and relegated to the dictates of international institutions and their neo-liberal policy prescriptions that valorise private merchant capital, and suppress the aspirations of labour.

This is not a government for people....it is a government concerned only about its political survival...the next election ...winning power, holding power and wielding power in the favour of those privileged groups it serves.

It is for these and countless other reasons that people are clamouring for change and waiting with bated breath for the DLP to deliver them out of this mire into which we have sunk.

Mr Speaker Sir, 2007 marks my 20th year in this Honourable Chamber and I am thankful to the good people of St. John for giving me the opportunity to serve them and this great country of ours.

I am grateful to my colleagues, those here with me this evening and those who have left this place, for giving me the honour of leading this great party. We have a rich heritage and proud legacy to uphold. The people of Barbados have tremendous good-will for the Democratic Labour Party and expectations are high. We will not disappoint them.

Mr Speaker, as I travel across Barbados and meet with Barbadians be it in the villages, the heights and terraces, in shops and in homes, the plea is the same – ***“you gotta get rid of those people, we can’t take another five”***.

The urgency is frightening. It is Time for Change!

I have heard the cries of housewives and homemakers battling high prices, trying to make ends meet in order to feed their families; I have seen the look of anger on the faces of our young men and women too who feel abandoned by the injustices of the system; anguish on the faces of men and women, old and young, seeking adequate housing; I have been touched by the stories told by relatives of those suffering and even dying at the A&E of the QEH.

I am conscious, Mr. Speaker, of the awesome responsibility that rests on our shoulders. We in the Democratic Labour Party know what we have to do to rebuild confidence in the institutions of this country as we move towards a just society. We will not disappoint.

This evening I intend to share with the people of Barbados, my vision and that of my party for a 21st century Barbados and outline the broad philosophical underpinnings of the “the new deal” that the Democratic Labour Party will use to reinvigorate that spirit of national pride and industry of which we were once so proud.

This country needs to bring more of our citizens into the mainstream of economic development in this country, while creating social outcomes in this country in a way that satisfies the thirst of Barbadians for justice, equity and fairness across the land.

But of course before you can offer an alternative, you must by necessity, analyse where you are and what is wrong. The Prime Minister yesterday offered up what he sees as the answers to our myriad problems. And what did we get. The typical political election budget serving up a few goodies here and there and making all kinds of promises wrapped in the now expected economic jargon that has become so familiar. But I ask the question: haven't we heard that all before?

I have now had the opportunity to sit and listen to the Hon Prime Minister deliver every one of his economic statements and I have grown tired of the clichés, catch-phrases and buzz-words that emanate from his mouth.

You too must know them by heart: capacity building, institutional strengthening, creative economy, entrepreneurial government, great transformation – I have heard it all. It excites some in the media and in the private sector that are caught up with that kind of packaging. But the Hon Member does not fool me!

In fact he surely does not fool a member of the government side who said after one of those *“path-breaking Budgets”* some years ago:

“As I sat and listened yesterday I became convinced that the Prime Minister hasn’t a clue as to where he wants to take this country of Barbados. He has no clear vision of the kind of Barbados he wants to leave when he exits the political stage. his vision for Barbados and his legacy are becoming more obscure. The honourable member for St. Peter does not speak from a deeply held philosophical position. His positions and policies reek of political opportunism and pragmatism. His blundering and meandering have been masked by excellent public relations machineryIt has been about inclusion, symbolism and gimmickry” .

Let me repeat it.

Who do you think said those words? I don't think I could have put it better myself!

But that was two years ago before that Member's political metamorphosis into Dr. Feel-Good. All of a sudden, Like the late James Browne, he is singing, *"I feel Good!"*

Two decades ago, I entered this honourable chamber as a 24-year old young man full of enthusiasm, dedication and commitment to playing my part in advancing the development of this country and its people.

Indeed sir, at that time this parliament was still revered as a place where the hopes, dreams and aspirations of all Barbadians were given support and sustenance through the passage of legislation and other instruments of policy that facilitated the realization of our collective goals.

I can recall vividly budget days of that era. A packed public gallery, bursting with excitement, the audience numbed with anticipation as the then Minister of Finance and Prime Minister of the country came to converse with his people in manner that lent validity to the very liberal democratic process which we have developed in this country over the years.

Parliament was viewed as the of beacon of our democracy - a place where, above all else, ordinary Barbadians had come to expect not just a high level of debate on critical issues of the day, but a place that righted societal wrongs and provided hope that through its actions every Barbadian would be guaranteed a fair share of the common wealth created in this country.

That belief was borne out of a long held view that it was through the control of parliamentary and by extension governmental power that the broad masses of a country would benefit. And that their popularly elected representatives would use of all legal instruments at their disposal to transform the social and economic landscape of the country.

When we look at the post 1950s era of popular parliamentary government in this country we have much of which to be proud.

It was in this august Chamber Sir, that the push for universal adult suffrage, and internal self governance was led by National Hero Rt. Excellent Sir Grantley Adams and other members of this House in what can be considered a most unstable and anxious period. We are by told by historians that it was the era of the great social revolution.

In the 1960s it was through this parliament and under the revered leadership of the greatest of all national heroes Rt. Excellent Errol Walton Barrow and his colleagues of the Democratic Labour Party, that Barbados became a full nation: proud and resourceful and determined that through dint of hard work we would pay of our way among the family nations across the globe.

It was through this parliament that in the 1960s and 1970s the representatives of the people pushed through policies that so transformed this society as to make it then the leader among small nations across the world.

It was here that the foundations of free education were laid and the mechanisms that ensured that every Barbadian boy and girl would be guaranteed a future in this country were put in place.

It was in this House that legislation was passed establishing the University of the West Indies as a place of higher learning ushering in a new era of educational attainment and research that must now serve as the focal point for innovation in a modern society.

It was through policies enacted in this House that the modern health care system we used to boast of, but which today has sadly fallen into disrepair, were championed.

It was through this House that we came to know such things as national insurance and severance pay, holiday with pay legislation and all the other modern labour rights legislation were debated and passed.

It was by way of policies passed through this parliament that the modern diversified economy of which we now boast was created.

It was this parliament acting through successive governments in the 60s, 70s and 80s, that we were able to move Barbados from a mono-crop economy to a modern diversified economy that speaks of tourism, financial and off-shore services; of manufacturing, informatics and other sectors as compliments to a now marginalizing agricultural sector.

How sad it is that this parliament is but a shadow of itself. No ground breaking pieces of social or economic legislation have been brought to or passed through this House in the last decade.

In fact, I make bold to say that this, the third oldest parliament in the Commonwealth is limping along as though incapable of speaking to the many critical concerns of its public.

Why Sir?

Because the government that leads it has strategically reduced its importance in the social and economic life of this country.

Nobody expects this parliament or its government to address their concerns about the cost of living in this country; nobody expects this parliament or its government to intervene to save Barbados' heritage - its land - from the encroaching mob of foreign land speculators.

Nobody expects this parliament or its government to address the eroding status of workers in this country and definitely nobody expects this parliament to intervene in real ways to liberate the poor and the marginalized from their real feelings of despair and despondency.

How did we sink to this level and what must we do to restore the faith of ordinary Barbadians in their premier institution?

First we have to know and understand that politics in this and any other country must be about serving the interests of the less fortunate. It is not about protecting the vested interests and valorising capital over labour.

It is not about finding new ways of penalizing the citizens but introducing policies that encourage self-reliance, self-determination and promote industriousness of its people.

Parliament sir must be about enabling its government to lift its people out of poverty and self-doubt and into higher levels of production and standards of living.

Errol Barrow put it this way *“The whole business of government is a question of management. It is not a question of ostentatious living. It is a question of relating to the people who put you there to manage the affairs of the country. It is a question of making sure that the people who are given the privilege and honour of managing the society do not distance themselves too far from the people over whose destinies they are presiding for that space of time”.*

That was the Errol Barrow in 1987, a few weeks before he passed from this world.

Mr. Speaker there are those on that side who now quote the late Errol Barrow for everything when it suits their purpose, but they would do well to internalise those last words of wisdom. There's now a total disconnect between this government and the people of Barbados – they are living largely impervious to the suffering of our people.

I am not alone this view.

A recent survey undertaken for the Anglican Church, paints a bleak picture.

I quote: *“There is absolutely no doubt that Barbadians are concerned about the social changes taking place in society and the negative impact of those changes on mainstream social institutions. On average 60% felt that conditions in areas of social life such as the family, the church, the school, politics, the economy, and among young people had worsened in the last decade”.* **I repeat 60% felt things had gotten worse in the last ten years.**

I continue: *“Of greatest concern is the condition of young people and the family which more than 80% and 70% of Barbadians respectively feel worsened in the past decade. These concerns are echoed in the relatively pessimistic view of the future where almost 50% of Barbadians feel that things will get worse”*

Mr. Speaker it is evident that there is despair and a feeling of hopelessness throughout Barbadian society, especially, among our youth.

The Prime Minister has spent the last ten years beating up on Barbadians. He told our police they are nothing special; he publicly ridiculed our immigration officers; he told us all that we want to get to heaven, but we don't want to die. He told us last year we are a nation of complainers. (Sandy Lane) He told us he has to sell our land to pay bills.

Today, Barbadians feel that their country is slipping away from them. We, the Democratic Labour Party intend to reclaim our country.

But Mr. Speaker how did we get to this stage? This is a government that has borrowed more than any other government in our country's history. The national debt has doubled from \$2.5 billion in 1994 to \$5 billion. This is a Prime Minister and Minister of Finance that has had more money at his disposal than any other Finance Minister before him and presides over a government that rakes in over \$600 million in VAT every year.

Mr Speaker, The Prime Minister yesterday served up a bag of sugar-coated candies which he hopes will win him another five years. But after 13 years he has not fixed the QEH - 4 year old children are dying because of lack of resources; after 13 years he has not fixed the roads – everywhere you turn now it is chaos on the roads; he has not fixed education after spending nearly \$200 million on Edutech.

He has not dealt with the ZR culture; after 13 years he has not stopped the wastage, wiped out the corruption..... and he wants five more years? Five more to do what? To spend another \$215 million on Gems, or perhaps \$125 million on another office complex like the one at Warrens, while ordinary people can't get houses from the NHC. This government does not need more time in office, it needs time to rest and reflect on why/how it managed to waste such large amounts of financial resources, goodwill and political power and has not transformed the lives of ordinary Barbadians in any meaningful way.

The Hon member likes to compare himself to the late founder leader the Rt. Excellent Errol Walton Barrow, so let us do a comparison.

At the end of this term both would have been Finance Minister for three terms. Errol Barrow became Minister of Finance in 1961 – he was a Lawyer. The figures are not important, but he moved Barbados from revenue position of \$24 million & change, to \$280 million in 1976. At the time the National Debt was a meagre \$200 million on the external account and \$41 million on local account. But within those years he revolutionised the social and economic landscape of Barbados:

- Free secondary education;
- Free School meals,
- The National Insurance Scheme;
- The Severance Payment Act;
- He moved the country to Independence;
- Industry took off;

- Tourism grew at a rapid pace;
- We joined the United Nations; and the list goes on.

The point I am making Sir, is that the country experienced change of mammoth proportions – people were at the centre and there was great social mobility. Mobility for the masses has now stagnated.

Errol Barrow needed every day of his three terms from 1961 to 1976 to do the things he did for Barbados. He and his party were not focussing on elections. They were focussing on the people.

What sir has this government done in 13 years that we can say, yes this will have a profound impact on our economy and society?

They boast that they have reduced unemployment to 7% yet in the latest CADRES poll Barbadians list unemployment as their second biggest concern. Why is this sir? It is because even in spite of public relations, the government figures don't add up to the people of Barbados. They are not convinced because they see the unemployed on the blocks every day.

Barbadians are not convinced because they know that many of the jobs created in this country are not sustainable and surely will fade as the building boom recedes.

And most of all, they are not convinced because they know that in a real sense the job they have cannot meet their needs no matter how hard they try. It can't meet the cost of living; it can't buy them house or land and it does not allow them the luxury of saving for the *"rainy day"*.

What sir has this BLP government done that recommends them to any more time in Bay Street?

Mr. Speaker I was a Minister of Government between 1991 and 1994 and, in that time, my Ministries:

- Established the National Youth Service during a time of crisis,
- Restructured the sugar industry – we got it going again;

- Engineered the Prices and Incomes Protocol and the Social Partnership – at that time the philosophical intent of the Social Partnership was not to frustrate the will of the people as expressed through the persons they elect.
- Almond – we sold this property much to the bitter criticism of the Prime Minister. The Almond name is now in three Caribbean nations and a successful black Barbadian has carried this company to new vistas of achievement.
- Cement Plant – we sold it and it has become an even greater success.
- Established the International Business & Financial Services Unit to coordinate the successful expansion of the sector.

This is why I came into politics, to make a difference in the lives of ordinary Barbadians. What will be the legacy of the Hon Member for St. Peter – a \$350 million monument at Kensington that our children and grandchildren will have to pay for the next 50 years??

Even with the economic problems of the early nineties we were able to make fundamental change. The Hon member was handed a perfect wicket on which to bat.

Vision

Mr Speaker, few can deny that Barbados as a small country has done reasonably well with limited natural resources at our disposal.

Equally Sir, it cannot be denied that in spite of what we have been able to achieve that since 1990 we have not pushed past the gains that we have made in our economy and society.

We have now, Sir, to move beyond the regular. We cannot just be satisfied to say that we had 3 or 4 percent economic growth or that we are attracting a few thousand more visitors than before. That is good Sir, but it must tell us something when in spite of these boasts more and more people feel disenfranchised economically.

We cannot continue to boast of having free secondary education when the vast majority of our children are leaving school uncertified.

We cannot be satisfied with a (few) health care system if it cannot adequately serve the needs of ordinary Barbadians.

We cannot be satisfied with what we have achieved so far.

We must push the envelope...we must create new opportunities for innovation and development in this country.

We are at that point when the people of this nation are asking us to build on the good governance that has taken us out of abject poverty and to begin to reap the rewards of the heavy investment our parents made to ensure that we received more than elementary education and escaped the clutches of the plantation. To put it simply sir, they are

expecting us to consolidate the gains we have made and to begin to create a truly Caribbean civilization.

I therefore have a vision of Barbados as an independent, egalitarian, moral society in which every citizen has the opportunity to realize his/her potential and to live productive, secure, happy and fulfilling lives.

My vision for Barbados Sir, is a country that is hungry for higher forms of success through the forging of economic, social and political policies that drive innovation, facilitate mass participation and create and distribute its wealth in the most equitable ways we can afford.

I see a 21st Century Barbados, that leads this region in every aspect of national endeavour. That can provide adequate and affordable housing solutions for all its people.

That revolutionizes the delivery of primary health care by not only increasing the number of trained medical personnel per 1000 head of population, but is predicated on offering the latest treatment options to our population.

I envision a Barbados in which we have a better coordinated system of delivering public social goods. Not one with more agencies but one in which the current set are made accountable to the public they serve. I see a transformed and empowered social sector in Barbados that seeks efficiency in expending public resources but never loses sight of the reason for their existence – to attend to the needs for their clients.

I envision a Barbados in which the lands of this country are reserved for Barbadians first and foremost, Sir. No excuses.

I still see a place for foreign investment; and surely a new Democratic Labour Party administration will aggressively seek to attract investment to Barbados, but it will not be at the expense of the birthright of our people.

Under a DLP administration Barbados will not be for sale! ®

I envision a Barbados that lives up to its responsibility to provide affordable housing for the poor and unique housing solutions for its middle class citizens. A new DLP administration will introduce radical new initiatives to make this a reality.

I envision a Barbados that can truly secure its borders with an appropriate national security and border management policy highlighted by realistic immigration policy that maintains our regional commitments but protects the integrity of our social systems.

I envision a Barbados that is a regional leader in breaking new ground in the use and development of information technologies. That pushes new vistas of industrial enterprise where creative ideas can be brought to life by a government that is willing to invest heavily in research and development of innovative pursuits and a private sector eager to invest in making those ideas a reality.

I envision a modern Barbados economy that works to not only value the contribution of all segments of the society but actually works to ensure that avenues are created for such contributions to be made.

I know that under a new Democratic Labour Party administration the unfinished agenda for economic enfranchisement in this country will be a national priority. We cannot continue to believe, that this country will make it to the next level when only 10% of our people are seriously engaged in the mainstream of commercial enterprise.

I envision a Barbados economy that is characterized by prudent financial management.

Where deficits, if they have to be created are done so to promote social and economic engineering to advance the development of the country and not because of government wastage, squander mania, and poor utilization of government resources.

I envision a Barbados economy that is built on a very low tax regime and that gives equal access to households and businesses alike for investment in new opportunities created by government and the private sector for the development of this society.

I envision a Barbados in which workers are treated as equal partners in the developmental process. Where they are guaranteed decent and sustainable work and where there is

a minimum wage and other conditions of service are the law of the land.

I envision a Barbados that treats to the social and economic concerns of its young men, its elderly and women folk in particular.

I see a Barbados where key societal institutions in public, private and civil society are empowered to protect traditional family values in this country.

A country that does not punish families with high cost of living and high land prices but gives every family in Barbados the chance to make it in this highly competitive global community.

I envision a Barbados in which the word democracy is given a life beyond the partisan electoral structures.

Where people can take a larger responsibility for the management of their own communities and can be empowered with requisite resources from central government to produce real solutions to real problems.

I envision a decentralizing of governmental structure that allows for real participatory democracy in Barbados where public policy is not imposed from on top but results from full involvement of a wider society.

I envision not just a new Barbados Sir, but a better Barbados. We have been fortunate as a people, but we can

do better and I call on the people of Barbados not to accept a status quo of underachievement and lowered expectations.

Rather I call on all Barbados to demand the highest standards of performance from their government, their opposition, their private sector, their churches, schools, social clubs and above all from themselves.

I call on Barbadian to demand change and make change in this country.

Over the coming weeks as we reveal more of our manifesto pledges, Barbadians will learn how we will build the meaningful and sustainable employment opportunities for the future; how we will tackle the division and equality in society; how we will care for and enhance our environment and quality of life.

How we will develop modern education and health services;
how we will create communities that are safe and self
sufficient.

CONCLUSION

Let me stress that this Budget is taking Barbados further
down the road to ruin.

It is basically more of the same.

At this rate we will wake up one day soon and find that we
have lost our country.

I want to stop the rot now.

Do not be misled by pretty promises.

Ask yourself: "After the World Cup Fever has cooled. After the campaign rhetoric has subsided...what will be in any of this for you? How will it change your lives? Will you be better off? Will you be able to compete against the Europeans, Americans, Trinidadians and others for a piece of land? Will prices subside or go down in the supermarkets?

This is clearly an attempt at an election budget. It is tantamount to political hush money. A compendium of sound bites has been framed in the hope of exciting voters. The question that remains is whether Barbadians will be duped again?

Who are the ministers in the present government that can be relied upon to pursue and implement these policies?

Budget promises of 10 years ago are still to be implemented in the Ministries of Agriculture, Health, Housing, Labour, Environment and the list goes on.

This current crop of ministers is tired, unmotivated, disinterested and fundamentally incompetent. How else could want characterise the failings of Edutech...with nearly \$200 million hard-earned tax-payers dollars going down the drain?

How will a Minister of Housing that could not build 50 houses in the last three years, build four thousand in the next five?

How will a Minister of Health in whom only the Prime Minister believes, transform a sector that he has effectively placed on life support?

These are the issues that must be confronted and addressed as Barbadians evaluate the package of measures outlined by the Minister of Finance. The easiest aspect of Government policy in an election year is setting it down on paper. The real challenge comes in its implementation.

Barbadians, you have said you want a change of government. Nothing in this budget should make you think otherwise. This is clearly a government that has lost its way and that no longer cares.

All Barbados expected an election budget...and that is what has been attempted.

Barbadians, I am satisfied are much wiser than this. They can see through the scam. They can see through the attempt to short circuit the process and sneak back into office for another term, without addressing issues of fundamental importance to Barbadians.

Why would a government that was given five years and a massive electoral mandate return to the people in under three years if the outlook for the country was rosy?

This is the question that voters of this country must ask and answer.

I am persuaded, Mr. Speaker, that the Prime Minister can fool them once.....even twice.....at most three times.

But Sir, never four times.

Enough is enough.

If after 12 Budgets, the problems and issues outlined by the Prime Minister yesterday have not yet been solved, this can only be described as a public confession of failure.

Barbados, we need to take stock of where we are going. The Democratic Labour Party has the personalities and the policies to put Barbados on a solid footing.

In agriculture...In Education, our team has an inspiring outlook and an impeccable record of service.

In health care, we have two medical doctors who are resident authorities on health care. Both would do a superior job to that of the current minister.

Almost any member of our team would make a better minister of housing than the incumbent.

Barbados...the Democratic Labour Party is ready. Look beyond the propaganda of the other side and see that the Dems have the philosophical and intellectual capacity to move this country forward.

In this regard, there is no better reference point than the Prime Minister himself who is constantly dipping into the Democratic Labour Party for new talent and new ideas.

I say to the people of Barbados this evening, reject a tired, morally and intellectually bankrupt administration and embrace an alternative government that will be there for you...in every sphere of social and economic activity.

Re-elect the Democratic labour Party and let us together pursue the development of this country for ALL Barbadians.

Finally Mr. Speaker, I wish to end just where the Prime Minister left us.

Yesterday evening he ended his quotation with a poem by the late Hilton Vaughan which was first published in the New World Journal in the Barbados Independence issue on page 80.

I will get back to why this poem is so important in the context of this Budget.

But on page 81 of the same Journal, the following poem more appropriate to the Prime Minister's performance and motives yesterday is published.

FOR CERTAIN DEMAGOGUES

"We love the people, Sir." You do?
You ought to: nay, indeed you must:
Shouting their needs has brought a new
Elation to your fickle dust.

You have the key of all their hearts,
Yet neither charity, nor good sense
Nor truth nor tolerance imparts
One sparklet to your eloquence.

You prey, but not like birds of prey;
The cobblers fly too far to be
Your emblem; in a higgling way
You have your place in history.

Like blackbirds in their shiny coats

Prinking and lifting spry, proud feet,
Bickering and picking sodden oats
From horses' offal in the streets.

A contrast to the two messages of these poems is necessary. In the one quoted by the Prime Minister the optimism and hopes of a new generation of Barbadians is in essence called upon. The flaming faith of the first years of a Democratic Labour Party independence government was lit on the introduction of free secondary education and breaking loose from colonial domination to face the world with pride.

But Vaughan also sounded to future generations of politicians who are cynical, preying demagogues who use the emotions of the people and have little to offer.

It would be un-parliamentary for me to associate this Budget with demagoguery, tempted though I am.

If you won't use your power to help the people, we will!