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TUESDAY, January 19, 2010

PURSUANT to Notice of Adjournment the Honourable House of Representatives resumed its sitting at Gordon House, Kingston at 2.41 p.m.

PRESENT

THE SPEAKER

HON. DELROY HAWMIN CHUCK, (JLP), St. Andrew, North Eastern.

MRS. MARISA COLLEEN DALRYMPLE-PHILIBERT, (JLP), Trelawny, Southern, Deputy Speaker.

MEMBERS OF THE CABINET

THE HONOURABLES:

ANDREW MICHAEL HOLNESS, (JLP), St. Andrew, West Central, Minister of Education, Leader of Government Business and Electoral Matters.

ORETTE BRUCE GOLDING, (JLP), Kingston, Western, Prime Minister, Minister of Planning and Development and Defence.

Hon. DR. KENNETH LEIGH O'NEIL BAUGH, (JLP), St. Catherine, West Central, Deputy Prime Minister and Minister of Foreign Affairs and Trade.

AUDLEY FITZ ALBERT SHAW, (JLP), Manchester, North Eastern, Minister of Finance and the Public Service.

KARL GEORGE SAMUDA, CD, (JLP), St. Andrew, North Central, Minister of Industry, Commerce and Investment.

PEARNEL PATROE CHARLES, CD, (JLP), Clarendon, North Central, Minister of Labour and Social Security.

OLIVIA ATAVIA GRANGE, (JLP), St. Catherine, Central, Minister of Culture, Youth and Sports.

LESTER MICHAEL HENRY, CD, (JLP), Clarendon, Central, Minister of Transport and Works.

EDMUND CURTIS BARTLETT, (JLP), St. James, East Central, Minister of Tourism.

DR. CHRISTOPHER CHARLES TUFTON, (JLP), St. Elizabeth, South Western, Minister of Agriculture.

MINISTERS OF STATE

THE HONOURABLES:

DARYL WESLEY PHILLIP VAZ, (JLP), Portland, Western, Minister without Portfolio in the Office of the Prime Minister; Minister of Information and Telecommunication.

MRS. SHAHINE ELIZABETH ROBINSON, (JLP), St. Ann, North Eastern, Minister of State in the Office of the Prime Minister.

WILLIAM JAMES CHARLES HUTCHINSON, (JLP), St. Elizabeth, North Western, Minister of State in the Ministry of Agriculture.

CLIFFORD EVERALD ERROL WARMINGTON, (JLP), St. Catherine, South Western, Minister of State in the Ministry of Water and Housing.

NEVILLE ANDREW GALLIMORE, (JLP), St. Andrew, West Rural, Minister of State in the Ministry of Labour and Social Security and Deputy Leader.

LAURENCE GEORGE BRODERICK, (JLP), Clarendon, Northern, Minister of State in the Ministry of Mining, Energy and Telecommunications.

OTHER MEMBERS

MR. NOEL GEORGE DELANO ARSCOTT, (PNP), Clarendon, South Western.

DR. ST. AUBYN BARTLETT, (JLP), St. Andrew, Eastern.

MR. LUTHER BARTLETT MONTEITH BUCHANAN, (PNP), Westmoreland, South Eastern.

MR. PETER MURCOTT BUNTING, (PNP), Manchester, Central.

MR. ROGER HAROLD CLIFFORD CLARKE, (PNP), Westmoreland, Central.

DR. DONALD K. DUNCAN, (PNP), Hanover, Eastern.

MR. COLIN ALFRED A. FAGAN, (PNP), St. Catherine, South Eastern.

DR. MORAIS VALENTINE GUY, (PNP), St. Mary, Central.

MS. LISA RENE SHANTI HANNA, (PNP), St. Ann, South Eastern.

MR. ESMOND VERNAL PATRICK HARRIS, (PNP), Trelawny, North

MR. IAN DAVE HAYLES, (PNP), Hanover, Western.

MRS. SHARON MERLE HAY-WEBSTER, (PNP), St. Catherine, South Central.

MRS. MAXINE ANTOINETTE HENRY-WILSON, (PNP), St. Andrew, South Eastern.

MR. JOSEPH URIAH HIBBERT, (JLP), St. Andrew, East Rural, Minister of State in the Ministry of Transport and Works.

MR. FITZ ARTHUR JACKSON, (PNP), St. Catherine, Southern.

MR. DERRICK FLAVIUS KELLIER, (PNP), St. James, Southern.

MR. DESMOND GREGORY MAIR, (JLP), St. Catherine, North Eastern.

DR. KENNETH WYKEHAM MCNEILL, (PNP), Westmoreland, Western.

MR. CLIVE ARTHUR MULLINGS, (JLP), St. James, West Central.

MRS. NATALIE GAYE NEITA-HEADLEY, (PNP), St. Catherine, East Central.

MR. PHILLIP FEANNY PAULWELL, (PNP), Kingston, Eastern and Port Royal.

MR. MICHAEL ANTHONY PEART, (PNP), Manchester, Southern.

MR. DEAN ALEXANDER PEART, (PNP), Manchester, North Western.

MR. TARN ANDREW PERALTO, (JLP), St. Mary, South Eastern.

DR. PETER DAVID PHILLIPS, (PNP), St. Andrew, East Central.

DR. DONALD GLADSTONE RHODD, (PNP), Portland, Eastern.

THE MOST HON. MRS. PORTIA LUCRETIA SIMPSON MILLER, O.N., (PNP), St. Andrew, South Western, Leader of Opposition.

MR. DERRICK CHARLES SMITH, OD, (JLP), St. Andrew, North Western.

MR. ERNEST AUGUSTUS SMITH, (JLP), St. Ann, South Western.

MR. KERN O'MAR SPENCER, (PNP), St. Elizabeth, North Eastern.

REV. RONALD GEORGE THWAITES, (PNP), Kingston, Central.

Mr. FRANKLYN ROBERT WITTER, (JLP), St. Elizabeth, South Eastern.

PRAYERS

Prayers were offered by Reverend Ronald Thwaites.

The Honourable House resumed its sitting at 2:40 p.m..

The SPEAKER: Please be seated.

This Honourable House now resumes its sitting.

CALL OF THE ROLL

(See Listing)

The SPEAKER: Members, at this afternoon's sitting we would like to welcome a number of members sitting in the Speaker's Chamber, Members of the Senate, past Members of Parliament, welcome to the sitting of the House. Welcome also to members in the Gallery.

At the start of the new session this year just to remind persons in the Gallery, put your cellphone on vibrate or turn them off, please so it doesn't interrupt the sitting of the Parliament.

I also would like to welcome all our Members to the first sitting of Parliament in 2010.

STATEMENTS BY MINISTERS

The SPEAKER: Prime Minister.

HAITI'S DISASTER

The PRIME MINISTER: Mr. Speaker, we in Jamaica, as indeed many people throughout the world, were horrified by the terrible tragedy that befell the people of Haiti following the massive earthquake last Tuesday. Television coverage of the aftermath, the collapsed buildings, the dead bodies lying amidst the rubble, the frantic efforts to reach those alive but trapped beneath tons of concrete, the agony on the faces of thousands who have lost loved ones, who writhe in pain from their injuries not knowing when they will be attended to, whose houses have been destroyed and who have gone for days without food and water, tell the grim tale of the extent of the suffering of a people who have experienced so much human tragedy in their lives, but never anything of this magnitude.

The authorities have been forced to bury the dead in hurriedly-dug mass graves without identification or even photographs. Many Haitians will never be able to bring closure to their grief; they will never know with certainty what happened to their mothers or fathers, their sons or daughters, their brothers or sisters. Prime Minister Jean-Max Bellerive told me last Thursday that so far they had been forced to bury 7,000 people in this unceremonious way. It is reported that by Sunday that number had risen to 70,000. The final death toll, still unknown, is likely to be considerably more than that.

(MR. ROBERT DIXON PICKERSGILL, (PNP), St. Catherine, North Western, entered and took his seat.)

(HON. RUDYARD CONRAD SPENCER, (JLP), Clarendon, South Eastern, Minister of Health and the Environment, entered and took his seat.)

Yesterday I saw in a newspaper in the Dominican Republic in Santo Domingo, a photograph which made my blood curdle. It was a photograph of this huge hole that had been dug and a dump truck tipping off a pile of dead bodies into the hole and there was an excavator waiting to fill up the hole.

The response of the international community has been swift and strong. Search and rescue teams, relief supplies, medical equipment and volunteers have poured into Port-au-Prince. The effectiveness of these efforts has been slowed because Haiti's administrative capacity, already weak even before the tragedy, has been so severely dislocated by the severity of the disaster.

Formidable challenges will have to be overcome. Accessibility to some areas where people are suffering has been difficult. Fuel supplies are extremely limited as many storage facilities caved in under the quake. Telephone communications were completely disrupted and are just now being restored. PRESIDENT PREVAL told the Leader of the Opposition and myself that he was not even able to communicate with his Prime Minister. They were in different parts of the city and had to be arranging at what points to meet at which location because they had no means of communication.

Digicel must be commended for its swift work in restoring its system to 70 per cent functionality. Lack of electricity to recharge cellphones, however, still leaves much of the population unable to communicate.

As one of its closest neighbours, Mr. Speaker, and as a sister member of CARICOM, Jamaica has sought to respond as much as we can to the crisis in Haiti. Immediately after the earthquake struck a contingent of JDF personnel consisting of engineers, logisticians and medical personnel was dispatched to Haiti along with relief supplies. On Thursday, I flew to Port-of-Prince along with the Leader of the Opposition, the Chief of Defence Staff and representatives of ODPEM, the Ministry of Health and the Ministry of Foreign Affairs and Trade to view at firsthand the extent of the disaster and determine how best we can assist. We held discussions with PRESIDENT PREVAL, PRIME MINISTER BELLERIVE and representatives of donor countries and international organizations including the United Nations. That same evening, Mr. Speaker, I briefed CARICOM Chairman, PRIME MINISTER ROOSEVELT SKERRITT, SECRETARY-GENERAL EDWIN CARRINGTON and PRIME MINISTER DAVID THOMPSON who flew to Jamaica to discuss the coordination of CARICOM's relief efforts. On Saturday, I held discussions with US Secretary of States, MRS. HILLARY CLINTON, who made a brief stop in Jamaica following her visit to Haiti. We discussed the management of the relief efforts as well as the longer-term support that Haiti will need and we have established direct lines of communication that have already proven useful in co-ordinating our own activities. As of yesterday, JDF personnel are included in daily morning briefings at the Command Centre and are undertaking assignments requested of them.

Yesterday, I attended a special meeting in Santo Domingo convened by the government of Spain in its capacity as head of the European Union and chaired by PRESIDENT LEONEL HERNANDEZ, President of the Dominican Republic, to review the relief efforts and devise plans to support Haiti's recovery and rebuilding over the medium to long- term. Today, Mr. Speaker, I wish to brief the House on the measures taken so far and the measures agreed on going forward.

(DR. HON. HORACE ANTHONY CHANG, St. James, North Western, Minister of Water and Housing, entered and took his seat.)

(HON. JAMES RUDOLPH ROBERTSON, (JLP), St. Thomas, Western, Minister of Mining and Energy, entered and took his seat.)

One hundred and fifty-nine (159) members of the Jamaica Defence Force including 11 officers under the direction of MAJOR JAMIE O'GILVIE are currently stationed in Port-au-Prince. PRESIDENT PREVAL has

tasked his Minister of the Interior to liaise with the Jamaican contingent and as a result the JDF has been allowed to establish a forward operating base at the eastern end of the airport. With the kind permission of Food for the Poor they have established an operation centre at the Food for the Poor facility located two miles away and this provides space for receipt and storage of supplies prior to distribution. Yesterday, the JDF medical team also established a clinic at this facility and in its first day of operation saw over 100 patients.

Ten (10) members of the Jamaica Fire Brigade have been dispatched to Haiti. Along with JDF personnel they have conducted search and rescue operations resulting in four persons trapped beneath collapsed buildings being recovered alive.

(DR. FENTON RUDYARD FERGUSON, (PNP), St. Thomas, Eastern entered and took his seat.)

A team of 21 medical personnel led by Consultant Orthopaedic Surgeon, DR. DERRICK MCDOWELL, and comprising five (5) surgeons and anaesthetists, public health specialists and medical technicians was dispatched to Haiti on Saturday. They along with a nine-member team from the Jamaica Medical Doctors Association were deployed to two medical facilities, the Bernard Mews Clinic and the Community Hospital in Freres. Up to yesterday, they had conducted 48 surgical operations including nine (9) amputations and treated a total of 106 patients, 50 of whom were seen in follow-up visits. Six (6) babies were delivered included three that had to be delivered prematurely. Four (4) additional orthopaedic surgeons and one (1) anaesthetist left the island today to join the team. They will remain in Haiti for two weeks at which time they will be replaced by another team of similar number. A number of emergency field hospitals have been set up and it is likely that some of our personnel will be working at one or more of these facilities.

Two JDF Coast Guard vessels have been used to transport troops and medical and relief supplies. Air Jamaica has also provided flights to transport troops and medical personnel to Haiti as well as to evacuate Jamaicans stranded on the island. Immigration officials were flown to Haiti to process Jamaicans wishing to return home and so far 56 Jamaicans have been brought back home.

The Canadian government has established an air bridge at the Norman Manley International Airport to evacuate Canadian citizens via twice-daily flights using a C-130 Hercules aircraft. The Canadian government has allowed us to use the forward flights to transport equipment and supplies to Haiti, including telecommunications equipment and engineers to enable Digicel to re-establish its cellular service that was disrupted by the earthquake.

CARICOM through the Caribbean Disaster Emergency Management Agency (CDEMA) has designated Jamaica as its sub-regional focal point for assistance to Haiti. A logistics operations centre has been established at the Norman Manley Airport to receive supplies from other Caribbean countries for onward delivery to Haiti. As we speak, Mr. Speaker, a large vessel is being loaded in Trinidad and is expected to arrive here next Monday. CDEMA has dispatched its regional advance support team to Jamaica and it has stationed its own aircraft here to support the movement of operational personnel to and from Haiti.

CARICOM has also decided that in

addition to the donations of cash and relief supplies by governments, NGOs, corporate entities and individuals of member states, emergency medical services will be its main focus and teams of medical and support personnel are being assembled for deployment in Haiti. This effort is being co-ordinated by CDEMA in conjunction with PAHO, the CARICOM Implementation Agency for Crime and Security (IMPACS), the Regional Security System and the CARICOM Secretariat.

The Caribbean Electric Utility Services Corporation (CARILEC) is mobilizing teams of technicians drawn from various member countries to help to restore electricity to Haiti.

A major logistical difficulty has been the inability of the Toussaint L'Ouverture International Airport to accommodate the large number of aircraft including those carrying relief supplies. The Jamaican government has offered the Norman Manley Airport as a holding area for these aircraft while they await clearance for landing at the Port- of-prince Airport.

Mr. Speaker, the meeting convened in Santo Domingo yesterday, which was also attended by PRESIDENT PREVAL, while discussing the co-ordination of emergency relief efforts, also focused on the challenges for Haiti's recovery and rebuilding. It decided on the following:

1. A co-ordinating committee will be set up to organize an international conference to be held in the Dominican Republic to consider a strategic plan for the reconstruction of Haiti. The Committee will comprise representatives of Haiti, Dominican Republic, the USA, Canada, Brazil, Mexico, CARICOM, the United Nations, the European Union, the Organization of American States, the Rio Group and the IDB. The Committee will hold its first meeting in Montreal, Canada next Monday, coinciding with a donors' conference on Haiti which is being convened by the government of Canada. After consulting with the Chairman of CARIOM, PRIME MINISTER ROOSEVELT SKERRITT, as well as Prime Ministers PATRICK MANNING of Trinidad and Tobago, DAVID THOMPSON of Barbados and HUBERT INGRAHAM of the Bahamas, I was authorized to invite former Prime Minister P.J. PATTERSON to be CARICOM's representative on this Committee, and I am pleased to advise that MR. PATTERSON has, without hesitation, accepted the assignment.
   (Applause)
2. The Co-ordinating Committee will designate a working group to prepare the draft strategic plan for the reconstruction of Haiti. This plan will be informed by the long-term objectives outlined in the UN Millennium Development Goals as well as Haiti's national strategy for growth and poverty reduction and the World Bank's Policy Paper "options and opportunities for Haiti".

The multilateral agencies have been responding to Haiti's plight. The World Bank has already approved a grant of US$100 Million for urgent infrastructure rehabilitation. It is also considering the financial support that Haiti will require over the next five (5) years.

An emergency meeting of the Board of the IDB is to decide on the contribution it will make to the rebuilding efforts. Debt forgiveness is among the issues to be considered. Just before leaving office I was advised that the Taiwanese government, one of Haiti's largest creditors, has agreed to a programme of debt forgiveness, the specifics of which have not yet been announced. The European Union has pledged US$306 Million of assistance. The United Nations has launched a flash appeal aimed at raising US$370 Million and two-thirds of that amount has already been committed. It will also be providing daily meals for one million people in the first instance, increasing to two million per day within one month. The UN will also be deploying an additional 1,500 police officers and 2,000 troops to strengthen security arrangements in Haiti.

I wish to record, Mr. Speaker, my pride and appreciation for the heart-warming response of the Jamaican people, many of whom have made contributions from the little they have. ODPEM has received tons of foodstuff and clothing and medical supplies donated by private sector companies and ordinary Jamaicans. Several organizations have launched collection drives to mobilize relief supplies and bank accounts have been set up to accept cash donations. I wish to commend them all. I thank the scores of volunteers who have been turning up at ODPEM'S new headquarters at Haining Road to sort and package these items for delivery to the suffering people of Haiti.

Cash, Mr. Speaker, is the best form of contribution because this allows the authorities in Haiti to convert the cash into the specific needs to which they have to respond. But for those who are only able to contribute in kind, the priority needs are water, storable food and medication.

I wish to commend also, the Jamaica Defence Force, the Jamaica Fire Brigade, the Ministry of Health and ODPEM for the gallant way they have responded to the crisis. We have had to co-ordinate very carefully the deployment of personnel as neither the Haitian government nor the international agencies are in a position to undertake arrangements such as accommodation, meals, transportation, and so on. We have to make our own arrangements through the JDF facilities that we have established and within the capabilities that exist there.

I commend the organizations, the professionals and the individuals who have offered to help. Despite all of our difficulties and constraints we have reached out to our Haitian brothers and sisters in distress and it makes me especially proud to be a Jamaican.

(Applause)

Comments have been made about the possibility, if not the likelihood of a flood of Haitians landing on our shores. It is a real possibility for which we must prepare ourselves. The pace of relief and rebuilding efforts will determine the extent to which Haitians feel the need to flee their own country. We have put in place the necessary arrangements to deal with the arrival of any Haitian nationals. They will be processed, they will be confined within designated facilities, they will be required to undergo medical screening and treatment where necessary and they will be provided with temporary accommodation and care until they can be returned to their homeland. While they may not fall within the United Nations Convention

definition of refugees they constitute a humanitarian cause to which, if the occasion arises, we are obliged to respond appropriately.

(Applause)

An action plan for the treatment of such persons has been drafted by the Ministry of Health and disseminated to the relevant agencies at national and local levels. It was just issued, I believe, today. If necessary, we will seek the assistance of international agencies and donor countries. But let me make it clear, notwithstanding the implications it has not only for our social service capabilities but issues having to do with public health, notwithstanding all of those concerns which we have to take very seriously, let me make it clear that we will not turn our back on persons who have suffered a disaster worse that can be imagined.

(Applause)

But for the grace of God, Mr. Speaker, their disaster could have been ours and their relief and their recovery must be part of our responsibility.

(Applause)

While we are thankful that we have not suffered from the effects of the earthquake we take somber note that since the eruption in Haiti there have been four significant earthquakes in the region. There was an earthquake measuring 5.6 on the Richter scale in Venezuela on Friday. On Sunday there was an earthquake measuring 6.3 off the southeastern coast of Argentina. On Monday there was another earthquake measuring 6.0 in Guatemala and El Salvador and this morning there was another earthquake measuring 5.8 in the Cayman Islands.

Even as we work as hard as we can to provide assistance to the Haitian people, we are mindful of our own vulnerability in the face of this unusual instability, lying as we do on the other side of the same faultline as Haiti. Our Emergency Services have, therefore, been placed on full alert in the event that, God forbid, a similar disaster strikes Jamaica.

I thank you, Mr. Speaker.

(Applause)

The SPEAKER: Leader of the Opposition, MRS. PORTIA SIMPSON MILLER.

Mrs. SIMPSON MILLER: Thank you, Mr. Speaker. I rise to express our support to the Government's effort in assisting the people of Haiti.

Members of this Honourable House, no one of us could have imagined that when last we met that our deliberations upon the resumption of Parliament would be the first item on the agenda for the Prime Minister to brief us, Members of this Honourable House and indeed the nation of what happened, the devastation that took place in Haiti; one of the most significant humanitarian crisis in our region.

I believe that at this time to express to the government and people of Haiti - I am to thank the Prime Minister for his invitation to visit Haiti on his team that went; and what we saw was heartrending. The people stunned, dazed, suffering because of what happened, children, men, women, seniors, persons with disabilities. It is our responsibility to lend a helping hand, not only because Haiti, they are our neighbor in the region, but because of our historical ties with Haiti. We must never forget the role that one of Haiti's liberators who ran away from the plantation in Jamaica,

Bookman, made in terms of the Haitian revolution. And we must not forget the role that the Haitian people played then in monitoring their waters, stopping those ships taking our ancestors to the region as slaves, and freeing them.

And so apart from the region, we have a responsibility because our bloodline also resides in Haiti. (Applause)

And as the Prime Minister said earlier it could have been Jamaica. At Little Eighth Street in Greenwich Town lies the monument of the 1907 earthquake where five hundred persons were buried - the rich, the great, the small and the poor who could not be recognized, that were buried together. The inscription on that monument reads "in the earthquake and the fire which destroyed the City of Kingston on the 14th day of January in the year 1907 AD about one thousand persons perished and this enclosure marks the spot where five hundred whose remains are unrecognizable, were buried together" among other words on that inscription. So we should never forget the historical ties between Haiti and Jamaica.

For those who are concerned about Haitians coming here, I'd just like to say, I had discussions with the Prime Minister on the preparation if people should come. We must remember when they were trying to defend our ancestors that were being taken as slaves and risked their lives. Bookman subsequently paid the ultimate price. And so we should not forget that and what we should do is to ensure they are well documented, secured, protected as well as protecting our citizens, the Jamaican people.

It is interesting and I want to pause to commend the efforts of the regional leaders, the leaders of the CARICOM region and to commend our Government for responding quickly. I'd also like to pause to commend the Jamaican people of very little means, who walked to every area that opened their doors to accept relief items to assist the relief process, those men and women of very little means, (applause) walking. There was one man who walked to one area, he had I think, US$5 and he said I have had it for years walking with in my wallet, and he handed it to Mr. Azan to say this is what I can contribute. It is that kind of spirit, and that could only be found in our region. When you look on the Haiti people, even the babies who were stuck in rubbles, the strength to survive and the desire is something else. And I think the strength and the resilience of the Haitian people, if given the assistance by us in the region, by us in Jamaica and by the more powerful in the world giving assistance to those people, they will be able the recover, to rebuild and to regain their dignity and pride; because although they are suffering in their faces you see that pride.

And I want to commend the Haitian people because they themselves with their bare hands are trying to save their brothers and their sisters. That is the measure of a people that we have to commend. (Applause)

And so I commend our CARICOM leaders and I commend the Prime Minister on Jamaica's initiative in acting as the hub for the region in assisting the government and people of Haiti. I commend former PRIME MINISTERS PATTERSON and SEAGA who offered themselves to assist the process, and to thank the region for accepting their offering

themselves to assist and for Mr. Patterson to have been supported by Jamaica's Prime Minister to assist with the effort. I think at this time we should pull together the experience of those who can help so that the assistance can be given to the people to speed up the process.

Part of the challenge we are having is that - and the Prime Minister discussed it with the President - the whole question of the coordination and logistics. I want to make a special appeal. That while people are sending things - and it's not only for Jamaica but globally - we must ensure in terms of medication - and the Prime Minister is asking for water and medication and that it is a priority and, yes, that was discussed when we went with the Prime Minister. I think the Minister of Health will agree and every member here - outdated medic drugs will not assist. People are not to send things that have expired. And we are appealing to people not to send things that they just want to clear out from their warehouses or somewhere, but to send things that will be able to assist - this is a disaster - that will genuinely assist people in Haiti to recover and to ease the pain.

I want to urge our own Jamaican people, as the Government continues to assist, to be mindful of our role in assisting the men and women of Haiti. I want to personally thank those who supported my appeal by sending hundreds of boxes of feminine items to be sent to Haiti. And I want to commend those persons and to commend former Prime Minister Patterson whose office assisted in mobilizing the support as well, for my call to people to support the men the women, our children, persons with disability and to understand that when there is a disaster women and children, it impacts their lives the most, senior citizens and persons with disabilities.

I think that - I join the government in the expression of support for our sisters and brothers. And I would like to join him in making a special appeal to the international community to give support to the rebuilding process of Haiti so that the people of Haiti will never ever again feel like they are slaves.

Thank you very much and may God bless the people of Haiti and protect our region from any further devastation.

(Applause)

The SPEAKER: Thank you very much.

I think it's fair to say on this issue Parliamentarians are joined in urging the country to participate in the contributions to the Haitian relief efforts whether by contributions of money to the various bank accounts, the relief agencies and also in foodstuff, water, non-perishable materials, and we hope the country will join with the parliamentarians and all Jamaicans to support the relief. This is a tragedy which is really, unimaginable in our time and we hope that all Jamaicans will make their contributions.

Thank you very much, Members.

ANNOUNCEMENTS

The Clerk laid on the Table of the House a copy of the following:

- **Ministry Paper No. 1/2010**
  Cabinet Agenda Issues
  for 7th December, 2009
- **Ministry Paper No. 2/2010**
  Cabinet Agenda Issues
  for 14th and 15th December, 2009.
- Auditor General's Report
  on the Appropriation and other Accounts of Jamaica for the financial

year ended 31st March, 2009 and Addendum to the Report

- **Ministry Paper No. 3/2010**
  on National Irrigation Commission Limited's Annual Report and Audited Financial Statements for the year ended 31st March 2008
- **Ministry Paper No. 4/2010**
  on Fiscal Services Limited
  Annual Reports and Audited Financial Statements for the year ended March 31, 2009
- **Ministry Paper No. 5/2010**
  on Jamaica Deposit Insurance Corporation
  Annual Report and Audited Financial Statements for the year ended 31st March 2009
- **Ministry Paper No. 6/2010**
  on Caymanas Track Limited
  Annual Report and Audited Financial Statements for the year ended 31st March 2008
- **Ministry Paper No. 7/2010**
  on Jamaica Agricultural Society (JAS)
  Annual Report and Audited Financial Statements for the year ended 31st March, 2008
- **Ministry Paper No. 8/2010**
  on Cabinet Agenda Issues for 4th January 2010
- Jamaica Trade and Invest (JTI)
  Annual Reports and Audited Financial Statements for the financial years April 1, 2006 to March 31, 2007 and April 1, 2007 to March 31, 2008
- **Ministry Paper No. 9/2010**
  on Jamaica's Request to the International Monetary Fund (IMF) for a 27-Months Stand-By Arrangement (SBA) ending March 2012
- Ministry Paper No. 10/2010
  on Revised Enhanced Revenue Measures for the Balance of Financial Year 2009/2010 and Medium Term Fiscal Programme
- Devon House Development Limited
  Annual Reports and Financial Statements for the fascal years April 2003 to March 2004 and April 2004 to March 2005
- Housing Agency of Jamaica Limited (*formerly National Housing Development Corporation)*
  Annual Report and Audited Financial Statements for the year ended March 31, 2009
- The Sharing of Forfeited Property (United Kingdom) Order, 2009 under The Sharing of Forfeited Property Act
- The Jamaica Gazette Supplements entitled The Unit Trusts (Nominees) Regulations dated July 20, 2009, No. 59H under The Unit Trust Act and its Corrigendum dated July 23, 2009, No. 60A[2]
- **Certified Appropriation Accounts**
- **Head – Ministry/Department Financial Year**
  2012 Jamaica Customs Department 2007/2008
  2000A Ministry of Finance and the Public Service 2008/2009
  2044 Tax Administration Services Department 2008/2009

BILLS BROUGHT FROM THE SENATE

The Clerk read the following message from the President of the Senate.

> To the Honourable House of Representatives:
>
> I have the honour to advise the Honourable House of Representatives that on the 18th day of December, 2009, a Bill entitled **"AN ACT to provide criminal sanctions for the use of computer systems or data and the abuse of electronic means of completing transactions and to facilitate the investigation and prosecution of cyber crimes"** was passed in the Senate with six (6) amendments.
>
> Signed: Oswald G. Harding,
> President of the Senate.

The PRIME MINISTER: Mr. Speaker, I signify my willingness to take charge of this Bill.

Bill shortly entitled:

"The Cyber Crimes Act"

read a first time.

The PRIME MINISTER: Mr. Speaker, I beg to give notice of second reading.

(MR. OTHNEIL DAMION LAWRENCE, (JLP), St. Ann, North Western, entered and took his seat.)

NOTICES OF MOTIONS GIVEN ORALLY

The SPEAKER: House Leader.

Mr. HOLNESS: Mr. Speaker, I beg to give notice that at the next meeting of the House I will move:

> Be it Resolved that the name MICHAEL STERN be added to the following committees of the House of Representatives:
>
> Public Accounts Committee, Public Administration and Appropriations Committee, Privileges Committee, Economy and Production Committee and the Human Resource and Social Development Committee.

Mr. Speaker, I further beg to give notice that at a later stage today I will move for the suspension of Standing Orders to enable me to take this motion.

The SPEAKER: Minister Shaw.

Mr. SHAW: Thank you, Mr. Speaker. I beg to give notice that at the next meeting of the House I'll move the following motion:

> Be it Resolved that the Honourable House of Representatives approve the economic strategies being pursued by the Government to address the challenges confronting Jamaica in the context of the global economic crisis and the urgent need to place the economy firmly on a path of meaningful and sustained growth.

Mr. Speaker, I further beg to give notice that at a later stage today, I'll move for the suspension of the Standing Orders to enable me to take this motion.

The SPEAKER: Reverend Thwaites.

Reverend THWAITES: Mr. Speaker, I beg leave at the appropriate time to introduce the following motions:

> Whereas the environmental levy was intended for specific programmatic alleviation of the scourge of non-biodegradable materials;

And Whereas the environmental levy has been used as a subsidy for solid waste disposal:

Be it Resolved by this Honourable House that the subsidy obtained under the environmental levy be allocated solely for the original purposes, namely for programmes which will reduce non-biodegradable materials;

And be it Further Resolved that adequate separate budgetary allocations be made for solid waste disposal.

And, Mr. Speaker, I beg to move also that: Whereas there is an unacceptably high level of road accidents and fatalities:

Be it Resolved that Government immediately introduce legislation and regulations to:

1. improve the level of training for drivers of all classes of motor vehicles
2. provide for mandatory retesting of all drivers every 10 years; and
3. introduce compulsory reeducation programmes for all drivers convicted of careless or dangerous driving as a condition for the renewal of their licenses;

And Be it Resolved that all these measures be undertaken at the expense of applicants.

And thirdly, Mr. Speaker, I beg to move:

Be it Resolved that sections 3(2) and 4(a) and (b) of the Noise Abatement Act be amended to allow events to extend to 1:00 am. between Sunday to Thursday and 3:00 a.m. on Saturdays and Sundays.

May it please you.

QUESTIONS AND ANSWERS TO QUESTIONS

The SPEAKER: House Leader.

Mr. HOLNESS: Mr. Speaker, six (6) questions are due for answers today. However, Mr. Speaker, given that we had given an undertaking to have a special debate in the House today, we have decided, Mr. Speaker, to put those questions for answering at the sitting ...

The SPEAKER: Another day.

Mr. HOLNESS: ... next week.

The SPEAKER: Very well.

Reverend Thwaites.

Rev. THWAITES: Mr. Speaker, at the expiry of the appropriate days I beg to ask the Minister of Youth, Culture and Sports the following questions and the Minister of Health and the Environment similarly, a question.

1. What are the levels of arrears owed to creditors by Government-owned or controlled entities at this time?
2. What are the consequences of such arrears to the country's fiscal deficit?
3. What is the plan to pay off these arrears and prevent recurrence?
4. How do these arrears impact on the government's capacity to provide basic social services?

The SPEAKER: Thank you, Reverend Thwaites.

PUBLIC BUSINESS

The SPEAKER: House Leader.

Mr. HOLNESS: Mr. Speaker, at Public Business we will take the motions, notices of

which we had given earlier and specifically, Mr. Speaker, we will start the debate that the Government had committed to giving the opportunity to the Opposition and for us as well, to present our position to the nation.

Mr. Speaker, the debate is much anticipated and the Government is here in full number to present our positions. So, Mr. Speaker, I will start Public Business by clearing off the housekeeping matters which would be to take the first motion, notices of which I gave earlier followed by the Minister of Finance who will then take the motion that he gave earlier, so that we could now start the debate.

Mr. Speaker, I now move for the suspension of Standing Orders to enable me to take the motion, notice of which I gave earlier.

The SPEAKER: Members, before the House is for the suspension of Standing Orders to allow the House Leader to take the motion, notice of which was given earlier.

Put to the House and agreed to.

Mr. HOLNESS: Mr. Speaker, I now ask that the motion be approved.

The SPEAKER: Members, before the House is that the motion, notices of which was given earlier, that it be approved.

Motion put to the House and agreed to.

The SPEAKER: Motion approved.

Mr. Shaw?

Mr. SHAW: Mr. Speaker, I now move for the suspension of Standing Orders to enable me to take the motion, notice of which I gave earlier.

The SPEAKER: The motion before the House is as stated by the Minister of Finance, for the suspension of standing order, notice of which was given earlier.

Put to the House and agreed to.

The SPEAKER: Mr. Kellier.

Mr. KELLIER: Mr. Speaker, in respect to the motion that the Minister of Finance intends to engage the House in debate at this point in time, I wish to, on behalf of the Opposition, just state what the Opposition's position is, in respect to our engagement in this debate.

As the House is well aware and the nation, Mr. Speaker, this matter is a very complex one; it will have very far-reaching effects and implications for the social and economic life of this country.

Mr. VAZ: You're not reporting to work?

Mrs. NEITA-HEADLEY: Hear, hear!

Mr. KELLIER: And as you well recognize, Mr. Speaker, the Ministry Paper in respect to the preparation for this debate, Ministry Paper Number 9 has just been laid on the Table of the House.

Mr. WARMINGTON: Are you going to speak or not speak?

Mr. KELLIER: The Opposition, while we intend to engage in the debate, will not be prepared and our chief spokesman is not well and is not in the House today...

(Cross talks/heckling)

The SPEAKER: (Gavelling) Allow the Member to speak.

(*Sotto voce* comments/heckling)

The SPEAKER: Mr. Kellier is on his feet. Mr. Kellier, continue.

Mr. Vaz, Mr. Vaz, Mr. Kellier is on his feet. Mr. Kellier.

Mr. VAZ: But he is talking nonsense and over deh a laugh.

Mr. CHARLES: Unoo never did a plan fi walk out? (Laughter)

The SPEAKER: Mr. Charles, Mr. Kellier is on his feet. (Laughter/heckling)

Mr. KELLIER: Mr. Speaker, as I said before, and I'll just repeat it for those who didn't hear.

The SPEAKER: Yes.

Mr. KELLIER: The Ministry Paper has just been laid. The Opposition will have to do its proper due diligence to prepare to respond adequately to this, that has been prepared and appropriately. And we are saying, Mr. Speaker, that we will not be able to respond today in the debate, or tomorrow.

Government MEMBERS: Rubbish! Rubbish!

Mr. KELLIER: We will not be able to respond in this debate on this very complex matter until we have adequate time which we consider to be by the next sitting, Tuesday next week that we could be able to do justice to a response to a matter as important as this…

Mr. SPEAKER: Yes.

Mr. KELLIER: ...to the business of the nation of this country. (Applause)

Mrs. NEITA-HEADLEY: Hear, hear! (Heckling)

Mr. WARMINGTON: Yu ready for work?

Mr. KELLIER: So, Mr. Speaker, while we are here to listen to the Minister and so on….

Mr. CHARLES: Bring it to Parliament, bring it to Parliament.

Mr. KELLIER: ...but we will not be able to respond before that time. The Opposition will not be stampeded...

Mr. WARMINGTON: Your bad mouth! (Heckling)

Mr. KELLIER: ...into making remarks that are not properly researched, so that we can present the facts to the nation of this country.

The SPEAKER: Okay, House Leader.

Mr. HOLNESS: Mr. Speaker, this debate is one that has been highly anticipated. I don't think we can accept any excuse, Mr. Speaker. I listened very keenly to the Leader of Opposition Business, regarding time for preparation. Certain commitments were made by the Government, regarding the presentation of material. The Prime Minister himself, Mr. Speaker, briefed a team of the Opposition thoroughly on the details. (Cross talks)

The SPEAKER: (Gavels) The House Leader is on his feet, the House Leader is on his feet. (Cross talks) The House Leader is on his feet.

House Leader.

(Cross talks)

Mr. HOLNESS: Secondly, Mr. Speaker, as soon as the Letter of Intent and the subsidiary documents were ready, we made them available to the Opposition.

Opposition MEMBERS: No! No!

(Cross talks)

Mr. HOLNESS: Mr. Speaker, final documents were made available to the Opposition yesterday, the same period of time, Mr. Speaker, when we had access to the final document. (Cross talks)

The SPEAKER: The House Leader is on his feet. (Gavels) (Cross talks)

Mr. HOLNESS: Mr. Speaker... (Cross talks)

The SPEAKER: (Gavels) The House Leader is on his feet. Mr. Warmington.

Mr. HOLNESS: Mr. Speaker, for several weeks...

(Cross talks/laughter) … the Opposition...

(Cross talks)

Mr. BARTLETT: Guys, guys, hold it down and let the House Leader have a say.

Mr. HOLNESS: Mr. Speaker, for several weeks the Opposition has been calling for a debate.

MEMBERS: Yes!

(Cross talks)

Mr. HOLNESS: We have presented a date to the Opposition...

(Cross talks)

The SPEAKER: (Gavels) Allow the House Leader to speak.

Mr. HOLNESS: Anyway, let me just finish.

Mr. Speaker, there is nothing in the documentation that we presented to the Opposition, that would prevent them, Mr. Speaker, from participating in a debate today. All the issues have been aired publicly, all the issues are issues in which Members who sit on the frontbench of the Opposition and the backbench of the Opposition are fully acquainted with.

Mr. PICKERSGILL: Wah yu sey awhile ago, yu nuh sey di Prime Minister brief us? As Minister of Education you should be ashamed of yourself. (Cross talks)

Mr. HOLNESS: Mr. Speaker, the Government is prepared to fulfil our commitment to the country, to bring the Letter of Intent and the subsidiary documents regarding our medium term economic policy for debate today. All our Members have turned up for work today, Mr. Speaker, and we are ready to move ahead with the Government's business. (Applause)

Mr. CHARLES: We ready now!

Dr. PHILLIPS: Mr. Speaker, I would like to say something.

The SPEAKER: Yes, Dr. Phillips.

(*Sotto voce* comments/Laughter)

Dr. PHILLIPS: Mr. Speaker, it is in fact unfortunate that the dialogue has assumed this particular form.

(*Sotto voce* comments)

The SPEAKER: Please, please, Members.

Dr. PHILLIPS: If there is anything that we understand from this programme that is being submitted to the IMF, and from the Debt Exchange Programme is that it requires national sacrifice, not from PNP or JLP but indeed, from the entire country.

Miss HANNA: Hear, hear!

Dr. PHILLIPS: If such a national effort is required, Mr. Speaker, the last thing we should do is to reduce the tone of our conduct in this Parliament to one of petty partisan point-scoring.

Mr. HOLNESS: Mr. Speaker, on a point of order...

(Applause)

Mr. Speaker, Mr. Speaker… on a point of order…

The SPEAKER: Dr. Phillips, on a point of order, yes. Dr. Phillips, let us hear the point of order. Let us hear the point of order.

Mr. HOLNESS: Mr. Speaker, the Member has called into question...

Mr. E. SMITH: He is talking about themselves.

(Cross talk)

The SPEAKER: Mr. Smith... What is the point of order, Mr...

Mr. HOLNESS: The Member has called into question the integrity of the response of the Leader of Government Business regarding, Mr. Speaker, the position that the Opposition has taken. No attempt... But, Mr. Speaker, let me finish, Mr. Speaker. No attempt was made

to bring this debate down to any retrograde level.

The SPEAKER: That is so.

Mr. HOLNESS: Mr. Speaker, Mr. Speaker...

The SPEAKER: House Leader, House Leader... no, one second.

(Cross talk)

Mr. HOLNESS: Mr. Speaker, allow me, Mr. Speaker, because it is important. The Opposition, Mr. Speaker, made an attempt...

The SPEAKER: No, no!

Mr. HOLNESS: ...to bring this House of Parliament into disrepute by making a mockery of the proceedings of Parliament, Mr. Speaker.

(Cross talk)

The SPEAKER: House Leader...

Mr. HOLNESS: lf anyone sought to reduce Parliament to that, Mr. Speaker, it would have been the Opposition.

The SPEAKER: Yes, yes. Dr. Phillips, Dr. Phillips, unless you can substantiate that, you should withdraw it.

Dr. PHILLIPS: Mr. Speaker, you were here and I am sure you are not deaf. We heard all the comments over there that were made...

(Cross talk)

The SPEAKER: No, no, no! Dr. Phillips…

Dr. PHILLIPS: Mr. Speaker, I have accused no one. I said, Mr. Speaker...

The SPEAKER: No, no, Dr. Phillips, one second, Dr. Phillips... Dr. Phillips, the only person who spoke was the House Leader.

Dr. PHILLIPS: Mr. Speaker, if you would give me... I have not even developed a point.

The SPEAKER: I have heard no one else but the House Leader.

Dr. PHILLIPS: I have said, Mr. Speaker, simply, that we should not reduce it. I did not accuse him. He doth protest too much. I made no accusation.

(Cross talk)

I said, Mr. Speaker, I said - if you will allow me.

The SPEAKER: Yes.

Dr. PHILLIPS: I said, the progmmme - point one, the programme that is before the country requires sacrifice from all Jamaicans, not PNP, not JLP, everyone. I said that in that context it would be wrong to reduce our dialogue here to one of partisan point-scoring. And I make a third point, Mr. Speaker...

The SPEAKER: No, one second. Any imputation as to what the House Leader said is not...

Dr. PHILLIPS: I had not even heard the House Leader.

The SPEAKER: No, you are not imputing anything the House Leader said. Okay.

Dr. PHILLIPS: Mr. Speaker, as I said, you know there is an old saying *that you throw stone and who squeal first is dem it lick*.

The SPEAKER: No, but go ahead.

(Cross talk)

Dr. PHILLIPS: I made no allegations.

The SPEAKER: Members, Members!

Go ahead, Dr. Phillips.

Dr. PHILLIPS: Mr. Speaker... Mr. Speaker, it is normal in this House - it is normal, except with concurrence between both sides that Notice of Motion is given and that it is allowed to rest on the Table of the House until a sufficient time - reasonable time is afforded for the...

(*Sotto voce* comments by Mr. Warmington)

The SPEAKER: (Gavels) Mr. Warmington, please, please, please. Yes.

Dr. PHILLIPS: What do those comments impute, is that a partisan point-scoring, could I ask?

The SPEAKER: No, but he is not on the floor, so ignore him.

Dr. PHILLIPS: But will I then be allowed to speak?

The SPEAKER: Speak.

Dr. PHILLIPS: Do I deserve silence when I speak?

The SPEAKER: Yes, you do. I am trying to get... Mr. Warmington, could you please allow the Member who is on his feet to speak. Yes, Dr. Phillips.

Dr. PHILLIPS: Mr. Speaker, it is usual that notice be given. We are not objecting, we are making a simple point. Only this afternoon Members, as the rest of the country, were presented with the Letter of Intent. While it is true that various elements of this have been raised publicly, it is also true that there are other aspects of this, and the details which are being seen for the first time. It is true for the fullness of the information that the Opposition Spokesman on Finance was, late last evening, given a copy. But, he is not the only person going to participate.

(*Sotto voce* comment by Government Members)

Dr. PHILLIPS: That is not my internal business, it was given to him. Every Member of this House deserves the same treatment and respect, and the entire country deserves to have this information, and they have had it only today.

Mr. Speaker, I am speaking a bit more strenuously this I intend because of the noisy interruptions from that side. Because the essential point that I want to make - the Government is gee to start the debate if they want but good order, tradition, commonsense I might add, would suggest that those who want to make a meaningful response, including the issues raised and the details provided in this, are not in a position to do so today.

But I make a further point, Mr. Speaker; the Letter of Intent has already been submitted to the Fund. The commitments of the Government have already been given.

(*Sotto voce* comments)

The question arises, can we collectively agree on all the matters that will flow from this that will be necessary to enhance the wellbeing of our country? There is no reason for it to be rushed. Nothing is going to prevent. The Government can present what they want to present today but I don't think on this side we are going to be in the position to conclude, or even to begin our response today.

And I would say again for those who seem to refuse to want to hear, if there is anything around which we should collectively unite in this country, in crisis as it is now, it is how we can find a way forward that will deliver growth and improvement and a betterment in the conditions of life for all the people.

(Applause)

Let us not demean this debate, Mr. Speaker, by extraneous commentaries. And I think that the way the exchange is shaping does not do us or the country any good.

(Applause)

The SPEAKER: Thank you. Prime Minister.

The PRIME MINISTER: Mr. Speaker, whatever difficulties the Opposition may have encountered in preparing themselves for the debate today, they have a right to take that

decision, they have a responsibility to explain it to the House and to the people of Jamaica and the people of Jamaica will weight it with such credibility they consider appropriate. What cannot be condoned is any attempt to distort the facts or to bend the facts to fit the circumstances.

Let me make one important point. This country has been through many IMF agreements under separate administrations. Never once, not once has a Letter of Intent and the economic policies that support it, ever been made available before the Fund has approved the programme, never once.

(Cross talk/Applause)

Indeed, Mr. Speaker... indeed Mr. Speaker...

Mr. PICKERSGILL: Very wrongful. This is unprecedented.

(*Sotto voce* comments)

The SPEAKER: Mr. Pickersgill, please. Prime Minister?

(*Sotto voce* comment)

The PRIME MINISTER: Not at any price. There is a Government in place in this House.

(Applause/cross talk)

Mr. Speaker, Mr. Speaker, last week Monday I invited the Leader of the Opposition to meet with me and she graciously agreed. The notice...

(*Sotto voce* comments)

I expressed my appreciation to her for having responded at such short notice. She was accompanied by ten (10) other Members of the Opposition.

MEMBERS: Ten, ten!

The PRIME MINISTER: The Member for South St. James, the Member for Central Manchester, the Member for North West St. Catherine, the Member for Central Westmoreland, the Member for East Central St. Andrew, the Member for South West Clarendon - I don't know how many I've gone. I think the - I don't remember. I discussed with them, Mr. Speaker, not just the Debt Exchange Programme that was to be launched on Thursday, I discussed with them the framework of the agreement that we were seeking with the IMF. They raised several questions. I responded fulsomely, to every single question. I withheld no information. I gave an assurance that as soon as some technical details were worked out - there were some technical issues about the programme, the economic memorandum which we were still trying to iron out with the IMF. It didn't affect any of the fundamental elements of the programme but we did not yet have a clean copy at the technical level. I advised the Opposition that as soon as that was available I would make a copy available to them. I even went so far, Mr. Speaker, of appealing to them that this matter would not go before the IMF Board until the 27th January. And therefore, in the treatment of that information I was appealing to them to appreciate that how the information is handled could impact on the success of the programme when it goes before the Board. I made that appeal.

I did not see that final copy until Sunday. The IMF technical team and our own team were working over the weekend. I left the island yesterday morning. The last thing I did yesterday morning before I left the island was to instruct the Minister of Finance to ensure that a copy is made available to the Opposition Spokesman on Finance. Having given that instruction, I got back to the Minister of Finance and I said to him, you know what, it

has never been done before, but let's speak with the people at the IMF and find out for what reason would there be why we couldn't able that information in the House today. It has never been done before. It is always published only after Board approval. And I said, look, we want to be open about it, we want to discuss it, we want to debate it, why not table it. And by the time I got back 1 was advised that the document would be tabled today. I was assured that the copy that I had asked to be given to the Opposition Spokesman on Finance had been conveyed to him.

Now, the Opposition had been preparing itself, you know, for this issue. When they assembled in this place on the 5th of January, they came here demanding a debate that they did not have any information (Applause)

(*Sotto voce* comments by Members)

The PRIME MINISTER: They had not even benefited...

(*Sotto voce* comments by Mr. Pickersgill)

The PRIME MINISTER: My, you have a problem today, what is wrong?

(*Sotto voce* comments by Mr. Pickersgill)

The PRIME MINISTER: They had not, Mr. Speaker, even had the benefit of the discussions that we had last week Monday.

Now, if the Opposition said well look, getting the document yesterday doesn't give us enough time, we need more time. As I indicated to the House Leader, well all right, the Minister of Finance can open today, those other speakers who wish to speak on the matter could speak, let the Opposition prepare to debate tomorrow. They said they are not prepared to debate tomorrow either. I am prepared to instruct the Leader of the House to convene a meeting of the House for Thursday of this week if that is acceptable to the Opposition. But the Opposition is not going to be in a position where they are going to decide, we are not taking part today, we are not taking part tomorrow, we are not sure when we are going to take part. Government business is not going to run that way.

(*Sotto voce* comments by Members)

The PRIME MINISTER: And therefore, Mr. Speaker, I sat and I watched the charade that took place in here on the 5th of January, I watched it. And I could not respond because we were not ready. I advised the Leader of the Opposition that there were some sensitive deliberations that were taking place that had to be concluded before a meaningful debate could take place. The anxiety for that debate seems to have waned.

Mr. Speaker, we have some important work to do. We propose, Mr. Speaker, that the debate will proceed. The debate will not be adjourned today, the debate will be continued tomorrow, indeed, l don't propose to speak today, I propose to address the House on the matter tomorrow. The Minister will seek the approval of the House for the resolution tomorrow before the House adjourns.

(Applause)

The SPEAKER: Mrs. Simpson Miller.

Mrs. SIMPSON MILLER: Mr. Speaker, trust, trust is very important, (Applause).

(*Sotto voce* comments by Members)

MEMBERS: Aaah!

Mr. BUCHANAN: You are not trustworthy. Shut your mouth the Leader is speaking.

The SPEAKER: Mr. Buchanan, the Leader of the Opposition is on her feet.

(*Sotto voce* comments by Members)

Mrs. SIMPSON MILLER: Mr. Speaker,

in good faith the Prime Minister called and asked me for a meeting shortly, at a very short notice, for Jamaica House. I had a meeting...

(*Sotto voce* comments by Members)

Mrs. SIMPSON MILLER: Mr. Speaker, if I am not going to be allowed to speak, because obviously the Members over that side believe that they alone can do this thing without the Jamaican people and us.

(Heckling)

(*Sotto voce* comments by Members)

Mrs. SIMPSON MILLER: And joking at the pain and the suffering of the Jamaican people, making a big mockery of it.

(*Sotto voce* comments by Members)

The SPEAKER: Members, the Leader of the Opposition is on her feet. I want no one else to be speaking. Mr. Smith, please don't interrupt.

Mrs. SIMPSON MILLER: Mr. Speaker, I indicated to the PM, I had a meeting for the same time, I cut my meeting short, I mobilized as many of the leaders that I could find, and we went and met with the Prime Minister. The Prime Minister, first of all, the Prime Minister we are talking about trust, the Prime Minister indicated to the country in his broadcast in December to the nation that he would have a debate before the letter of intent and economic programme was sent to the IMF. Check, Mr. Speaker, a copy - ask for a copy of the Prime Minister's broadcast and check whether I am telling a lie because l would not lie on the Prime Minister, the Prime Minister indicated that.

When we met with the Prime Minister at Jamaica House, the Prime Minister indicated that because of sensitivity - he even said to us, he spoke to one official whether we could share the information with us and the official responded 'at his own risk'. He asked us to observe the sensitivity. We had a forum the following evening, we mentioned nothing or said anything or spoke to anything that was discussed to the Prime Minister. We observed as the Prime Minister asked, the sensitivity of our commitment. (Applause)

We were told, Mr. Speaker, I got the Letter of Intent when it was distributed a while ago. I understand on the note that was sent to Omar it says, a copy of the Leader of the Opposition. I have just gotten here. A programme as sensitive as, a programme that is as fundamental as this one, which is going to be affecting the lives of every Jamaican without any respect to party affiliation, to party support - and, Mr. Speaker, I just want to point out one thing, as Opposition, I heard the talk about Government and the Government believe it can dictate to the people. So no wonder we are being treated this way and the Parliament is treated with this kind of contempt.

(*Sotto voce* comments by Members)

Mr. MAIR: The Prime Minister treats you too good.

A MEMBER: They need to send you back from where you came.

The SPEAKER: Mr. Mair and Mr. Peralto please. Continue.

Mrs. SIMPSON MILLER: Now, Mr. Speaker, although it is not an official comment, I hear the Prime Minister treat me too good and I want to know in what way.

(*Sotto voce* comments by Mrs. Headley)

Mr. KELLIER: She is right.

Mrs. SIMPSON MILLER: No, no, the comment about the Prime Minister treat me too good I want to know in what way. I want to know in what way.

Mr. KELLIER: The Member must be made to withdraw that comment, he must be made to withdraw that comment, Mair the Member from North East St. Catherine.

(*Sotto voce* comments by Members)

The SPEAKER: Leader of the Opposition, please continue.

Mr. KELLIER: Mr. Speaker, he must be made to withdraw. The remarks must have been recorded.

The SPEAKER: Members, remember your *sotto voce* comments will be picked up. And please, some of these comments are inappropriate. Continue Leader of Opposition.

Mrs. SIMPSON MILLER: Mr. Speaker, no economic programme, no programme for growth and development, can succeed unless it has the support of the majority of the Jamaican people, the overwhelming majority of the people of this country. Nobody can come and trumpet themselves. Without the people of Jamaica there could be no government, MARCUS GARVEY said you have to have people before you have a government. But the Government must reflect therefore the true will of the people, the will and wishes of the people.

(*Sotto voce* comments by Members)

The SPEAKER: The Leader Opposition is on her feet, could we stop those comments.

Mrs. SIMPSON MILLER: Mr. Speaker, I am very happy that the Jamaican people will observe through the media that we of the Opposition are not allowed to speak when they are here present in the House. We allowed the Prime Minister to speak.

(*Sotto voce* comments by Members)

Mrs. SIMPSON MILLER: But you notice though I held up my hands to tell them to stop.

The SPEAKER: Mr. Warmington, Mr. Gallimore, please.

Mrs. SIMPSON MILLER: Mr. Speaker, if we are going to be reduced to the continuous intervention inside here when the Government is bringing us a four budget presentation that we ought to prepare ourselves to defend the rights and protect the rights of the Jamaican people, and they are here laughing and scoffing at the pain and suffering of the Jamaican people, it is not something that the Opposition will tolerate.

Opposition MEMBERS: Shame, shame!

Mrs. SIMPSON MILLER: And we are saying that we have just gotten this very important document, some of which the Prime Minister shared with us, some of it was not shared with us, and we need to ensure that we represent the people of Jamaica fully and to our best ability which means we need all the information we can get to defend and protect the rights of the Jamaican people.

(Applause)

And so when the Prime Minister is beating his chest that he is Government, the Prime Minister had better understand that he is the servant of the Jamaican people, not their masters.

And this Opposition will not bow to dictatorship in this country no way, no time. I want to make it clear. (Applause)

The SPEAKER: Members, Mr. Shaw, could you hold a second.

Members the position is that, we are going to start the debate this afternoon with the Minister of Finance opening on the motion. My understanding is that, we agreed that it could not be completed today. The continuation will be tomorrow. What I would like is for the Leader of Opposition - the

House Leader and the Leader of Opposition Business to discuss whether or not what speakers will speak tomorrow, whether we can complete tomorrow even if we go late. But as the Prime Minister indicated, if we can't complete tomorrow we will complete on Thursday. The Prime Minister said that. If an extension is requested to Thursday we can go to Thursday. So what I would like the Leader of Government Business to do is to discuss with the Leader of Opposition Business whether or not we can complete tomorrow, but if necessary we go to Thursday. But we are going to start today with the opening of the debate...

A MEMBER: Let's have the commitment now.

The SPEAKER: No, what we would like is for the Leader of Government Business and the Leader of Opposition Business to have a...

A MEMBER: No, man let's do it now man, that is not hard.

The SPEAKER: We are going to have them to meet behind me and at the end of...

Dr. PHILLIPS: Mr. Speaker, Mr. Speaker, the point simply, I don't think it needs much debate they can always meet. It is a simple proposal that I believe the Leader of the Opposition Business is putting that we prefer Thursday instead of tomorrow, there is no need to have it the three days. And I interpreted that there was going to be concurrence and it could just be stead.

Mr. HOLNESS: Mr. Speaker, we don't need to - we will meet but to facilitate the process the government, Mr. Speaker, will start the debate today and we will continue on Thursday. Let it not be said that this Government did not facilitate the Opposition. And importantly, Mr. Speaker, we intend to end the debate on Thursday.

The SPEAKER: Now, may I just say, Leader of Opposition Business, what we would do... (Cross talk) Members! Members! Members! Since we are not going to meet tomorrow - are you listening, Members? Since we are not going to meet tomorrow, there will be a limited number of speakers on Thursday.

Opposition MEMBERS: No! No! (Cross talk/heckling)

The SPEAKER: So those who would like to speak, speak today.

Opposition MEMBERS: No! No! Why? Why? (Cross talk/heckling)

Mr. KELLIER: Mr. Speaker...

The SPEAKER: Yes, Mr. Kellier.

Mr. KELLIER: Since we have agreed that...

The SPEAKER: We will meet Thursday instead of tomorrow.

Mr. KELLIER: …we will meet on Thursday and not tomorrow, the House Leader and myself will meet to work out and speak with you as to the other details.

The SPEAKER: Very well. In other words, we don't want this to continue to midnight on Thursday. What I am inviting Members to do is to respond today, we have some time today. No, we are not meeting tomorrow. We are meeting today and Thursday. So after the Finance Minister speaks I am quite prepared to listen to other speakers today. Very well. Mr Shaw.

JAMAICA'S ECONOMIC STRATEGIES, DEBT SERVICING ETC.

Mr. SHAW: Mr. Speaker, I now beg to move the motion:

> Be it Resolved that the Honourable House of Representatives approve the economic strategies being pursued by the Government to address the challenges confronting Jamaica in the context of the global economic crisis, and the urgent need to place the economy firmly on a path of meaningful and sustained growth.

Mr. Speaker, we are at a cross-roads in the development journey of our country. We have spent time outlining to this Honourable House and to the country, the grave economic problems that we face and how we got here. We have underscored that our very serious economic challenges while exacerbated by the recent global economic recession, started long before this recession began.

Mr. ROBERTSON: Hear! Hear!

Mr. SHAW: One of the core issues at the heart of our economic challenges is the unsustainability of debt. Mr. Speaker, I want to reiterate how burdensome our debt is. The total cost of debt servicing, that is, interest payments and amortization or principal payments, as some know it, in this fiscal year, is 103 per cent (103%) of our total revenue and grants in this fiscal year. So burdensome is this debt that except for three out of the last ten years, our interest costs and principal repayments have exceeded our total revenue and grants, Mr. Speaker. For this year, based on the Supplementary Estimates tabled in September, our interest cost of $ 175.2 Billion, and principal repayments of $150.2 Billion, total $325.4 Billion, while our total revenue is estimated at $316 Billion.

Mr. Speaker, going back to 1999, the fiscal year 1999/2000, is when the problem began to get much worse. But it really started from as early as the period 1992/1993, when it was at 63 per cent and kept going up, the debt servicing as a percentage of revenue, until it reached in 98/99, 93 per cent; in 99/2000, 106.5 per cent. In 2000/2001, debt servicing cost as a percentage of revenue, 96.5 per cent. Then in 01/02, it went to 129.4 per cent. In 02/03, it went to 128 per cent, Mr. Speaker. In 03/04, 122.7 per cent; 04/05, 128 per cent, Mr. Speaker. 05/06, 122 per cent; 06/07, 104 per cent. This year - the last two years we had it at 82 per cent in 07/08, 99 per cent in 08/09, and this year, 103 per cent.

It means, Mr. Speaker, that after you have used up all of your revenue to service your debt, you have to borrow a little more to finish servicing the debt. And after that, Mr. Speaker, you then, as the Prime Minister has so simply explained to us, before we can pay one teacher, or nurse, or policeman, before we can patch one pothole or put one bottle of medicine in our hospitals, or provide one school lunch for a needy child, we have to borrow more money in order to do that.

Mr. Speaker, the Government has embarked upon a vigorous economic reform programme to raise the real Gross Domestic Product rate, the gross rate GDP gross rate, reduce public debt and to permanently, Mr. Speaker, very important, to permanently instill fiscal discipline and accountability through a strong institutional framework for government finances.

When the tax measures were announced on December 17, I informed this House that the Government was developing a comprehensive debt-management strategy to deal with the unsustainability - unsustainable

high cost of debt. The consequences of inaction at this critical time are, Mr. Speaker, quite frankly, unthinkable.

Let me speak to these and other issues as I now outline the Government's economic programme, and the medium-term macro-economic framework, going forward. Mr. Speaker, I would like to make it abundantly clear that the economic programme that we are presenting today, and is in part outlined in the Letter of Intent that has been tabled in this House, I want to make it abundantly clear that this programme is owned by the Government of Jamaica. (Applause) It is our programme. The IMF is simply providing financial and technical support as we implement the needed reforms to put the Jamaican economy on a sustainable growth path. The success of the programme is dependent on the extent to which we, as a people, and as a Government own and implement this programme. No single measure, Mr. Speaker, neither IMF borrowing, nor the Jamaica Debt Exchange which has been announced, can solve our problem. We have to devise pragmatic measures, forged from consensus with all those who have a vested interest in Jamaica. The greatest responsibility lies with the Government to not only lead with vision, but to implement efficiently and effectively.

The Government's Letter of Intent, which sets out the economic policies we intend to pursue, is tabled here this afternoon. This letter has never before been tabled in the House in advance of the IMF board meeting.

The economic programme rests, Mr. Speaker, on three (3) central fundamental and interrelated pillars. **One**, it is based on an ambitious fiscal consolidation strategy, focused on streamlining expenditure and reforming the public sector, including the divestment of non-core public bodies. **Two**, it is based on a comprehensive debt-management strategy that decisively addresses the debt overhang. And **three**, Mr. Speaker, it deals with important reforms to further strengthen the financial system.

Let me begin with our **Fiscal Consolidation Strategy**. Achieving the objective of fiscal consolidation, a combination of corrective revenue and spending measures have been developed. The new fax measures announced in December, by the Honourable Prime Minister are being tabled today. In addition, specific actions to reduce the interest bill were launched in the form of the Jamaica Debt Exchange last week.

Let me deal specifically with some areas now, of public expenditure management. First, Mr. Speaker - and I want to say, I ask everyone to crave - I crave their indulgence in this matter, and I crave the indulgence of the entire country in this matter. Because I saw on the front page of a newspaper today, the editorial, *the Gleaner* Editorial Board meeting yesterday, at which a number of financial institutions that are supportive of the Debt Exchange, reinforced the position that they want to see fundamental change in Government policy. And what I am about to speak about today is fundamental change, Mr. Speaker, to Government policy. (Applause)

Fiscal responsibility is part of the - it's a game-changing time, Mr. Speaker. It's a game-changing moment for Jamaica. And I start now with the question of fiscal responsibility.

The Government, Mr. Speaker, will enact legislation before the end of fiscal year 2009/2010 - before this fiscal year is over - to establish a fiscal responsibility framework

law. The overall objective is to operationalize the key principles of prudent fiscal management in order to ensure that the institutional framework is consistent with achieving the Government's short, medium, and long-term fiscal targets. The fiscal responsibility framework will provide for clearly articulated fiscal policies, Mr. Speaker, including a medium-term fiscal framework, greater transparency thorough various reporting requirements, stricter accountability in the management of public finances, and a better level of oversight of fiscal policy and the management of public funds.

The framework will provide for improved public financial management through expanding the coverage of the budget to all general Government institutions, enshrining the principle of no-spending-without-prior-budget-appropriation and requiring approval by Parliament, of the budget of each of the self-financed public bodies.

Mr. Speaker, Cabinet gave approval by Decision #52/09, dated December 14, 2009, for the establishment of the fiscal responsibility framework, and the issue of drafting instructions to the Chief Parliamentary Counsel. Accordingly, the Legislation Committee was today invited by me, to consider two (2) Bills. **One**, the Financial Administration and Audit (Amendment) Act, 2010, and **two**, the Public Bodies Management and Accountability (Amendment) Act, 2010. These Bills seek to establish the legal framework for the establishment of the fiscal responsibility framework for Jamaica, and to empower the Minister of Finance and the Public Service, to improve the management of public finances by addressing current weaknesses in the existing fiscal policy and fiscal administrative systems in Jamaica. The legislation also provides the specific principles of responsible fiscal management, and the fiscal targets to be achieved in the medium term, the annual tabling of a fiscal policy paper with the presentation of the budget, as well as the presentation of an accompanying debt-management strategy with an overall ceiling for public debt. Fiscal discipline in budget preparation and execution, prior approval from the Minister of Finance for borrowing to be undertaken by public bodies, and independent assessment by the Auditor General on the Government's adherence to the principles of fiscal prudence. These are the areas that will be embodied within the fiscal framework legislation.

I turn briefly now to another area of fiscal consolidation, Public Sector Reform, Mr. Speaker.

PUBLIC SECTOR REFORM

The Government is committed to rationalizing the Public Sector with a view to improving efficiency and cost-effectiveness. A committee, appointed by the Prime Minister, is reviewing the existing structure of the Public Sector. The current structure is characterized by many entities, with unclear or overlapping functions. The Government commits to implementing the core recommendations of the Committee no later than fiscal year 2011/2012 and to gradually reduce the wage bill, from eleven-and-a-half per cent (11½%) of Gross Domestic Product at present to around nine-and-a-half per cent (9½%) in the medium term. In this context, the Government believes that it is critical to increase its control over Public Sector

compensation and ensure that public employment costs are transparently reported.

The ongoing rationalizing and reform of Jamaica's public bodies will continue over the medium term. This reform has been a priority of this administration since taking office and the three-pronged plan of the Government aims at divesting commercial entities, merging entities when feasible to bolster efficiencies, winding-up inactive entities. Tidying the Government's approach are two fundamental principles: the priorities given to reducing public debt and the need to reduce the size of the Public Sector, particularly through divesting activities that ought to be carried out more efficiently by the Private Sector.

With respect to mergers and the winding-up of inactive entities, the Government has also identified a wide set of candidates. It is expected that a number of entities will be merged and more than fifty (50) inactive enterprises will be closed over the next three (3) years. A plan to this effect will be completed in time to be implemented, beginning in the upcoming fiscal year, and a fiscal responsibility framework will increase the entities accountability by requiring approval of their budget by Parliament, while transparency will be increased through a stricter enforcement of reporting and auditing standards.

TAX REFORM

Mr. Speaker, I turn briefly to tax reform as another area of fiscal consolidation. The Government will deepen reforms to strengthen tax administration. And in the short term this includes:

- *adopting a comprehensive reform strategy including a time bound action plan to unify the domestic tax administration;*
- *vesting the necessary legal and administrative powers in the Tax Administration Director General instead of the respective Commissioner of each department;*
- *expanding the large taxpayer office;*
- *facilitating compliance through streamlined procedures;*
- *developing an interface between the domestic tax administration and customs information systems to exchange information between departments.*

By June 2010 a time bound action plan will be designed to implement these reforms.

Key tax policy reforms will also be undertaken. The Government remains committed to significantly scale back the system of tax incentives and exemptions in order to significantly broaden the tax base, reduce extortions in the system and allow a phased reduction in the corporate tax rate to a more competitive level. The freeze in granting of discretionary waivers on duties and taxes is the first step in this process. And I must say to you, Mr. Speaker, I have a report on my desk that I got yesterday from the Financial Secretary. It pains mi heart to know that in the month of December alone, in discretionary waivers, we gave up One point Seven Billion Dollars. One point Seven Billion dollars, that is so needed in the national treasury at this time, was given up in one single month alone in **discretionary waivers.**

Mr. Speaker, a Central Treasury Management System is another commitment

in terms of fiscal consolidation. The Government is pursuing the establishment of such a system to bring responsibility for treasury management functions under one agency. The Treasury Management will establish a treasury single account to improve cash management. The Government plans to consolidate all general government cash resources in this single account. All funds, including special funds, owned by general government entities and held in financial institutions would be transferred to this account and then other accounts be closed over time. For too long, Mr. Speaker, government has been borrowing money from its own agencies to the detriment of the budgetary process and this cannot be allowed, Mr. Speaker, to continue.

While I have spoken to the area of public bodies earlier, the specific issue of divestment, Mr. Speaker, is one that requires some consideration. Public bodies have been an area of constant drain on public resources. Significant improvements are to be achieved in a number of areas, but for now we have some short list of items that must be dealt with. Air Jamaica will be divested. The elimination of losses from Air Jamaica is a key priority for the Government. To that effect, the Government is committed to finalizing an agreement for the sale of the company to a strategic partner.

Mr. Speaker, the activities of Petrojam will remain streamlined. The cost of this project, estimated at around ten per cent of GDP, is prohibitive however in the current economic and fiscal context. The Government is exploring with a foreign shareholder the possibility of alternate means of financing the expansion at Petrojam.

In terms of the divestment of the assets of the Sugar Company of Jamaica this will continue. Already two factories have been sold and the Government is seeking to divest the remaining three factories. In the interim these factories will be either leased or put on a strict zero deficit budget by March of 2010.

Mr. Speaker, I should also indicate, in relation to divestment, that there are other companies that are lined up that must be divested as well. One such company is the Clarendon Alumina Production, which is owned by the Government of Jamaica, and we own jointly with Alcoa, we owned the operations at Jamalco, CAP owning forty-five per cent (45%) of the Jamalco operations. And I want to indicate, Mr. Speaker, that that is also on our shortlist for divestment, because we just cannot continue to afford Clarendon Alumina Production. (Applause) We cannot continue to afford it because we are now aware, the entire country is aware of a forward sale agreement that was made by the previous Government and previous Minister of Finance with Glencore to sell them bauxite, our share of the production of bauxite - of alumina from Jamalco through to 2012 and beyond at a fixed price, and the price happens to be a price that is in fact lower than the cost of production. And what is happening, therefore, is that we, the Government of Jamaica, have to be subsidizing. Every time the company produces and sells to Glencore at lower than the cost of production, Alcoa sends us a bill. We have to pay the difference. At this time the difference is roughly Ten Million US dollars per month. That's almost One Billion Jamaican Dollars per month that we have to find now to subsidize that arrangement.

(*Sotto voce* comments)

Mr. SHAW: Already, since becoming Minister of Finance, Mr. Speaker, I have had to unbudget at the Ministry of Finance, unbudgeted, draw cheques for one Hundred and Seventy-six Million US Dollars to subsidize that faulty arrangement and agreement, and we have built up deficit now of approaching another Fifty Million US Dollars that are going to have to pay in that situation. It is unsustainable. And so the Prime Minister has given the instructions that as early as possible we will have to seek to divest ourselves of CAP and in the process seek to disengage ourselves from that ruinous forward sale agreement that was entered into.

I want to make a point as I leave the area, Mr. Speaker, of fiscal consolidation, that notwithstanding the Government's commitment to fiscal consolidation, we remain committed to preserving a social safety net in the country. (Applause) And, therefore, spending on critical programmes like the PATH programme and the School Feeding Programme in our schools for our children to ensure basic nutritional levels are achieved, we are committed to ensure that we increase expenditure in fiscal year 2010/11 by twenty-five per cent (25%), or zero point three per cent (0.3%) of GDP, to enhance our social safety net. In particular this increase will benefit the School Feeding Programme which provides breakfast and lunches to children, and the programme of Advancement Through Health and Education which provides conditional cash transfers to five (5) categories within the poorest income group. Coverage of PATH will be expanded from the current three hundred and twenty-seven thousand people to three hundred and sixty thousand people. A Steps to Work Programme, aimed at improving employability of working age members of PATH households has also been launched. The Government will also be pursuing efforts to expand the social safety net to assist persons below the poverty line who do not qualify for PATH programme. And I want to indicate here as well, Mr. Speaker, that the Constituency Development Fund has been preserved within the context of the Agreement with the International Monetary Fund, (Applause) because we have convinced the IMF that the CDF in fact forms a part of the social safety net and, therefore, it will remain within that system.

DEBT MANAGEMENT STRATEGY

Mr. Speaker, I turn now briefly to the question of the debt management strategy that has been much talked about. An important, critical aspect of this our overall strategy, debt management strategy, is the Public Debt Exchange which has been announced. It marks a milestone in the history of our economy.

Following nine (9) months of planning and discussions, on January 14 the Government launched the Jamaica Debt Exchange. The Exchange is aimed at securing fiscal savings by exchanging existing high-cost debt for new instruments that have lower coupons and longer maturities. The debt exchange has been designed carefully. Recognizing the need to avoid jeopardizing the stability of the domestic financial system, there will also be a financial system support input in place to assist financial institutions participating in the Jamaica Debt Exchange.

The success of the exchange is essential, Mr. Speaker, to closing the Government's financing gap. It will also reduce the periodic

bouts of financial market instability arising from large rollover requirements and improve the structure of the debt to ensure sustainability.

I want to as well pause at this stage to indicate that there have been questions as to the level of savings that the Government has projected from this debt exchange. And I want to make it very clear that the figures that have been bandied about were in fact and are the gross figures of roundabout Forty Billion Dollars in terms of the gross figure of savings. We have to, however, net out the lost interest income that the Government would have gotten. In terms of taxation that amounts to some Eight point Four Billion Dollars. So the net amount in terms of savings on this exercise is estimated at this time in the region of Thirty-one point Six Billion Dollars, Mr. Speaker. And I want to indicate that until the exchange process is complete it still remains a basic estimate of the figure of savings.

It is important, Mr. Speaker, for the success of the exchange to have the full participation of all domestic investors. I want to make that absolutely clear. Quite a number of financial market participants have rallied in support of this historic and unprecedented move. And 1 want to, on behalf of the Government of Jamaica, I want to thank them publicly for their response in this regard. (Applause)

Let me also say something on the rating agencies to the exchange. As know, the launch of the Jamaica Exchange, two of the rating agencies, following the launch, two of the agencies Standard & Poors and Fitch downgraded Jamaica further. We had always been in discussion with our three (3) rating agencies, which includes Moodies, and fully anticipated these actions, Mr. Speaker. In fact it is often considered a part of their methodology that Triple C or below be downgraded when undertaking certain types of liability management transaction. It is critical to note, however, Mr. Speaker, that as cited in the reports from both Standards & Poors and Fitch the Government of Jamaica ratings are expected to improve to the single B category upon the successful closing of the transaction, levels higher the immediately prior to the transaction. (Applause)

Beyond the debt exchange, the Government will strengthen its debt management strategy. The strategy will include an explicit assessment of the cost risks analysis of alternative portfolio options and enhanced transparency and communication with market players and rating agencies by June 2010. The Government will also seek technical assistance from the IMF to look into institutional features of the Government securities market in order to make it more competitive.

The third pillar, Mr. Speaker, of this programme of reform is to strengthen further the financial system, Mr. Speaker. Important work needs to be undertaken to respond to the challenges posed by Jamaica's highly interconnected financial institutions. Implementing recommendations made during the 2006 IMF/World Bank financial sector assessment programme will introduce a number of reforms by June 2011, Mr. Speaker. The Government plans to pass a banking law that will allow for more effective supervision of financial conglomerates including: by harmonizing the prudential standards that apply to Commercial banks, Merchant banks and Building Societies. The

Bank of Jamaica Act will also be amended to establish the legal framework to underpin its responsibility for overall financial system stability by December of 2010.

There are several additional reforms pertaining specifically to deposit-taking institutions that will also be developed. These include reforms that deal with enhancing capital rules to address all-market risks, including equity and interest rate risks; improving the framework for anti-money laundering; combating the financing of terrorism and combating unregulated financial organizations. The Government will also reform the Securities Dealer sector to strengthen its ability to withstand shocks going forward.

And I should say, Mr. Speaker that we also intend to put in place a regime that will allow for more creative diversified products in the capital market, Mr. Speaker. This will include, for instance, collective investment schemes like mutual funds and other areas like that so that the market will not only have government paper that they can invest in, but they can have a broader array of products: corporate bonds, mutual funds and other things that are properly regulated, properly supervised so that we can also keep out the temptation of Ponzi or what is called unregulated investment schemes.

Mr. Speaker, those major initiatives which are outlined in the Letter of Intent to the International Monetary Fund, I want to stress that in the interest of good governance, whether we had an IMF agreement or we don't have an IMF agreement, it would be necessary to put in place these very critical reforms in order to make government operate more efficiently. (Applause)

FISCAL PERFORMANCE

I turn briefly now to look at the fiscal performance so far this year and perhaps more importantly the medium term macro-economic outlook going forward over the next three to four years, Mr. Speaker. Let me speak to this current fiscal year's performance and then after to the longer term issues.

Provisional day for April to November 2009 for Central Government operations, revealed that the fiscal deficit for these eight months was approximately $87.8 Billion or some $14.9 Billion, or over 20% more than the budgeted deficit amount of $72.8 Billion. Of this, total revenue for this period was $177.3 Billion or 11% below budget. Interestingly, however, I must point out that although this figure is 11% below budget, Mr. Speaker, in these difficult times, it is still $7.7 Billion more than last year, or 5% above the revenue that was collected for the similar period in the previous year, while total expenditure for the period was $265 Billion or some 3% less than budgeted expenditure for the period.

Mr. Speaker, this performance was driven largely by a fall out in tax revenue of $18.7 Billion or almost 11% decline as compared in the projections in the budget. Expenditure on programmes were 15% below budget while wages and salaries expenditure was 1.5% below budget. However, our interest costs were above budget, Mr. Speaker, with domestic interest costs being 6% above budget and external interest costs 2% above the budget. Capital expenditure for the eight month period of $21.6 Billion were some 13% below the budget.

Our fiscal deficit then, Mr. Speaker, for fiscal year 2009/2010, this fiscal year, while

initially projected at 8.7% of GDP, is now estimated to be 10% of GDP. This is largely due to the worst than anticipated revenue fall out but is also due, Mr. Speaker, to additional interest payments associated with the Jamaica Debt Exchange.

Let me explain why that is so, Mr. Speaker. It means that certain interest payments which would have been due in April, in the new fiscal year, and therefore would have been accounted to the new fiscal year, because of the debt exchange all of the accrued interest that is due on the effective date of the exchange which is February 16, Mr. Speaker, instead of having those payments bunched and paid in April, we are now obliged to pay them in this fiscal year in order to facilitate the smoothness of the debt exchange. And it is on that basis, therefore, that there is a spike in additional interest costs as reflected on the budget for this fiscal year.

In terms of the medium-term macro-economic framework, Mr. Speaker, let me just deal with that very briefly. The economic recovery programme aims at yielding permanent growth by raising growth to at least 2% GDP by fiscal year 2011 to 2012. After registering a decline during this fiscal year as you know, of at least 3%, real GDP is expected to rise in the next fiscal year, 2010/2011, by at least half a percentage point. Now, it sounds small, Mr. Speaker, if not imperceptible, but at least with hard work it will be going in the right direction. And that's a half a per cent. Next year, we project it at 2% in the following year. And while we project it at 2% going forward in the next couple of years after that, I want to indicate that that is a conservative estimate at this stage, and it depends on the pace of global recovery in the global economy and it depends on the pace of our own implementation of our own domestic investment promotions programme and the aggressiveness and the success that we will be able to achieve with that. But it is a conservative estimate which can, I believe, Mr. Speaker, with the debt exchange and with the co-operative support of the private sector and the kind of interest that we are seeing in investments from companies abroad, near and far, we believe that we will be able to achieve growth targets that are much more ambitious than what I have put forward.

The growth outlook over the medium term, therefore, reflects both a gradual pickup in activity in the mining sector as global demand recovers and continued investment and growth in Jamaica's highly competitive tourism sector. In fact, the Honourable Prime Minister has indicated that there is a strong possibility that at least one of the alumina plants that was closed might be reopening sometime this year. We are keeping our fingers crossed in that regard.

Restoring fiscal and debt sustainability, Mr. Speaker, will help reduce sovereign risk premiums and boost private sector investment. This will benefit agriculture and other activities with linkages to the tourism sector. It is important that we point out that even the Report of the rating agencies that indicate that after the success of the debt exchange that we will be upgraded to beyond where we were, just as they downgraded us, this itself is being received by the international financial community in a very positive way, Mr. Speaker. We have already seen positive statements by Oppenheimer, positive statements by JP Morgan, and a number of

other significant international institutions have actually responded in a very positive way to the bold and courageous action that is being taken by the Government of Jamaica in this respect. (Applause)

Under the Government's economic programme inflation will trend down to the six to seven per cent range over the medium term. Despite a temporary increase in inflation this year resulting in part from the introduction of new tax measures, underlying price pressures will remain limited, given the absence of strong demand or foreign exchange market pressures.

In subsequent years, monetary policy will continue to focus on quickly bringing inflation to the 6% region. Fiscal policy is also aimed at eliminating the overall public sector deficit over the medium term and putting the debt to GDP ratio on a clear downward trajectory.

The overall public sector deficit, Mr. Speaker which includes the deficit of selected public enterprises is projected to fall from 123/4 % of GDP in this fiscal year to 1% in fiscal year 2013/2014. This improvement is consistent with a significant reduction in the interest bill and an increase from 6% of GDP to 9% of GDP in the primary surplus of the Central Government. The debt to GDP ratio will decline steadily from 140% of GDP in this fiscal year to below 120% of GDP over the next four years. Fiscal consolidation measures will be underpinned by core structural reforms to which I referred earlier; fiscal responsibility legislation, central treasury management and public bodies and employment reforms that entrench fiscal discipline. In this context the balance of payments is expected to improve markedly over the medium-term.

Higher national savings as a result of fiscal adjustment, the gradual recovery in world demand and a recovery in remittances are projected to help narrow the current account deficit from 10½% of GDP in fiscal year 2009/2010, to about 9% in fiscal year 2010/2011 and further to around 5% of GDP over the medium-term. This improvement, Mr. Speaker, coupled with a projected recovery in foreign direct investment will result in solid overall balance of payments surpluses beginning in fiscal year 2011 and 2012. Gross international reserves are projected to remain at around three to three and a half months of imports of goods and services during the programme period and to stay around three and a half months over the medium-term.

Mr. Speaker, monetary policy will aim at bringing inflation down to mid-single digit levels and maintaining it at those levels within the context of exchange rate flexibility and stability.

Let me say, Mr. Speaker, let me say in relation to the stability of the exchange rate. I want to thank all the stakeholders in the country because we have had cooperation and if we never had cooperation, Mr. Speaker, we would not have had stability in the exchange rate. The Bank of Jamaica and their team have been working very hard, keeping in close contact with all of the major users of foreign exchange, whether Government users or the private sector, the cambios, the banks, everybody, has a spirit of cooperation has pervaded this society. It started with the exchange rate and it is about to continue now in the success of the debt exchange which we are implementing in the country. (Applause)

There is a feeling, Mr. Speaker, of emerging confidence. That confidence is

coming from within, but the confidence is also coming from outside of Jamaica, because with the infusion - after this agreement, Mr. Speaker - with the infusion of US$2.4 Billion guaranteed over the next two years, it represents a significant cushion and source of insurance to the people of Jamaica that we will have more than adequate foreign exchange in the economy, so we need to continue to keep our exchange rate stable.
(Applause)

To support our economic programme, over the past several months the Government has been in discussions with the IMF on securing the Standby Facility to be disbursed over a two-year period.

On January 14, the same day of the Debt Exchange launch, the Managing Director of the IMF, MR. DOMINIQUE STRAWSKORN announced the decision of the management of the IMF to approve the Letter of Intent submitted to them by the Jamaican Government, subject to final approval by the IMF Executive Board, which is to be held sometime towards the end of the month.

Mr. Speaker, I wish to again underscore the extraordinary and unprecedented level of support for the people of Jamaica by our international development partners, particularly since this administration took over the Government in 2007.

With regarded the **Economic Recovery Programme** we have received commitments not only from the IMF for $1.3 Billion, but from the World Bank, the Inter-American Development Bank, the Caribbean Development Bank for another $1.1 Billion, making a total of US$2.4 Billion, an extraordinary endorsement representing 20% of our Gross Domestic Product in Jamaica.

(Applause by Government Members)

Our engagement of the multilaterals remember, this is money coming in, Mr. Speaker, at between 1% and 5% interest rate, between 1% and 5% interest rate.

(*Sotto voce* comments by Opposition Members)

Our engagement of the multilaterals represents borrowing that is smarter and cheaper and is accompanied by measures to strengthen and to right-size the Jamaican economy. These include improved governance, increased transparency and accountability and macro-economic stability.

I want to again on behalf of the Government and people of Jamaica, thank all of our development partners for their unwavering, historic and substantial support.
(Applause by Government Members)

In concluding, Mr. Speaker, the Government is determined to correct the economic ills of the past, fundamentally transform the Jamaican economy and create an environment that is conducive to strong and sustained growth. (Applause by Government Members)

Mr. Speaker, this is a time for collective action, for shared sacrifice. It is a time to toil together and to persevere together in partnership. As we bear down, Mr. Speaker, with our shoulders to the wheels of achievement and success, let us keep in front of us the vision of a new Jamaica, a new Jamaica for ourselves and our children, characterized by prosperity and possibility, a new Jamaica where not everyone has to be rich, but no one has to be poor. A new

Jamaica, the place of choice to live, to work, to raise families and to do business.

May God richly bless us all, and may God bless Jamaica, land we love.

Thank you.

(Applause by Government members)

The SPEAKER: Thank you, Mr. Shaw.

Mr. SHAW: House Leader, Leader of Opposition Business, who are expected to speak this afternoon? Wait just a second, Mr. Warmington. All right, Mr. Warmington, may I just say in this motion that we are debating, no one will be allowed to go over half an hour, except the Leader of the Opposition and the Prime Minister. So at 25 minutes you are going to hear that, (The Speaker gavels) which means you have five minutes to go. And you don't need the half an hour, but not more this half an hour. So, Mr. Warmington.

Mr. WARMINGTON: Thank you, Mr. Speaker.

First, Mr. Speaker, I want to state that ever since I come to this House in 1980, I have never sought to, I have never sought to include any political consideration in my presentation, I always try to make a clear, fair and honest presentation, neither was I intending to speak today. But 1 am compelled to make a contribution to this debate based on development that I have seen taking place recently. The type of hypocrisy, intellectual dishonesty parading as concern for the poor compel me to make a contribution.

These actions, Mr. Speaker, are interpreted by me as only self-serving where greatest concern is for power and not for the interest of the poor, it is power at all cost, even to ride on the back of the poor that they claim they are so concerned about.

I did not intend to speak but, Mr. Speaker, enough is enough and someone needs to speak out at this stage when you see these types of stuff. I felt obliged to make this contribution because of the continuous recklessness and irresponsible and careless statements and actions that we have coming from the Opposition. The cheap shots must stop in the interest of the country, in the interest of the people of this nation.

(Applause by Government Members)

I was totally appalled, and what convinced me that I had to speak is when I saw the Parliament of this nation converted to a place for circus. When they convert this place to a circus, nobody, no one can convince an individual or individuals not to act stupidly and make themselves clowns but do not use this sacred place of Parliament to act like clowns and create a circus. Find elsewhere to do it. You must show more respect and think higher of this place.

You have not convinced Jamaica that you are serious about the concern in this country. Obviously, you are not close enough to the ground to hear what the people are saying. But they are not listening to such arguments and they do not respect such actions. The people look differently on our Opposition as being totally irresponsible, totally irresponsible. And you need to act better than to denegrate this Parliament in that type of a poor and simple fashion.

Government MEMBER: Act better man.

Mr. WARMINGTON: The peop1e of Jamaica are disgusted with such behavior and they need a responsible Opposition and the Opposition needs to get people who can advise them properly to tell them that these actions are stupid and silly, silly and stupid.

Mrs. SIMPSON MILLER: Sit down. I don't need any advice from you. Sit down. (Laughter)

MR.WARMINGTON: The financial crisis there is nothing wrong with criticism, but it must be honest and constructive criticism, not destructive criticism.

The financial crisis was not caused by this Government, it is a worldwide crisis, but our situation was made worse by the action of 18½ years of recklessness.

Government MEMBERS: Yes.

Mr. WARMINGTON: We would not have found ourselves in this position had it not been for 18½ years of recklessness, carelessness and bad policies, and that is what has caused us to be here now.

The people of Jamaica memory is not short, they remember clearly, they remember clearly, and this is why those demonstrations they had out there failed. The people are aware of the situation and they know that these situations were not created by the Jamaica Labour Party Government but by those who sat on this side for 18½ years without the slightest clue.

(*Sotto voce* comment by Dr. Guy)

Mr. WARMINGTON: If you come to Old Harbour I beat you any time, (Laughter by both sides) so don't talk about Old Harbour. (Laughter) None a you can beat me down there, so don't talk about Old Harbour.
(Laughter by both sides)

The people of Jamaica know that after 18½ years the economy was wrecked, deep debt, the productive sector was destroyed, high interest rate, demoralized society and poverty all around. The people know that all of these things could not have been rectified overnight, it takes time.

(*Sotto voce* comment by Opposition Members)

You don't know what is statistics. Can you spell statistics? (Laughter) It bigger than you.

Government MEMBER: Him sey no! (Laughter)

Mr. WARMINGTON: The actions of 18½ years is why we have to go to the IMF to dig ourselves out of the dilemma of 18½ years.

I want to ask the Opposition, based on what they left this country in, if it is not for the IMF, what next? If not for the increase of some taxation to dig us out of the debt they left us in, what next?

I would suggest you stop your recklessness and stop those stupid argument. Come forward with a proper plan, lay your plans on the table. (Applause by Government Members) That's what you need to do. Come to the table with proper suggestions and what have you to move the country forward instead of those reckless utterances that you are doing.

This Government, this Government has provided a social safety net for the poor. None knows where the Opposition really is, because one set of the Opposition Members, one set is saying the poor, the poor, we are concerned for the poor, the interest of the poor, the concern of the poor. Yet you have the Opposition spokesman 'this tax is too much, all these charges on the poor!' Yet you have the Opposition spokesman for Transport and Works talking about the increase of 20% recommended for taxi is too much, charge the poor some more. So where is your position? One is saying it's too much and the other one is saying, charge the poor some more.

(*Sotto voce* comments by opposition Members)

Government MEMBER: Yes, Bobby said that, Bobby said that. Bobby said that.

Mr. WARMINGTON: The Member says it was too small. He says you have to increase more than 20%. So what is your position? You are speaking one side about the poor and you are talking about pressing the poor on the other side. Jamaica has wised up. They ain't stupid anymore and they are not gonna follow wisely.

Miss HANNA: They are not stupid anymore? They were stupid before? (Laughter)

Mr. WARMINGTON: All right. So, those stupid utterance will not work, and this is why you are on that side. They expect you to be responsible and I want to say today that, no taxation is palatable there will always be complaints but it is necessary to assist us.

This Government is trying and I can say the country holds a debt of gratitude to this Prime Minister and this Minister of Finance. (Applause by Government Members)

I am confident, I am confident, had the Opposition been on this side, in this time of crisis, they could never have helped Jamaica to weather the storm. They could never steady the ship. And I want to say, not throwing any stones, that Opposition could never produce a Prime Minister and a Minister of Finance to match this Prime Minister and this Minister of Finance in this crisis and situation, could never do. (Applause by Government Members) We must respect and accept that! It must be respected.

Government MEMBER: Can't produce anything like it.

(Disturbance by Government Members) (Shouts)

Mr. WARMINGTON: We must give credit where credit is due. The capability, the capability of the Prime Minister and the Minister of Finance has held this country together, has held this country together in the time of crisis. You on that side couldn't do it, because all you present is cheap and open rhetoric, shallow rhetorics!

I want to say, Mr. Speaker, that if the Opposition ever hopes to be back on this side again, they have to present tangible proposals to this country, they have to be credible. They have to say to Jamaica, this is what we have to offer, but not going out there and everything is nay say, no, no, no, they are Opposition of Mr. No and Mrs. No! All they know to say is no, but they cannot present a credible solution or alternative to this country and they will never be able to do it. Therefore I would advise you if you hope to be back on this side of the House you need to start to be responsible. But the actions that you are now taking, Jamaicans see clearly through your action, it is subserving, power hungry and all you want is power at all cost, but I can tell you if you continue on that track you will never ever see this side again.

Thank you. (Applause)

(*Sotto voce* remarks)

(The Speaker left the Chair at 5.10 p.m. The Deputy Speaker presides.)

The DEPUTY SPEAKER: (Gavels) Members, please! Minister Robinson is on her feet.

Mrs. ROBINSON: Thank you, Madam Speaker. Madam Speaker, I intend to be very brief. I wanted to support the motion from the

Constituency Development Fund angle. And at this most important juncture of our national life we are called on, Madam Speaker, as leaders to leave divisiveness behind us and to mould consensus around a common vision for the prosperity and the sustained transformation of the Jamaican society. As such, Madam Speaker, the themes of social justice, equity and opportunity that framed the quest of our forefathers for sovereignty must continue to be our guide in our deliberations and policy undertakings. The framework for such an undertaking exists because the **Vision 2030** policy is supported by both sides of the House as it encapsulates the aspirations of all the Jamaican people. This is why this side of the House can be heartened by the quality of leadership being provided by the Honourable Prime Minister, who has acted in the national interest throughout this crisis despite political pitfalls that may lurk in the shadows. This unprecedented economic condition has come with some blessings, believe it or not. Chief among these blessings is the fact that a paradigm shift in our economic order is being forced on us as we look to diversify our economic base to more sustainable activities that will reduce our vulnerability to external shocks. If we are able to get this thinking mainstream throughout our country then new industries will flourish and the opportunity realized from this crisis will last for generations to come.

The Constituency Development Fund provides the opportunity for us as Members of Parliament to participate in this process beyond our role as legislators. And this is where our creative energies combined with those of our constituents can come together now and we can see real entrepreneurship emerging from communities. And I believe that Members on both sides of this Honourable House will agree that in the past two years . . .

(*Sotto voce* remarks by some members)

The DEPUTY SPEAKER: (Gavels) I am hearing a loud murmur.

Mrs. ROBINSON: I am sure that they will agree that many projects have been realized through the Constituency Development Fund that have impacted positively on the lives of their constituents wherever that might be. Schools have been built, roads have been rehabilitated, income-generating projects have been established, the housing stock has been improved in some constituencies in a way that they have not seen it for many, many years. Water, many communities have benefitted from water through the Constituency Development Fund, sports facilities have been developed, many multi-purpose courts have been constructed since the introduction of the Constituency Development Fund, rural agricultural development has taken place. (Applause) Many, many Members of Parliament have allocated funds to the RADA offices in their parishes and many small farmers have benefitted in a meaningful way since the inception of the Constituency Development Fund. Greenhouse technology, pet fish farming, ornamentals, horticulture, all kinds of agricultural industries have been undertaken since the inception of the Constituency Development Fund.

It is a fund that, we must protect the integrity of that fund at all cost as Members of Parliament and we at the Unit do our best to make sure that that is done. But I believe that that fund can really, in this time, catalyze a lot of investments and give new hope and new

meaning to many communities that have been neglected for many years throughout Jamaica, and I say that knowing that I have the full support of both sides of the House, Madam Speaker. (Applause)

The task is ours, Madam Speaker, to use this allocation to build then absorb the capacities of our communities to receive investments. We have to make sure that our constituents want these investments to take place and that whatever we do we do in conjunction and in consultation with the constituents, with the communities and the SDC acts as a good facilitator to mobilize and bring communities together so that we can really decide on what is best for the communities together. We want to bring greater awareness to our constituents about the opportunities that can arise from entrepreneurship in this era rather than resorting to scapegoating tactics by blaming Government for the current conditions.

Crying for the poor alone will not help, Madam Speaker, it requires engagement of them into meaningful economic exercises to create wealth and remove the shackles of poverty from them. Spending the $20 million requires more than just political considerations because at this time the national good has to take precedence.

Madam Speaker, I want to quote from ROBERT COLLIER, he is an American motivational author and I quote: He said,

> "Sooner or later comes a crisis in our affairs and how we meet it determines our future happiness and success. Since the beginning of time every form of life has been called upon to meet such crisis."

This is our time to meet our crisis. It is the opportunities that beckon us rather than the crisis. Let us move to secure the future of our country, our children and our children's children. Thank you, Madam Speaker, and God bless you as we all strive to build a better Jamaica. (Applause)

Mr. M. PEART: Nice counter to the first one.

Mr. MULLINGS: Thank you. Madam Speaker. Members of this Honourable House, the country is at a crossroads and the Prime Minister being the man on the bridge, along with the government stakeholders indeed in discussions with the Opposition, has indicated that we have to have bold leadership in these very difficult times. And it is important for us to bear in mind that as we embark through these turbulent seas that we bring on board all stakeholders for them to realize that we are all in this together.

And I want us, Madam Speaker, to look briefly at what has happened in Jamaica with this debt exchange and what it means. And I must start off by saying that I was surprised, very surprised to hear the Opposition who from all reports in the media were chomping at the bits to debate this issue. Indeed, they said no taxation without representation and that, of course, was from the time of the BOSTON TEA PARTY when America was a colony of Britain and that they resented taxation because they said they were not represented in the Parliament of Britain. But of course the Opposition represents their constituents in this House, and under a certain (piece) of legislation, the Provisional Collection of Taxes Act, which allows for an order to be made for the collection of taxes, and that order has to be ratified in terms of the resolution in Parliament within 30 days of it being published in the *Gazette.*

Now be it far from me, Madam Speaker, to impute motive, but we are cognizant of one significant fact this Resolution has to be ratified within 30 days of the publishing of that order. And so we are not at large - you cannot filibuster - we are not at large to debate this issue *ad infinitum* or we will be unable to govern this country because the revenues are the lifeblood of the country. And so one would expect that the Opposition being cognizant of this requirement in law would be eager to debate this issue so that we are not in breach of that time requirement.

Madam Speaker, in July of last year when 1 spoke in the House in the Sectoral Debate I indicated that the IMF is not a panacea for our ills. In fact, I put on the table squarely that debt management, fiscal discipline and debt renegotiation must all be part of the mix. What we are witnessing today is that the Kingston Club, the holders of the debt, has entered into the covenant with us to take Jamaica out of the perilous times that face us and we must commend them, all bond holders, not just the institution but individual bond holders who have displayed this level of confidence in Jamaica and we now in good faith must take that confidence and do our part, indeed, physician, heal thyself. And in doing that there are some suggestions I would like to with respect put on the table which could possible assist us in that regard. One of them, Madam Speaker, I was quite pleasantly surprised to notice, was I proposed to speak about the utilization of electronic bonds as against paper bonds because paper bonds have within them built in administrative cost apart from being and administrative nightmare. It's very costly.

And I see that laid on the able of the House today - and I commend the Minister of Finance and his team - a Bill entitled An Act to make provision for the de-materialization of certain government securities and for connected matters. Because under the law the Government could only provide paper bonds. Now with this Bill we will be able to have electronic bonds and that is, I must indicate, is an excellent move in the right direction. (Applause) Because it recognizes, Madam Speaker, it recognizes the need to be efficient on the diversity of the products that can be offered with bonds in this way because all the banks are on the same platform and we can, in fact, move quickly to have the renegotiated bonds moving, collateralized, traded with effectiveness.

One of the other things I would like to suggest is that while the banks - and quite rightly so - are holding the Government to account in terms of the efficiencies, I would like also to request of the banks, the Kingston Club if you will, that in repricing their loan rates that those rates be passed on quickly to the holders of these loans, very important. Because some of these bonds have been used as a collateral and when the prices go down you will have a holder who will have a loan and if those rates are not passed down equivalently to the loans that they hold, then they will be in a more difficult position. So I would ask the banks as part and parcel of this covenant agreement and contract that they pass this on in a reasonable good period of time to the holders.

Madam Speaker, we need to vault the debt, to go over that wall of debt - and what is the pole we need - because this is part and

parcel of a programme. The Minister of Finance has indicated the economic programme that is critical in all of this.

And one of the things that I believe we would do, and the Minister of Finance is the chairman of that committee, is to get the Credit Bureau Legislation passed to establish Credit Bureau. It's important because what the credit ratings will do, it will afford persons the opportunity to access loans on the strength of that; and that will release the entrepreneurial spirit and allow for real development in the sectors in the economy. (Applause)

And in addition to that, Madam Speaker, the issue of Land Titling, this requirement in terms of subdivision having certain infrastructure is impeding the process. And I know that the Prime Minister holds dear to his heart the need to have proper land tenure and titling to release that spirit. There are plots of lands across this country where they are insisting for roads, light and water to go in, not that the tenure of the land is suspect, but because of the tremendous cost to that infrastructure persons can't get titles. So we should move posthaste to remove that requirement in terms of subdivision, for that would allow for the hewers of wood to fuel to have the opportunity to access money to grow this economy and make their lives better. But this is where the rubber hits the road. After the policy has been enunciated, how do we get this to translate in a real way to the people of this country to release this entrepreneurial spirit which is so required at this time?

I'd also like to suggest that the Jamaica Business Development Company play a critical part in all of this, because small businesses tend to fail in times of recession; and so the education is critical for those persons and who take these loans as to how to maintain and grow your business, because the economies grow with small and medium businesses. And so the role of the JBD is critical in all of this to bring persons on board for them to firstly, know which sectors are ripe for growth and production and how they ought to conduct their businesses to make the best of that and generate employment. So that role is very critical as well.

But you know, Madam Speaker, there is also a certain synergy, a certain opportunity that exists at this point in time in terms of the divestment of the sugar estate. We now have a national roll-out of the E-10. What it means therefore, Madam Speaker, is that there is it is a ready market, the market is there. And l think there is a tremendous opportunity for the development of the remaining sugar estates to utilise the ethanol plant we already have to meet that market. If you crunch the numbers you'll see that there is a tremendous opportunity that exists so that we can vault the debt and at the same time develop another sector in a vibrant way.

And so I urge the Ministers of Energy and Agriculture to look at that natural synergy, because therein may very well lie the kernel, the diamond in the rough if you will to pull this country out of the rut that it is in.

And I commend it to them. I know they are in discussions. There is a natural synergy already between the ministries and I know that if they look at, if they look at the numbers and it makes sense - because I am not suggesting you should go into any loss-making enterprise - if it makes sense then proceed, and God speed.

Madam Speaker, technology is critical in navigating the labyrinth of government. It's

important because sometimes government doesn't know what it has. In other words, the left hand doesn't know what the right hand has. And so it is important to utilise the technologies, firstly to know where you have unnecessary padding if you will or unnecessary part of your governmental structure which is not delivering as it ought. It will allow for the cutting of tremendous costs and at the same time move forward in a very efficient way. And I understand that that entity, the Central Information Office, is now in the Office of Prime Minister, this is where it ought to be, where it can be driven to get those efficiencies moving forward.

And it is important because sometimes - and I hope it's not so now - you may very well have under-utilised debt, where government can have debt on its books and we are paying interest on that debt... (Chattering in press box)

The DEPUTY SPEAKER: (Gavelling) Just a moment please. Can I ask members of the Press to just lower their voices, please.

Mr. MULLINGS: ..that you may very well have debt, Madam Speaker, on the books but is not being properly utilized and executed in a timely manner and you are paying interest on that debt. But you will not know if your technological infrastructure does allow you that kind of panel that you can establish what is happening in the ministries, when the debts were in fact contracted, what's the execution date, what are the stumbling blocks, it's technology that allows you to do that. And it follows as night the day, that technology and efficiency will allow you to tame the corruption issue.

Corruption can't be dealt with solely on the basis of legislation. It is efficiency. Efficiency is the greatest antidote to corruption, because there is no vested interest in seeking to get a bligh for things to happen, because it is more efficient for it to be delivered to you. So this is part and parcel of this covenant I wish to suggest with respect, Madam Speaker, as to how we pole-vault the debt that we face. It means that it requires us to look at those areas where you have major challenges; one of them is the Water Commission.

The Water Commission consumes 47% of public sector electricity usage. We have to bring the efficiencies to bear there. I understand that 60% water loss is occasioned by the Water Commission. Therefore we are throwing good money after bad. And so we have to, if we are going to tackle these things which are a burden not only on government but on the taxpayer, we have to look very squarely at those issues and deal with them and bring the efficiencies to bear on them.

You know, Madam Speaker, l wish to close by saying this, that during the World War SIR WINSTON CHURCHILL who was from the Conservative Party, made CLEMENT ATLEE who was from the Labour Party, his Deputy Prime Minister. There is a coalition for survival. Well, history is clear that they had this coalition, they survived. And indeed CLEMENT ATLEE defeated SIR WINSTON CHURCHILL at the subsequent election. But what it says is that at a point in time in history there is a time when we have to recognise our common peril. In doing that we must join together to negotiate those perilous waters.

I am by no means suggesting or placing the Government in the position of SIR WINSTON CHURCHILL. But I want us to recognize the need (Laughter) recognise the

need, the imperative that is there; an imperative that the Kingston Club and the bond holders have recognised and have in good faith decided to work with the entire country to achieve. If we fail to honour that covenant, if we fail to honour that contract then history will judge us harshly.

Thank you, Madam Speaker. (Applause)

Mr. HOLNESS: Madam Speaker, we have a matter which we would want to being to the House for immediate attention. It is a very important piece of legislation and I now, Madam Speaker, will ask for the suspension of Standing Orders to allow me to recommit the item "Notices of Motions Given Orally"...

Mr. BUNTING: Suspend the debate.

Mr. HOLNESS: Thank you, Member, you are perfectly right.

The DEPUTY SPEAKER: The question before the House is that...

Mr. HOLNESS: The question before the House, Madam Speaker, would be first of all to suspend this debate for a date which we will announce when we come to close and to move for suspension once more to recommit the Item "Notices of Motions given Orally".

NOTICES OF MOTIONS GIVEN ORALLY

The DEPUTY SPEAKER: Thank you.

The questions before the House are, **one**, that the debate be suspended until a date to be announced and **secondly**, that we have a suspension of Standing Orders to allow the Leader of Government Business to reintroduce the Item "Notices of Motions given Orally".

Put to the House and agreed to.

The DEPUTY SPEAKER: Go ahead.

Mr. HOLNESS: Madam Speaker, at this point the Minister of Finance will take the Bill through all its stages and therefore he will move the motion.

The DEPUTY SPEAKER: Minister of Finance.

(The Speaker returns to the Chair at 5:36 p.m.)

Mr. SHAW: Mr. Speaker, I beg to give notice that at the next meeting of House I will move to introduce and have read a first time a Bill entitled, "AN ACT to make provisions for the de-materialisation of certain government securities and for connected matters". Mr. Speaker, I further beg to give notice that at a later stage today I will move for the suspension of the Standing Orders to enable me to move - to mention this Bill and have it read a first time and to move for second reading and take it through all its concluding stages in its present form.

The SPEAKER: Members, the motion before the House is for the suspension of Standing Orders to allow the Bill to be read in its present form and to be read a second time.

Put to the House and agreed to.

Bill shortly entitled:

''The Government Securities De-materialization Act 2010'',

read a first time.

The SPEAKER: Mr. Shaw.

Mr. SHAW: Mr. Speaker, I beg to give notice of second reading of the Bill.

Thank you, Mr. Speaker. Mr. Speaker we are grateful to you and to the Honourable Members for expediting the taking of this Bill, as it is very time sensitive, as will emerge in the explanation.

Over the past years, Mr. Speaker, the Government as part of its debt management strategy, has sought to ensure that debt management policies and the operational

framework are consistent with international best practices. At present the various laws empowering the Government to borrow money restricts the issue of government securities to physical paper form. The investor is required to keep instruments in safe custody because the process of getting duplicate copies whenever the shares are lost is sometimes arduous if not difficult. This system is also affected by many problems including delay in the transfer of shares, huge transaction costs, longer settlement cycles and larger paper volumes. These factors are barriers to entry of investors into the market.

The Government in partnership with the Bank of Jamaica will continue to facilitate the development of a modern and efficient domestic Capital Market by the establishment of a Central Securities Depository. This will facilitate the issuance of new securities in de-materialised forms only.

De-materialisation, Mr. Speaker, is the issuance and recording of securities in electronic format. Immobilization is the recording and custody of beneficial ownership in paperless format. This facilitates speedy settlement and trading of securities and results in cost savings and risk mitigation for the Government and other stakeholders.

The Bill therefore that is tabled today, seeks to make it compulsory for every investor or owner to convert his government securities into a de-materialised security and sets out a process for the conversion of already issued securities into de-materialised securities.

Once a stakeholder opens an account under this system, he may buy or sell shares in electronic form without any paperwork. The Bill appoints the Bank of Jamaica as the Registrar for purposes of this Act, while making provision for the future designation of a licensed Central Securities Agency, person or body designated as the Registrar and the Registrar is required to maintain a register containing such particulars as may be prescribed.

Mr. Speaker, it is important that I indicate to you, Mr. Speaker, that the opportunity of passing this Bill at the time of the Debt Exchange to facilitate the debt exchange is very, very much opportune, in the sense that the debt exchange will involve the exchange of securities as much as almost 40,000 pieces of securities in the country. And so it is an opportune time for us to do what quite frankly, we should have done a long time ago, that is, to have this process of electronic recording and issuance and recording of our bonds.

And on that basis this is what the - the Bill essentially calls, Mr. Speaker, for the - the Bill sets out the various - apart from the Objects and Reasons, it sets out the objects of the Act, the application, the Schedule, the Registrar, the register, the process of de-materialization and immobilization, deregulation and the consequential amendments to the Act, which in Section 11 for the purpose of giving effect to this Act, the Minister may, by order, make such amendment to any Act specified in the Schedule as appear to him to be necessary or expedient to ensure consistency with the provisions of this Act.

And the importance of that particular provision, Mr. Speaker, is to indicate that there are instruments that are issued under various Acts such as the Debenture (Registration) Act, Debentures (Local) Act, the Land Bonds Act, Loans Equity Investment Bonds Act, Loans National Development Bonds Act, the Loans National Savings Bonds

Act, the Local Register's Stock Act and the Treasury Bills Act; and that clause will give the Minister the ability to be able to make the necessary consequential amendment.

And, Mr. Speaker, on that basis I put the Bill. l beg to move for second reading of the Bill.

The SPEAKER: Mr. Bunting.

Mr. BUNTING: Mr. Speaker, permission to speak from a seat other than my own.

The SPEAKER: Permission granted.

Mr. BUNTING: Mr. Speaker, the Member for North East St. Ann earlier this afternoon said that sometimes times of challenge create opportunity, and I agree with her that this is actually one of those times. And the Minister also referred to it where for many years we've been discussing implementing a Central Securities Depository for debt instruments in the same way it was done for equities quite a few years ago.

The process of moving paper around, Treasury Bills and LRS, *et cetera*, in fact I confess was one that used to keep me awake at nights the thought of sending bearers up and down through Kingston in a hurry trying to catch the close of business and the idea that one of them could meet in an accident and scatter tens of millions of dollars of Treasury Bills across the street, was something that is really an operational risk, a huge operational risk for financial institutions.

We understand the agency of getting this in place, because there will be an administrative challenge in getting all the bonds in and surrendered; and we are going to fully cooperate, notwithstanding what some speakers have said. We have an interest in seeing the Government succeed in this effort and also because it is a good thing for the financial industry.

I would like to point out a couple things though. The absence of a central securities depository for debt instruments have caused many dealers, banks and securities dealers, to create their own sort of in-house custody arrangements. And in fact, when the Prime Minister was giving us an estimate of the amount of debt held in individual hands, or outside of the financial institutions I was concerned that intuitively it may have been understated, because many institutions create an in-house type of custody arrangement to avoid having to send in certificates as you trade them, sending them back and forth to the Ministry of Finance, where they keep the instruments in their name and then do internal accounting to move the record of the beneficial owner as between client accounts.

Now, the challenge that that creates in a situation like this, is when the Ministry of Finance looks at its register of holders of government security, you don't know what is being held as custodian *versus* what is being held as beneficial owner. And that could create a challenge particularly if it underestimates, which is the risk that you have that it might underestimate the risk of the number or the amount of bonds actually being held outside of the financial institutions from a beneficial ownership point of view. So I would say that generally, just a caution, because it's something you may need to look at. In fact I called one of your technical advisors and just pointed that out to them a couple days ago so that they could check on it because intuitively it seems that the figure might have been a bit underestimated.

The final point I would just make is that I understand the BOJ is being used as the Registrar in an interim sort of arrangement, but I think as soon as possible we should look perhaps either to use an international clearing house, which is what we use for our Euro clearable securities now in terms of the global issues, or to look at perhaps expanding our local Central Securities depository, if it can be, or creating a special Securities Depository for this. Because there is a risk of pulling the BOJ back into these day-to-day operational issues of being the Registrar and facilitating transfers back and forth, but it's something that has been under discussion for many years. I'm glad that it has now come to a point where we can implement it. It will reduce the overall risk in the system, the operational and administrative risk in the financial system and so the Opposition has no problem in supporting this measure.

Ideally, we'd have like to have a little more time to go through it just to see if there are any glitches. We'll pass it to our colleagues in the Senate who can have a couple days to look at it and see if they may pick up - if there are any flaws in it, but apart from that, Mr. Speaker, I think the Opposition is happy to support this motion.

The SPEAKER: Thank you Mr. Bunting.

Minister Shaw, could you ask for the reading?

Mr. SHAW: Thank you, Mr. Speaker, and I take note of the observations made by the Member and will in fact followup on the point that you had raised with the technical people. Also just to indicate that this Bill as framed does envisage that it will go beyond - the Registrar will in fact not be permanently at the Bank of Jamaica that is actually envisaged in this present legislation.

The SPEAKER: Could you ask for the reading?

Mr. SHAW: On that note, Mr. Speaker, I ask for third reading of the Bill.

The SPEAKER: No, that is for the second reading.

Mr. SHAW: The second reading.

The SPEAKER: Members of the House, the question is that the Bill be read a second time.

Put to the House and agreed to.

Bill entitled:

"AN ACT to make provision for the de-materialization of certain government securities and for connected matters" read a second time.

The SPEAKER: The House will now resolve itself into a Committee of the whole House to consider the Bill clause by clause.

COMMITTEE STAGE

The CHAIRMAN: Mr. Shaw.

Mr. SHAW: Mr. Chairman, I just want to make one amendment on the first page, Interpretation, under Interpretation...

The CHAIRMAN: Yes, one second, Mr. Shaw. Members could you please listen to the Minister and just focus on the Bill, place?

Mr. SHAW: Where it says commencement date means 'the' and you have 'day of 2010', but delete 'day of 2010' and insert 'date of commencement of this Act'.

The CHAIRMAN: Date of commencement.

Mr. SHAW: It will now read: Commencement date means the date of commencement of this Act.

The CHAIRMAN: Very well. Yes.

Okay, Members, I now put Clause 1 ...

Clauses 1, 2, 3, 4 and 5 put to the Committee and agreed to.

Mr. HYLTON: Chairman. (Raising his hand)

The CHAIRMAN: I put Clause 7 - sorry, Mr. Hylton, sorry, Clause 6?

Mr. HYLTON: Yes, just on a point of clarification really, on 6, I had my hands raised...

The CHAIRMAN: Clause 6 is before you.

Mr. HYLTON: Yes, Clause 6 is the point.

The rights that surrounds or emanates from this demobilization effort, wouldn't it have been - to the Minister, what is the consideration in terms of just setting out the right in the legislation as opposed to perhaps the regulations, is it that the rights associated with that would be addressed in the regulations?

Mr. SHAW: Yes, it is envisaged that it would be addressed in the regulations; and the Minister by this Act is empowered to make the regulations.

Mr. HYLTON: That's the discussion with the stakeholders?

Mr. SHAW: Yes, and this is also the advice of the CPC, that that is the approach that should be taken.

Mr. BUNTING: Minister, if I could - I think what this also attempts to do is to address cases where securities are out on repurchased agreements, or where there are particular liens and securities *et cetera,* it gives the Registrar the opportunity to record all these - the third party rights as well in the register. So I think these are necessary to ensure that repo type transactions and liens which are held and third parties have on securities can be recorded now by the Bank of Jamaica as registrar even before the regulations are issued.

The CHAIRMAN: Is that okay?

Clauses 6, 7, 8, 9, 10, 11, 12 and 13 put to the Committee and agreed to.

The CHAIRMAN: The Schedule.

Put to the Committee and agreed to.

The CHAIRMAN: The Title and Enacting Clause.

Put to the Committee and agreed to.

The CHAIRMAN: The question is that I do report the Bill as having passed Committee Stage without amendment.

Put to the Committee and agreed to.

RESUMPTION

The SPEAKER: I do report the Bill as having passed Committee Stage without amendment. Mr. Shaw.

Mr. SHAW: Mr. Speaker, I beg to move for third reading of the Bill.

The SPEAKER: The question is that the Bill be read a third time.

Put to the House and agreed to.

The SPEAKER: Clerk.

Bill entitled-.

"AN ACT to make provision for the de-materialization of certain Government securities and for connected matters,"

read a third time and passed.

The SPEAKER: Bill passed and approved.

(Applause)

Mr. HOLNESS: Mr. Speaker, we once again move for the recommittal of the item, Notices of Motions Given Orally, to allow the Prime Minister to take a very brief matter.

The SPEAKER: Members, the motion before the House is for the recommittal of the item, Notices...

Put to the House and agreed to.

NOTICES OF MOTIONS GIVEN ORALLY

(Recommitted)

The PRIME MINISTER: Mr. Speaker, I beg to give notice that at the next meeting of the House I will move:

> Whereas by virtue of section 3(1) of the Sharing of Forfeited Property Act, (hereinafter referred to as The Act), where an agreement provided for the sharing of forfeited property has been made with a convention State, the Minister may, by Order, declare that the provisions of the Act shall apply in respect of that State, subject to such exceptions, adaptations or modifications as the Minister having regard to the terms of such agreement may deem expedient as specified in the order for the purpose of implementing such terms;
>
> And Whereas on the 8th June, 2006, Jamaica made an agreement with the United Kingdom, providing equal sharing of forfeited property;
>
> And Whereas on the 25th August, 2009, the Minister made the Sharing of Forfeited Property (United Kingdom) Order, 2009; And Whereas it is provided under Section 3(2) of the Act that an Order made under that section shall be subject to affirmative resolution;
>
> And Whereas it is desirable that the Sharing of Forfeited Property (United Kingdom) Order, 2009 should be affirmed by Resolution;
>
> Be it Resolved by this Honourable House as follows:
>
> (1) This Resolution may be cited as the Sharing of Forfeited Property (United Kingdom) Order Resolution 2010, and
> (2) The Sharing of Forfeited Property (United Kingdom) Order Resolution, 2009 which was laid on the Table of the House on the 19th January, 2010 is hereby confirmed.

And can I give notice, Mr. Speaker, that with the concurrence of the Opposition at a later stage, I propose to ask you to allow me to take leave of the House to take the Resolution today.

Mr. SHAW: Mr. Speaker, I beg to give notice that at the next meeting of the House I'll move to introduce and have read a first time a Bill entitled:

> AN ACT to Amend the Financial Administration and Audit Act.

And, Mr. Speaker, I...

The PRIME MINISTER: I am sorry. I may have misled the House. I am giving notice of the Resolution. I am not taking it today. It has not yet been discussed with the Opposition.

The SPEAKER: Very well. House Leader.

ADJOURNMENT

Mr. HOLNESS: Mr. Speaker, it is not proposed to do any further business today. We have accomplished much today. There is the unresolved matter as to when the debate which we started today would resume. The Government has agreed that we will resume the debate next Tuesday, January 26 to allow

the Members of the Opposition adequate time to prepare.

(Applause)

A MEMBER: Most gracious of you.

Mr. JACKSON: This is how it ought to be.

A MEMBER: All that yapping and yapping...

(Cross talk/Laughter)

Mr. HOLNESS: Mr. Speaker, on a lighter matter, I would want to congratulate the Member from Western St. Andrew on the birth of his daughter.

(Applause/Laughter/Cross talk)

And Mr. Speaker, being the first sitting of the House for the new year, to take the opportunity to wish for all Members and indeed, for the entire Jamaica, especially in light of the difficult circumstances which we are in now, financially, and indeed with the backdrop of the disaster in Haiti, we wish that we have a year, Mr. Speaker, of peace, and the light of prosperity beginning to shine on us.

Mr. Speaker, I now move that the House do adjourn.

Mr. KELLIER: Mr. Speaker...

The SPEAKER: Yes, Leader of Opposition Business.

Mr. KELLIER: ...if you allow me very quickly, just to indicate my support for the remarks, the latter part of what the House Leader said in respect to the new year which we have now started. Notwithstanding the robust nature of the exchanges in the earlier part of the afternoon, I know we all intend to work assiduously to ensure that we do what is best for the Jamaican people, and indeed to uphold the high traditions of this House.

Just to say, Mr. Speaker, that there is one matter that is still outstanding and that is the - that was promised and we would like the House Leader to address it for the next meeting, it is the Tax Committee that we had promised to put in place. And in view of what is to happen down the road we want to make sure that we don't come back and have this unnecessary argument to and across the floor.

The SPEAKER: Yes.

Mr. KELLIER: And that that Committee...

The SPEAKER: Yes. House Leader, may I just say this Tax Committee has been a matter of... from the last administration to... it has not been clear cut.

Mr. HOLNESS: It is an outstanding matter, long outstanding matter. I have received from the Opposition, their nominated Members. The Government is now finalizing its Members. At the next sitting of the House, we will name the full committee.

The SPEAKER: Very well.

Mr. HOLNESS: Mr. Speaker, if there are no other Members who would want to then I now move for the adjournment.

The SPEAKER: Just before moving the motion, may l thank you, House Leader and the Leader of Opposition Business, for the cooperation in that, 1 think without cooperation we are not going to function well. So, with cooperation and collaboration, I believe the Parliament can function properly. And not only the Parliament but the country can function well if there is consensus and cooperation in these matters.

So, the motion before the House is that this Honourable House do adjourn until Tuesday, 26th January at 2.00 p.m.

Put to the House and agreed to.

The House accordingly adjourned at 6.04 p.m.

THE HONOURABLE HOUSE OF REPRESENTATIVES

SESSION 2009 – 2010

TUESDAY, January 26, 2010

PURSUANT to Notice of Adjournment the Honourable House of Representatives resumed its sitting at Gordon House, Kingston at 2.14 p.m.

PRESENT

THE SPEAKER

HON. DELROY HAWMIN CHUCK, (JLP), St. Andrew, North Eastern.

MRS. MARISA COLLEEN DALRYMPLE-PHILIBERT, (JLP), Trelawny, Southern, Deputy Speaker.

MEMBERS OF THE CABINET

THE HONOURABLES:

ANDREW MICHAEL HOLNESS, (JLP), St. Andrew, West Central, Minister of Education, Leader of Government Business and Electoral Matters.

ORETTE BRUCE GOLDING, (JLP), Kingston, Western, Prime Minister, Minister of Planning and Development and Defence.

Hon. DR. KENNETH LEIGH O'NEIL BAUGH, (JLP), St. Catherine, West Central, Deputy Prime Minister and Minister of Foreign Affairs and Trade.

KARL GEORGE SAMUDA, CD, (JLP), St. Andrew, North Central, Minister of Industry, Commerce and Investment.

PEARNEL PATROE CHARLES, CD, (JLP), Clarendon, North Central, Minister of Labour and Social Security.

EDMUND CURTIS BARTLETT, (JLP), St. James, East Central, Minister of Tourism.

RUDYARD CONRAD SPENCER, (JLP), Clarendon, South Eastern, Minister of Health and the Environment.

DR. CHRISTOPHER CHARLES TUFTON, (JLP), St. Elizabeth, South Western, Minister of Agriculture.

MICHAEL ANTHONY STERN, (JLP), Clarendon, North Western, Minister of State in the Ministry of Industry and Commerce.

MINISTERS OF STATE

THE HONOURABLES:

DARYL WESLEY PHILLIP VAZ, (JLP), Portland Western, Minister without Portfolio in the Office of the Prime Minister, Minister of Information and Telecommunication.

MRS. SHAHINE ELIZABETH ROBINSON, (JLP), St. Ann, North Eastern, Minister of State in the Office of the Prime Minister.

WILLIAM JAMES CHARLES HUTCHINSON, (JLP), St. Elizabeth, North Western, Minister of State in the Ministry of Agriculture.

CLIFFORD EVERALD ERROL WARMINGTON, (JLP), St. Catherine, South Western, Minister of State in the Ministry of Water and Housing.

NEVILLE ANDREW GALLIMORE, (JLP), St. Andrew, West Rural, Minister of State in the Ministry of Labour and Social Security and Deputy Leader.

LAURENCE GEORGE BRODERICK, (JLP), Clarendon, Northern, Minister of State in the Ministry of Mining, Energy and Telecommunications.

ROBERT ST. AUBYN MONTAGUE, (JLP), St. Mary, Western, Minister of State in the Office of the Prime Minister.

OTHER MEMBERS

MR. NOEL GEORGE DELANO ARSCOTT, (PNP), Clarendon, South Western.

DR. ST. AUBYN BARTLETT, (JLP), St. Andrew, Eastern.

MR. LUTHER BARTLETT MONTEITH BUCHANAN, (PNP), Westmoreland, South Eastern.

MR. ROGER HAROLD CLIFFORD CLARKE, (PNP), Westmoreland, Central.

DR. OMAR LLOYD DAVIES, (PNP), St. Andrew, Southern.

MR. COLIN ALFRED A. FAGAN, (PNP), St. Catherine, South Eastern.

DR. MORAIS VALENTINE GUY, (PNP), St. Mary, Central.

MS. LISA RENE SHANTI HANNA, (PNP), St. Ann, South Eastern.

MR. IAN DAVE HAYLES, (PNP), Hanover, Western.

MRS. MAXINE ANTOINETTE HENRY-WILSON, (PNP), St. Andrew, South Eastern.

MR. JOSEPH URIAH HIBBERT, (JLP), St. Andrew, East Rural.

MR. ANTHONY GEORGE HYLTON, (PNP), St. Andrew, Western.

MR. DERRICK FLAVIUS KELLIER, (PNP), St. James, Southern.

Mr. DESMOND GREGORY MAIR, (JLP), St. Catherine, North Eastern.

MR. CLIVE ARTHUR MULLINGS, (JLP), St. James, West Central.

MR. PHILLIP FEANNY PAULWELL, (PNP), Kingston, Eastern and Port Royal.

MR. MICHAEL ANTHONY PEART, (PNP), Manchester, Southern.

MR. DEAN ALEXANDER PEART, (PNP), Manchester, North Western.

MR. TARN ANDREW PERALTO, (JLP), St. Mary, South Eastern.

DR. PETER DAVID PHILLIPS, (PNP), St. Andrew, East Central.

MR. DERRICK CHARLES SMITH, (JLP), St. Andrew, North Western.

REV. RONALD GEORGE THWAITES, (PNP), Kingston, Central.

Mr. FRANKLYN ROBERT WITTER, (JLP), St. Elizabeth, South Eastern.

PRAYERS

Prayers were offered by Mr. Michael Stern.

The House resumed its sitting at 2.15 p.m.

The SPEAKER: Please be seated.

This Honourable House now resumes its sitting.

CALL OF THE ROLL

(See Listing)

The SPEAKER: Members, this evening we would like to welcome to the sitting of the House, twelve (12) Fifth Form Social Studies students from Kingsway High School and two (2) teachers accompanying them, welcome.

(Applause)

We would also like to welcome MR. CARL-JOHAN HEDBERG from the European Union, welcome to the sitting of the House, MR. HEDBERG.

(Applause)

Also sitting with us this afternoon are two former Members of Parliament from the Parish of Clarendon, MR. STONE and MR. RAMTALLIE, welcome to the sitting of the House.

PASSING OF ARCHBISHOP BURKE

This afternoon, also, we take note of the passing of ARCHBISHOP BURKE.

House Leader?

Mr. HOLNESS: Mr. Speaker, the House, and I think I would speak on behalf of everyone in the House, would want to take note of the passing of Archbishop Burke and to extend our condolences to his family and the wider Catholic Church. His work to Jamaica has been invaluable. And speaking on behalf of education to which he dedicated most of his life, and I, unfortunately, did not get to know him until in the later years, but his work at St. George's College is, Mr. Speaker, in my mind, exemplary. And when I speak to students who were taught by him, they have such respect and veneration of the man and the person that I too, Mr. Speaker, would form that opinion.

May his soul rest in peace.

The SPEAKER: Thank you very much House Leader.

Leader of Opposition Business, Mr. Kellier.

Mr. KELLIER: Mr. Speaker, I wish to join the Leader of Government Business, on behalf of the Opposition, to offer our condolences, as well, to the family of the late ARCHBISHOP EMERITUS.

I met him on a few occasions. He was indeed a man of great humility and I'm sure the entire Christian fraternity in Jamaica will be saddened by his passing and, indeed, all of Jamaica, and we wish to register our condolences to his family and the Church community.

The SPEAKER: Reverend Thwaites.

Rev. THWAITES: Mr. Speaker, as One of those who fell under the jurisdiction of ARCHBISHOP BURKE, I thank the Members who have expressed sentiments. May I just remind the House of Representatives and myself of the very powerful sentiments that he expressed on assuming office as Archbishop of Kingston. He spoke of the power and authority of the office. He said that as much as it should be assumed with responsibility, it should be easily given up; all power should be given up easily, yielded, not considered to be a personal perquisite of a fief. Secondly, it should be exercised with greater accountability and it should be exercised solely for the service of those most in need. If those principles are accepted by Members of this House and, indeed, by the society as a whole, we will be a greater nation and God's Kingdom will come.

The SPEAKER: Thank you. Members, we will just ask the Clerk of Parliament to send the usual card of condolence to the Roman Catholic Diocese on behalf of the House and Members.

ANNOUNCEMENTS

The Clerk laid on the Table of the House, a copy of the following:

- Report of the Joint Select Committee on its deliberations on the Report on Green Paper No. 4 of 2001, regarding proposals for the introduction of flexible work arrangements.
- Special report of the Special Select Committee of the House of Representatives to consider and report on the Bills shortly entitled the Casino Gaming Act and the Betting, Gaming and Lotteries (Amendment) Act.
- The Industrial and Provident Societies (Amendment) Regulations 2008, under the

Industrial and Provident Societies Act.

BILLS BROUGHT FROM THE SENATE

The Clerk read the following message from the President of the Senate:

> To the Honourable House of Representatives.
>
> I have the honour to advise the Honourable House of Representatives that on the 22nd day of January, 2010, a Bill entitled "AN ACT to make provision for the dematerializaton of certain Government securities and for connected matters" was passed in the Senate with 27 amendments for which the Senate desires the concurrence of the Honourable House.
>
> Signed**:** Oswald G. Harding
> President of the Senate

The amendments have been circulated.

The SPEAKER: Mr. Shaw.

Mr. SHAW: Mr. Speaker, I beg to move that the Senate's amendment to the Government Securities Dematerialization Act 2010, be considered today.

The SPEAKER: Members of the House the Minister of Finance who has taken charge of the Bill returned from the Senate, asks Members of the House to approve the amendments?

Motion put to the House and agreed to.

The SPEAKER: The amendments are approved.

REPORTS FROM COMMITTEES

Mr. VAZ: Mr. Speaker, I beg to lay on the Table of the House, a copy of the Report of the Special Select Committee of the House of Representatives set up to consider and report on the Bills shortly entitled the Casino Gaming Act, 2009, and the Betting, Gaming and Lotteries (Amendment) Act, 2009.

NOTICES OF MOTIONS GIVEN ORALLY

The SPEAKER: Reverend Thwaites.

Rev. THWAITES: Mr. Speaker, at the appropriate interval, I beg to move the following motion:

> Whereas the fisherfolk of Rae Town in Central Kingston and the remainder of the more than 40,000 fisherfolk in Jamaica have been experiencing reduced cash intake and poor earnings due to the depletion of their catch;
>
> Be it Resolved that the Government seek funding and invest in a scientific study and appropriate implementation to increase the stock of fish, lobster and conch in Jamaica's coastal and territorial waters.

The SPEAKER: Yes, Dr. Phillips.

Dr. PHILLIPS: Mr. Speaker, if I might. Could I enquire of the Leader of the House, through you, when are we likely to get to the debate of some of these Private Members' Motion? Some of them, while despite emanating from this side, I think, have quite significant implications for public welfare and wellbeing of many communities.

The SPEAKER: House Leader.

Mr. HOLNESS: Mr. Speaker, the Leader of Opposition Business and myself; we have had discussions, Mr. Speaker, regarding a schedule for addressing the issue of the increasing numbers of Private Members' Motions on the Order Paper and we plan, Mr.

Speaker, in February, to have an extended sitting and to sit on a Wednesday and, probably, a Thursday to start addressing those issues, Mr. Speaker. But for the next Parliamentary year coming, it will be a matter of serious consideration that we will have to sit for at least two days per week until we clear the Order Paper of these Motions.

The SPEAKER: Very well, thank you. Mr. Vaz.

Mr. VAZ: Mr. Speaker, I beg to give notice that at the next meeting of the House, I will move:

> Be it resolved that the Special Report of the Special Select Committee of the House of Representatives set up to consider and report on the Bills shortly entitled the Casino Gaming Act, 2009 and the Betting, Gaming and Lotteries (Amendment) Act, 2009, which was laid on the Table of the House on the 26th of January, 2010, be approved;

Mr. Speaker, I further beg to give notice that at a later stage, today, I will move for the suspension of Standing Orders to enable me to take the motion.

The SPEAKER: Thank you, Minister Vaz.

Minister Shaw.

Mr. SHAW: Thank you, Mr. Speaker.

I beg to give notice that at the next meeting of the House, I will move to introduce and have read a first time, A Bill entitled: "AN ACT to Amend the Industrial and Provident Societies Act.

Mrs. DALRYMPLE-PHILIBERT: Mr. Speaker, I beg to move to introduce and have read a first time a Bill shortly entitled: "AN ACT to Amend the Pentecostal Assemblies of the World of Jamaica Incorporation and Vesting Law.

The SPEAKER: Members, the Deputy Speaker has indicated the motion before, the question is that it be read a first time.

Motion put to the House and agreed to.

Bill shortly entitled:

The Pentecostal Assemblies of the World of Jamaica Incorporation and Vesting (Amendment) Law, 2010

now read a first time.

The SPEAKER: Minister Charles.

Mr. CHARLES: Mr. Speaker:

> Be It Resolved that the Report of the Joint Select Committee on the deliberations of the **Green Paper No. 4 of 2010** regarding proposals for the instructions of a flexible work week arrangement which was laid on the Table of the House on the 26th day of January, 2010, be approved.

QUESTIONS AND ANSWERS TO QUESTIONS

The SPEAKER: House Leader.

Mr. HOLNESS: Mr. Speaker, due to the nature of the proceedings today, I will ask your leave, Mr. Speaker, that we do not deal with the matters of questions as they fall on the Order Paper until our next sitting as was agreed between myself and…

The SPEAKER: Very well, thanks, House Leader.

Reverend Thwaites.

Rev. THWAITES: Mr. Speaker, at the expiration of the usual time, I beg to ask the Honourable Minister of Finance and the Public Service the following questions:

1. What are the levels of arrears owed to creditors by Government

owned or controlled entities at this time?

2. What are the consequences of such arrears to the country's fiscal deficit?
3. What is the plan to pay off these arrears and prevent recurrence?
4. How do these arrears impact on the Government's capacity to provide basic social services?

The SPEAKER: Thank you, Reverend Thwaites.

PRESENTATION OF BILLS WITHOUT LEAVE OF THE HOUSE FIRST OBTAINED

The SPEAKER: Minister Shaw.

Mr. SHAW: Thank you, Mr. Speaker. Mr. Speaker, I now move to introduce and have read a first time, a Bill shortly entitled the Financial Administration and Audit Act, 2010.

Bill shortly entitled:

The Financial Administration and Audit (Amendment) Act, 2010,

read a first time.

Mr. SHAW: Mr. Speaker, I beg to give notice of second reading of the Bill.

The SPEAKER: Thank you, Mr. Shaw.

Mr. SHAW: And I further beg to give notice that at a later stage, today, I will move for the suspension of the Standing Orders to enable me to take second reading of the Bill and to take it through all of its concluding stages.

PUBLIC BUSINESS

The SPEAKER: House Leader?

Mr. HOLNESS: Mr. Speaker, at Public Business, we will have the matter of the debate on the Government's economic policy and our arrangements with the International Monetary Fund. But before we do that, Mr. Speaker, I would like to move the suspension of Standing Orders to allow us to take first of all the matter, notice of which was given before by the Minister of Finance, the Amendment to the Financial Administration Act.

The SPEAKER: Members, the motion before you first is for the suspension of Standing Orders to allow the Minister of Finance to take the matter, notice of which he gave earlier.

Motion put to the House and agreed to.

Minister Shaw?

Mr. SHAW: Thank you very much, Mr. Speaker.

This matter has been tabled for some time in the House. The bill which is entitled "AN ACT to further Amend the Financial Administration and Audit Act" seeks to amend section 24(e) of the FAA Act to repeal those sections which were amended to facilitate an agreement for deferred financing arrangements to include a transitional provision to address any deferred financing facility arrangements that were outstanding.

The amendment seeks, Mr. Speaker, to satisfy a commitment that was given by me as Minister of Finance, to the Cabinet and to Parliament, not to utilize any further deferred financing arrangements and to fulfill conditions agreed to in financing agreements for debt reduction and growth enhancement between the Government of Jamaica and other international lending agencies. It's all part, Mr. Speaker, of fiscal responsibility framework which you will be hearing more about in this Honourable House.

Section 24(e) of the Act has been amended to remove the provision that allows for deferred financing but allows for the continued use of credit arrangements in government. There are, currently, two build, own and transfer arrangements for which outstanding payments are yet to be made according to the financing agreements. Principal payments for these two build, own and transfer arrangements will not become due until the fiscal year 2017/2018. Section 3 of the Bill is a transitional provision that has been included to address these arrangements.

I beg to move for its approval, Mr. Speaker.

The SPEAKER: The question is that the Bill be read a second time.

Motion put to the House and agreed to.

The SPEAKER: Go ahead.

Bill entitled:

"AN ACT to Amend the Financial Administration and Audit Act"

read a second time.

The SPEAKER: The House will now resolve itself into a Committee of the whole House to consider the Bill clause by clause.

COMMITTEE STAGE

The CHAIRMAN: Members, if you look at the Bill there is a deletion, an editorial typographical error, an editorial amendment. It should read, "AN ACT to Amend the Financial Administration and Audit Act" and also the second line of Clause 1, the Short Title, it should read the Financial Administration Audit (Amendment) Act. Remove No. 2. Okay.

Clauses 1, 2 and 3 put and agreed to.

The Title and Enacting Clause put and agreed to.

The question is that I do report the Bill as having passed Committee Stage without amendment.

Motion put to the Committee and agreed to.

RESUMPTION

The SPEAKER: I do report the Bill as having passed Committee Stage without amendment.

Mr. SHAW: Mr. Speaker, I beg to move for third reading of the Bill.

The SPEAKER: The question is that the Bill be read a third time

Motion put to the House and agreed to.

Bill entitled:

"AN ACT to Amend the Financial Administration and Audit Act"

read a third time and passed.

Mr. HOLNESS: Mr. Speaker, I move once more, Mr. Speaker, for the suspension of Standing Orders to allow the Minister without Portfolio in the Office of the Prime Minister with responsibility for Information to take the motion, notice of which he gave earlier.

The SPEAKER: The motion before the House is for the suspension of Standing Order to allow Minister Vaz to take the matter, notice of which he gave earlier.

Motion put to the House and agreed to.

The SPEAKER: Minister Vaz.

Mr. VAZ: Thank you, Mr. Speaker. Can I beg your permission to speak from a seat that is not…

The SPEAKER: Permission granted.

Mr. VAZ: Thank you so much.

Mr. Speaker, you will recall that this Honourable House had given the Committee set up, the Special Select Committee that was

considering the Bills shortly entitled the Casino Gaming and Lotteries (Amendment) Act, 2009, to the 26th of January to deliberate and finalize for the Report to be brought back to Parliament. Mr. Speaker, I would like to advise that as it stands now, we met today having finished with the Betting, Gaming and Lotteries Act and we are halfway through the Casino Gaming Act meaning halfway going through the Bill itself and, therefore, I would seek and ask if we could get a two week extension in order to be able to conclude it properly with proper deliberations and then have the Report sent back to Parliament soon thereafter?

The SPEAKER: Yes, Mr. Paulwell.

Mr. PAULWELL: Mr. Speaker, the Opposition has supported the Special report today and in fact has signed off on trying to achieve the completion of this matter within two weeks. But I just wish to alert the House that we are dealing with new frontiers. In fact, the second Bill that we are now dealing with is the more important of the two and that it might very well take a little bit more time. We are going to try to work within the two-week period. But I want to, also, bring to the attention of the House that what we have is a Special Committee of Parliament – of this House and not a Joint Select Committee of Parliament. So I want to caution the Government because there might be commitments made, but that in any event, this matter will have to go to the Senate and I suspect the same process that we are engaged in, in the House will have to be repeated in the Senate and the Government might be in jeopardy of any timeline that they have made commitments for.

The SPEAKER: Minister Vaz.

Mr. VAZ: Mr. Speaker, I take the Member's comments and after adjourning today we had actually said tomorrow which was already in motion for another meeting, and two days next week, one of which we will have almost the whole day as there is no other Committee meeting. So I take it in mind but I prefer to ask the House to give us the two weeks and, if necessary, to come back because of the urgency of it.

The SPEAKER: Well, the issue before the House, Members, as indicated by Minister Vaz for the extension of two weeks to allow this Report to be returned to the House.

Motion put to the House and agreed to.

The SPEAKER: Permission granted, Mr. Vaz.

Mr. VAZ: Thank you, Mr. Speaker.

Mr. HOLNESS: Mr. Speaker, we will now begin this most anticipated debate. And important, Mr. Speaker, we intend, Mr. Speaker, to finish the debate today. We want the debate, Mr. Speaker, to move expeditiously. There are many important points to be made and I'm sure the Opposition would want to use their time in the most efficient way possible. I can guarantee you, on this side, Mr. Speaker that we will do everything possible to ensure that the debate moves along seamlessly.

Mr. Speaker, we have had discussions between myself and the Leader of Opposition Business. We have an understanding and I'm looking forward, Mr. Speaker, to hearing a debate that will elevate the understanding of the issues that face us to the nation.

Mr. Speaker, the Opposition will field their first speaker.

The SPEAKER: I think before we call on the Opposition to start their response, Members, please, MR. CHARLES, MRS. ROBINSON, MR. WARMINGTON, please take your seat.

Members, I think I have said before and I will repeat, again, that you are on public television. When you engage in crosstalk or you participate in subcommittee meetings, the camera picks you up and it is seen, not only in Jamaica but across the world and especially, the crosstalk is shown repeatedly on television and the 15 seconds or 20 seconds in which you are shouting across the corridors is what is repeated regularly and gives a bad impression of what takes place in this House. It is not appropriate and I think we should try to control ourselves. No one is saying that we have to be at Sunday school but I think we go sometimes beyond the border of civility. So, this evening, please, we are asking the Members to contain themselves.

I understand that there is an understanding, but just to assist Members: we are not going to go beyond the allotted half-an-hour save and except for the Leader of the Opposition and the Prime Minister, if they so wish, all other Members will be kept within half-an-hour.

Opposition MEMBERS: No, no! What about the spokesperson on finance?

(Cross talk)

The SPEAKER: Well, the Opposition spokesman on Finance, we understand, but I will indicate to all other Members speaking; after twenty-five minutes you are going to hear a tap, which means that you have five minutes more, try and complete within half-an-hour.

But I would just like to remind Members, as one who has spoken in the chambers, the shorter you speak, the greater the opportunity of reporting from the Press.

Dr. Omar Davies.

(Applause)

Mr. CLARKE: Gordon Greenwich!

Dr. DAVIES: I'm a Viv man.

Thank you very much, Mr. Speaker.

Mr. Speaker, this debate represents one of the most significant in which I have been involved during my period in the House. The debate is not just about the proposed IMF Agreement, it is not just about the Debt Exchange programme, although this represents an historic, a significant and, indeed, a revolutionary step. The Agreement has enormous implications for (1) the fiscal accounts, (2) monetary policy, (3) the balance of payments and (4) the overall social and economic development of the country.

The discussion is taking place against the backdrop of the three (3) tax packages delivered at various points over an eight-month period. The call for the debate and, indeed, the beginning of the debate itself have elicited a great deal of and created a great deal of excitement and political point scoring. Whilst understanding the nature of our politics, this point scoring will not take us very far, as the enormous challenges which we face can only be overcome if there is some unity in the country and across the political divide.

Mr. Speaker, it is against this background that I lead off in terms of the Opposition's position. While seeking to provide Parliament and, indeed, the country with the clinical analysis of that which has been presented, our contributions will be constructive.

Mr. Speaker, I have tried on previous occasions, even proposed alternate ways of financing projects. I noted the TEF project in a certain constituency in St. James was featured greatly. I was hoping it was going to be spread – well, the Member from North East St. Ann isn't here, but I was hoping that it would have been spread a little bit more, it seems to have been privatized. But it represents one of the areas we have tried to put forward constructive suggestions. On other occasions, I have been rebuffed, personally attacked, most recently, in the debate on the Supplementary Estimates. However, the gravity of the situation demands that we put all this behind us and seek, as honestly and clinically as possible, to analyze why we are where we are now and how best we can move forward.

Mr. Speaker, in order for us to assess the possibility of the proposed programme being successful, we need to analyze what has happened and how did things deteriorate this quickly. I deliberately say deteriorate this quickly, as less than a year ago the Prime Minister himself, in addressing the possible need for IMF assistance, stated categorically, that he was of the view that such assistance was not needed. That not needed assessment quickly changed to the situation where we are; where the IMF assistance is the only game in town. Similarly, let us not forget that the Debt Exchange arrangement is not a new proposal; rather, much work had been completed when the Administration formally abandoned it, only to return to it when faced with the demand from the IMF for specific steps to be taken to address the debt servicing burden.

I raise these issues, Mr. Speaker, simply to speak to the need for the Parliament, indeed, for the country to be provided with thorough clinical analysis of what is being proposed in order to determine whether it is feasible. (Applause) Correct policy choices are not only desirable in and of themselves, but also indicate to creditors, domestic and foreign, that there is a recognition of the real state of affairs.

Mr. Speaker, we contend that it is this refusal or reluctance to acknowledge the reality at various points in our recent past which has contributed to an erosion of confidence. This erosion of confidence has been reflected in interest rates almost doubling within a year of this administration taking office, and hence pushing our Debt Servicing burden up. It has contributed to the NIR being reduced and it has contributed to significant slippages in the exchange rate. And so within the context of those issues, Mr. Speaker, I am now going to speak beginning with the matter of the fiscal accounts.

Mr. Speaker, if I may pause for a moment - and I have heard discussions as to what more information you have, you got the information last night. Contained in any one of the tables presented, Mr. Speaker, are ratios and indicators and targets which have significant implications for all aspects of the economy and the society. A number which says accumulation of arrears…and I shall return to it…zero, speaks to significant strictures under which not just the Ministry of Finance, but all ministries will operate. And we must speak to the issue of what do we do about the existing arrears. And my good friend from Clarendon South East could write the book about the existing arrears and what are the implications for the task he has been given. So when my young friend from West Rural speaks about

the fact that - and I heard him in an interview - you were overmatched or under-matched, overmatched, which is it, but you were fighting above your weight class. (Applause) Don't worry. He is a good young guy and we need to encourage more.

Mr. PICKERSGILL: Except for last week.

Dr. DAVIES: But when we look - and I appeal to the Prime Minister - it's imperative that all Members of the House, not just the Cabinet, all Members of the House - and on our side we are trying - understand the gravity of some of these numbers which are there. They are not just numbers which are put there to put together an IMF programme, but we are making commitments about the future of our country. And I want to get back to the realism of some of these comments.

Now let me go to the issue of the fiscal accounts. Mr. Speaker, in whatever way we structure the discussion, the critical element of this crisis remains the state of the fiscal accounts. There is more than an abundant evidence around that during this last fiscal - the present fiscal year the Administration has made some serious errors in estimating the range and gravity of the fiscal problems which we face. Mr. Speaker, I don't speak idly. Let me give you specific examples.

The Minister of Finance in his presentation last week - and he was kind enough to, or his staff, he was kind enough to send me a copy which I read...

(*Sotto voce* comment by Mr. Vaz)

Dr. DAVIES: Well, I have you. I didn't want to reveal that you are my source of all information, but since you pressing it, (Applause) I have you. Hold on, hold on. You want to ... I have unlimited time.

(*Sotto voce* comment by Mr. Vaz)

Dr. DAVIES: I am going to talk you know, but don't worry. So you sent me this? (Holding up document) Spokesman has an "s", not two esses. I refuse to be "spokeman". (Laughter)

Mr. HOLNESS: Just focus.

Dr. DAVIES: If you think Peter mauled you, don't test me. And you know I reprimanded, I called Peter and reprimanded him about how he treated you. I called him, ask him, and *sey* don't *dweet* again. Is *mi yute*.

Mr. Speaker, the Minister of Finance, in his presentation last week, informed us that revenues for the first seven months of the year, April through November - and I just want to be certain that I am correct - the revenues are approximately $19 Billion below projection, $19 Billion below projection. That shortfall of $19 Billion in revenues has to be aligned with the fact that in presenting the Supplementary Estimates, the Minister indicated that interest payments for the fiscal year were then estimated to be $l6 Billion above that which had been projected when he first presented the budget in April. It may be uncomfortable but he must pose to his technicians and he must answer to the Parliament and to the country how did this come about. How did that underestimate of such a significant proportion of the interest payments come about? Was it that there was genuine surprise or had assumptions been made about interest rates which were patently unrealistic? Whatever the answer, it is important that as we move forward, we do not set ourselves up for failure by making more unrealistic assumptions simply to meet the pre-conditionalities set by the IMF. (Applause)

Mr. Speaker, we refer glibly to having $2.4 Billion in this package, but if you look on page 16 of the document which has been circulated, it's…

(*Sotto voce* comment by Mr**.** Shaw)

Dr. DAVIES: Yes, 2.4 total. If you look on page 16 of the document which is circulated it gives you specific timelines for the disbursement in tranches of these sums. These sums are not going to be available the moment the Board signs off. We have to keep passing tests and, therefore, it is imperative, Mr. Speaker, it is imperative, and let me repeat, imperative that we do not set ourselves up for failure. It is one thing when we have a failure in terms of the projections that we made for interest payments and then we make an announcement of the additional amount, it is another thing when we set ourselves up in terms of the revenues and then we announce that it is different. But what we have, Mr. Speaker, is if you take the combination of the $19 Billion below projections in terms of revenue flows, and the $16 Billion in terms of the additional interest payments, there is a combination, Mr. Speaker, of $35 Billion the budget is off at November this year, in the first eight (8) months.

Mr. Speaker, we are at rock-bottom and, therefore, it is important that we do not seek to sugar-coat the state of affairs by making assumptions based on overly optimistic projections.

I give two other examples about the need for realism. On an annualized basis, Mr. Speaker, the three (3) tax packages which have been presented, if they are successful – and I say during any fiscal year – would represent between 3 ½ and 4 % of GDP. Is the level of fallout in revenues, as reported by the Minister, an indicator that there is little chance of realizing that target? We need to know, but I'll return to that matter in a moment.

At the same time, the Debt Exchange programme, when you get it down to basics, if it is totally successful – and I gather it is going to be – will also imply a transfer of approximately 3½% of GDP from private households and institutions to the Government. Most people don't appreciate it within that context, Mr. Speaker. It is the same as a tax package. These were sums which private households and institutions – I was going to say, were reasonably expected – were contracted to receive during the fiscal year, and they will not be receiving this. We'll get back to the issue of the voluntary nature. But if you take the additional tax package, the three (3) tax packages and you take the Debt Exchange programme, if both are – if all four (4) are successful, and we assume that this was the intention of the Government, then you are speaking about a transfer of over 7% of GDP from private households…

(Inaudible comment by Dr. Phillips)

Dr. DAVIES: Well, Seven Hundred, you are dealing with 21 – well, whatever the numbers are there in total, that is – you are dealing with about $80 Billion which is being transferred within this year, assuming that both are successful. The Debt Exchange is what, $40 Billion you say?

Mr. SHAW: (Nods), yes.

Dr. DAVIES: All right, you better go back and recalibrate. He's getting nervous immediately, never saw it that way. You are talking about two significant transfers.

Mr. Speaker, Mr. Speaker, to get back to the arithmetic, is this feasible? If not, before

we enter into a binding agreement with the IMF based on these assumptions, let's recalibrate.

Dr. PHILLIPS: Yes.

Dr. DAVIES: Let's recalibrate.

(Applause by Opposition Members)

The fiscal programme is also predicated on very strong assumptions on the movement of inflation in the fiscal year 2010/2011, as well as in the medium term. Section 3.6 of the document speaks to inflation trending down to the 6% to 7% range over the medium term.

Mr. Speaker, what we have is a number. What are the assumptions which underpin such an inflation outcome? Has work been done in terms of the impact of the increases of taxes on gasolene? What are the assumptions about the price of oil in the world market - it's double one. One is, have we tracked through what are the implications in terms of the *ad valorem* tax on gasolene, have we tracked them? But beyond that, underline that, what are the assumptions being made in terms of the price of oil on the world market? Because, unlike previous situations - and I am not suggesting that the *ad valorem* tax is a bad thing. As a matter of fact, there are many over there who contributed to making it a bad thing 10 years ago, and I wondered whether we would have (Laughter/Applause) been different. But we haven't taken that stance. But you are dealing both with an unknown, which is what will be the price of gas on the world market, an unknown, that whatever it is, the treasury will benefit. And within that context, it would be good if we could hear from the Administration what are the assumptions it has made in terms of the world oil prices. And I'll return to that.

Another question which we wish to pose relates to the accumulation of arrears by Central Government? Table 2, on page 16 of the document speaks to this: ***"The Agreement is for no further arrears to be accumulated." "The agreement is for no further increases to be accumulated."***

Dr. PHILLIPS: Page what?

Dr. DAVIES: It is page 16, Table 2. But my young friend said there are only two tables, Peter, so you should study it.

(Laughter)

It says: -

> "That Central Government's accumulation of domestic arrears, zero, zero, zero, zero!"

So it says you can't accumulate no more, from now on you are clearing all your obligations, but two questions arise. What is the present level of arrears? Can we know that? My friend from St. Andrew North Central has long felt that Government should put that explicitly on the table, he used to feel that way. I don't know if he is still - (Laughter) well, asserts that real accounting should take place. So can you tell me what is the present level of arrears? (Laughter) Oh, it is the job. He doesn't want to see any more bills. So, the question is, what is the present level of arrears and over what period, over what period will this be cleared?

The same question - and I just realize that there are others who are interested in this. The Member from Central Kingston has just tabled as a set of questions. But I am hoping I'll get it answered earlier. Ronnie. Yours won't answer 'til about June the way how we going, (Laughter) if you lucky.

Okay. So what is the present level of

arrears and over what period will this be cleared? The same question applies to arrears in the refund of taxes deducted at source. This takes on even greater significance for pension funds. And, Mr. Minister, I want you to hear me in this. I don't know, I don't know whether enough thought had been given to this matter or thought is going to be given to this matter, but some of the pension funds are going to be hurting. And in face of the debt exchange, they will be seeing significant cuts, pensioners who are in such arrangement could see significant cuts in the benefits which they will receive. And I will speak - other Members on our team will be speaking to some of the implications of the debt exchange. But when will the arrears in terms of tax deducted at source, when will these be cleared?

The final question concerns the advances made to the Ministry of Finance by the BOJ. This is not a matter which the Opposition would allow to be swept under the carpet. Call me irresponsible, call me unpatriotic, call me susbversive, but the question is, what is the present level of these advances and is there an agreed timetable for repayment?

I am not going to spend much time on it today, Mr. Speaker, but I promise you, we're watching very closely that issue of the extent to which the Central Bank is used to finance Central Government expenditure. We can understand this in times, in special needs, in special times of crisis, but there is a danger that bad habits become engraved and become the norm and so I can promise you, that we will be returning to that.

Mr. Speaker, I pose all these questions about the fiscal accounts, not in any attempt to undermine the programme but to ensure that given the critical need to restore confidence in fiscal management that these questions have been explored, and also to ensure that the assumptions are not all made on the basis that anything which will happen will be in our favour, and that's one of the dangers we run, that the programme could be built on the expectation that anything good which will happen will happen.

Let me now turn, Mr. Speaker, to the flavour of the day, the Jamaica Debt Exchange. Let me begin by indicating that the Opposition hopes that the debt exchange will be successful. In the national interest, (Applause by Opposition) in the national interest, there is need to reduce the percentage of the budget allocated to the servicing of debt, particularly the payment of interest. But our wish for success must be within the context of our placing on record and posing certain questions for response by the Administration.

Furthermore, it must be made abundantly clear that there are downside implications for the actions which have been taken. The Leader of the Opposition and the Member of Parliament from Central Manchester will also be speaking about aspects of the debt exchange. In my presentation, I will focus on the fiscal implications.

Mr. Speaker, it should be clearly understood by all that although the debt exchange has been dubbed 'voluntary', it represents a disruption of a procedure whereby interest rates were determined by the interaction of demand and supply. That's a reality, regardless of how you cut it, that's a reality. Hence, even as much as there is an implicit national support for the attempts to bring interest rates down, the administration should realize that the unilateral reduction of

earnings from interest will have negative repercussions from many individuals and institutions.

Furthermore, it has represented particularly for those who committed themselves, their savings for the long-term, a punishment for demonstration of confidence in the future of the country. And there is a very sober - it was an advertisement, well it came from the Jamaican, members of the Caribbean Actuarial Society, which spoke to that issue that the fact that, they who had committed long-term, purchasing long-term Jamaica bonds were the ones who were going to - and had built these flows into their projections, particularly for pension funds, they would now have to totally recalibrate and so in a sense, they are being punished for their faith in the country.

The Debt Exchange programme also represents a clear separation in terms of the treatment of those who invested in GOJ Jamaica Bonds and those who invested in the bonds sold in the International Capital Markets.

Given our efforts over the past 19 years to develop a totally open and liberalized foreign exchange market, this differentiation will undermine the confidence which has been carefully nurtured in the domestic capital market, particularly in terms of transparency. As such, an investor who chose to invest in GOJ bonds long term, but chose Jamaican currency is worse off than his colleague who chose to buy GOJ US Dollar Bonds issued externally.

I would argue that this differential treatment - and I would like you to consider this - is going to come back to haunt us in terms of future domestic issues from the GOJ. From the fiscal point of view the question of concern is what happens in round two? You may ask, what is round two, and I'll explain. But before I go there, Mr. Speaker, it is important to first note that the document provided to us gives no fiscal targets for the Central Government for fiscal year 2010/2011. It gives no fiscal targets for the Central Government; it gives for the overall public sector. But while it doesn't give targets specific numbers, what is clear, is that there will be a significant deficit.

And now, I get to the issue of round two. As long as there is a fiscal deficit, there will be need for the Ministry of Finance to go back to the market. We all hope it would be later rather than sooner, but definitely during fiscal year 2010/2011.

The question which arises, Mr. Speaker, at what interest rate will the Ministry of Finance seek to borrow? You see, even as we focus on the debt exchange - and there are lots of questions - there is life hopefully not death, after the debt exchange round two.

Clearly, Mr. Speaker, there can only be consistency with the debt exchange if the interest rate on any offering in the medium-term is at the same level or lower than that offered by the debt exchange. We will lose all of the gains of the debt exchange if in round two you find your interest rate going back up.

What happens, Mr. Prime Minister and Mr. Minister, if the market, for whatever reason, is unwilling to purchase bonds at that level below the present debt exchange level? The enforced volunteerism won't work twice. It won't work twice. It has worked once, it won't work twice and every little…

(Sotto voce remarks by some Members)

Dr. DAVIES: Enforce, yes. I volunteer you. This challenge could arise for a host of reasons including higher than projected inflation or exchange rate fundamentals not performing as per projection. And in that regard, Mr. Speaker, page nine of the document - and I think it's important to quote from the document - page nine under new bonds, I quote:

> "The lower interest rate coupons will still provide investors positive real rates of return based on improved prospects for underlying inflation and exchange rate fundamentals".

That's what it says.

The SPEAKER: (Gavels**)** The Member's time for speaking has expired.

Government MEMBERS: No more.

Mr. GALLIMORE: Mr. Speaker, I move that the Speaker's time be extended by 15 minutes to allow him to complete his presentation.

The SPEAKER: The motion before the House is for the extension of the Member's time by 15 minutes to allow him to complete his presentation.

Put to the House and agreed to.

The SPEAKER: Dr. Davies.

Mr. VAZ: Get to the point.

Dr. DAVIES: I hope you are taking notes, you know, I am not giving you the speech.

Thank you very much, Mr. Speaker, thank you very much.

Let me repeat the quote, Mr. Speaker, it says: "The lower interest rate coupons will still provide investors positive real rates of returns". Mr. Speaker, the interest rate which will be on the bonds is more or less 12%, after tax it's 9%. Inflation is projected for the fiscal year of over 12%. So, even as we speak, that which is contained in this document is already wrong. Persons are in a sense, it would be cynical, it's better for you to consume now rather than to put aside, but you don't have the option because the resource have been volunteered away from you. But even as we speak, and I am raising it not about the present debt exchange now but about round two, because it is critical for us to understand the implication that as long as there is a significant deficit, the Ministry of Finance will have to go back, and in that situation you won't be able to say you must purchase these bonds at this interest rate. At present because you hold the handle you are able to say come in. But in the next round there are options and we all know what these options are. Mr. Speaker, these questions simply reemphasize the need for the targets set in the Agreement being realistic and us being able to achieve them.

I now turn to the proposed Financial Sector Support Fund, the FSSF, which will be funded to the tune of US$l Billion. And I have checked and I would like the Minister to confirm that this $1 Billion for the FSSF will be coming from…

(*Sotto voce* remarks by Mr. Pickersgill)

Dr. DAVIES: Yes, I am worried about that… will be coming from the total $2.4 Bi1lion which is being provided. The $1 Billion for the fund will be subtracted from the $2.4 Billion, it's not new money.

Mr. WARMINGTON: Don't answer him.

Mr. PICKERSGILL: You name advisor now?

Dr. DAVIES: I read it somewhere that it is taken from the same fund. Mr. Speaker, my

first question is, why such a big allocation? Is this only to be doubly safe or is there reason to anticipate that the need for the support would be that great? And again as we are checking, I want to know what is the source of the funds? I can't get any clarification.

Mr. WARMINGTON: Not now.

Dr. DAVIES: You knew the answer or you are asking the question. Presumably it is from the other multilaterals other than the IMF. Mr. Speaker, if the $1 Billion is being put aside from the $2.4 Billion, this reduces the amount available for addressing the Ministry of Finance's fiscal needs thus bringing round two closer. There is need for clear answers to these questions, obviously not readily available. Either I am missing something or the arrangement is much more complex than it would appear at first blush. There is, also, need to explore what would happen if an entity has need for the special support from the FSSF.

What is the rationale for the six-month deadline after which there will be an imposition of "punitive interest rates"? Mr. Speaker, allow me here, it seems unjust for an institution which has been going along merrily, investing in Government paper, taking the Government at his word, no instability, but this instability has been not deliberately but has been undermined by their subscribing voluntarily to the JDX and so they have got themselves into some problems. After problems come about and then the FSSF offers them money for six months and then at the end of six months you are going to be faced with punitive interest rates. Suppen don't sound right.! Suppen don't sound right! I am going along with my business, I have bought bonds, I have made projections about flows, these projections have been totally disrupted not because I have done anything wrong. I then say to the FSSF, I need some cash and I want to help to straighten myself out, six months passed and I can't straighten myself out and then you say you are going to face punitive interest rates, something is wrong. What happens if the institution has not recovered during that six-month period? Mr. Speaker, the last thing we need is for a successful JDX which leads to failing financial institutions.

MONETARY POLICY

Mr. Speaker, I now turn to monetary policy. As has been indicated before, the success of the JDX is dependent on interest rates remaining at or below the levels which have been set *via* the exchange. That is the reason I posed the question about round two. Clearly, the extent of external support could play a role if there is enough to satisfy the Ministry of Finance's needs in terms of financing the deficit, if the amount of money we are getting from the multilaterals is enough to fund the deficit. But the deficit which I see projected for the overall public sector and the deficit which is therefore implied for central government tells me that there is not enough money coming from the multilaterals. So take that as given, which means that somehow sooner or later the Ministry of Finance has to come back to the domestic market.

In terms of the interaction between monetary and foreign exchange policy, the document at section (c) (29) indicates that:

> "the BOJ will allow the exchange rate to move freely while using its

> instruments to ensure stability in credit and foreign exchange market in the short and medium term".

The BOJ is given that. Now what precisely does that mean? Does this mean that if there is instability in either market the BOJ will be allowed to raise interest rates? Does it mean this? Will the BOJ have the freedom to raise interest rates or will it be impotent in the face of instability in the foreign exchange market?

Incidentally, and just to note, paragraph two of the Appendix commends the BOJ for actions it took in 2008 to stabilize the financial markets, including using interest rates. I just note that.

What if the market players signal that the interest rate needed to ensure stability exceeds that which has been imposed by the JDX? Section (c) (28) also states that:

> "monetary policy will focus on reducing inflation and supporting the operations of the domestic financial system".

And again we need to know what freedom or will the BOJ be free to utilize one of the tools it has, that of interest rates, in pursuit of inflation reduction? These are questions, Mr. Speaker, which need to be answered, not tomorrow, not with the new fiscal year, but now. (Applause)

BALANCE OF PAYMENTS

I turn, now, Mr. Speaker to the balance of payments. The document projects significant improvement in the balance of payments over the medium term and target figures are presented. Question to be posed. What are the medium-term forecasts being used for oil prices especially in the context of the assumption of recovery in the global economy? The document speaks to an assumption of a recovery in the global economy which will be of benefit to us. Unfortunately, recovery in the global economy, what goes with it is oil prices. As the recovery has started oil prices in the last year have doubled and now stands between $75 and $80 per barrel and there are likely to be further increases as the global economy further recovers. What are the downside risks in terms of the projections contained in the programme? What's the sensitivity analysis done - we have done there, and as I made reference before to the impact of oil, the *ad valorem* tax and what impact will be on inflation?

Mr. Speaker, we note with some concern that the NIR is projected to dip to around $1 Billion dollars during or at the end of fiscal year 2010/2011. That's one thing, try as they may, don't think they can blame that on me, 2.4 was the count when I left there in September. (Applause) But apart from that, Mr. Speaker, this is of concern because it clearly reduces the ability of the BOJ to intervene if there is instability in the foreign exchange market, and this was one of the powerful tools about the NIR, that it provided the Bank of Jamaica with the capability, not just to threaten, not just the coerce but to say, okay, if you wish, we can provide the foreign exchange you need. And if the truth be told, Mr. Speaker, that part of the reason for the relative stability in the foreign exchange market is that the BOJ has taken the public sector entities, including Petrojam, out of the market. Because if Petrojam, with its need for lumpy purchases, were to be in the market you would have had instability, but because of the NIR, which it then had at its disposal, it has

been able to take the Public Sector entities out of the market, thus ensuring greater stability. What happens when you get to a stage of $1 Billion? Because the NIR, it's not something you can keep secret. Everybody knows what the NIR is and suddenly the speculators will say, but you are not as strong as you used to, let us rumble, come we try it. Before the BOJ could say to you, you want to rumble here is money into the market, when as projected - this is not my number, this is not speculation, this part of the programme - the projection is that NIR will fall to a Billion Dollars at the end of fiscal year 2010/2011.

Mr. Speaker, we also note the attempt to introduce, as a variable, the gross foreign reserves. Naturally, Mr. Speaker, gross foreign reserve has a meaning, but let us not try to bring this in. The gross reserve simply represents money borrowed by the BOJ from the IMF. It can be used for cashflow purposes but in the final analysis those reserves, those gross reserves, unlike the NIR, must be repaid to the IMF by the BOJ.

Mr. Speaker, nowhere in the document are there any specifics in terms of the impact of this Agreement and the associated conditionalities on the economy and, by extension, on the society. As I have indicated before the combination of the tax package and the debt exchange, if both are successful, will imply transfers of approximately 7% of GDP from private households and companies to the State.

Within this context there'll be reduced purchasing power, which will bring into question the hope for return to economic growth during fiscal year 2010/2011.

In other words, Mr. Speaker, the revenue fall-off has not resulted because the Minister hasn't made lots of speeches, it has not resulted because the technicians are less than eager, it has resulted because there is just contraction in the economy and people just have less money to spend, that's a reality. There is not unlimited funds out there on the fixed income persons, this is a reality.

(Applause)

So the question, Mr. Speaker, what would be the basis of an expectation of a renewed growth in the economy with contraction in expenditure? All groups, particularly the fixed income and pensioners, are faced with severe pressures in terms of even meeting basic normal expenditure required…

Miss HANNA: Hear, hear!

Dr. DAVIES: …transportation - I don't say gasoline, I say bus fares, transportation and bus fares are going to increase by 40%, food. So within that context, persons are going to be…

Mrs. NEITA-HEADLEY: Electricity.

Dr. DAVIES: And electricity. People are going to be simply focusing on the basic necessities and within that context it is not surprising that the Minister's projections for revenue inflows have been wide off the mark and will continue to be wide off the mark.

Mr. Speaker, the additional point I wish to make - and I want to say to those particularly in the social sectors - I note and commend the increase for the PATH Programme, but there are hundreds of thousands...

Mrs. NEITA-HEADLEY: Hear, hear!

Dr. DAVIES: ...who are not on PATH, who are facing real problems.

(Applause)

Miss HANNA: Hear, hear!

The SPEAKER: (Gavels) The Member's time for speaking has expired.

House Leader.

Mr. WARMINGTON: No, no, no!

Mr. HOLNESS: Mr. Speaker, we want to hear what the Member has to say. He has agreed to five (5) minutes…

Mrs. NEITA-HEADLEY: Ten!

Mr. HOLNESS: …and the necessary adjustments will be made along the speaking order. I beg, therefore, Mr. Speaker, move to extend the Member's time for speaking as required, five (5) minutes.

(Heckling/Cross talks)

The SPEAKER: The motion before the House is for the Member's time to be extended by five (5) minutes to allow him to complete his presentation.

Put to the House and agreed to.

The SPEAKER: Member Davies.

Dr. DAVIES: Mr. Speaker, let me return to a point and all of us as Members of Parliament - I'm speaking to you, Minister of Education, I've called you about one programme, but I can tell you that there are schools which have abandoned their Feeding Programme, because if you don't send the money to cook the food or buy the food - these are basic things, these are things which matter.

Mr. HOLNESS: And that's incomplete.

Dr. DAVIES: Okay, I'll talk to you off the air, okay.

(Inaudible comments by Mr. Holness)

Dr. DAVIES: Yes, but I've spoken to you on another programme.

(Inaudible comments/heckling)

Dr. DAVIES: I'm just telling you that, as a Member of Parliament, I am seeing some real needs which we need to respond to.

Mr. Speaker, in closing I return to where I started. There is total acceptance throughout the society of the fact that the country is in deep crisis. The methods chosen to overcome the challenges will require national unity, hence there is no room for narrow partisan point scoring ... (Applause) ... there has to be - we have to create a national sense of trust and unity of purpose. However, above and beyond the economic programme which we have been asked to support, it must be credible in terms of the targets which are established as well as the approaches towards attaining these targets. Recent experience, but particularly during the present fiscal year, has greatly undermined the basis for confidence in the targets established - and I gave the specific example, I don't speak lightly - as well as our ability to achieve them. It's not only that the targets have been outlandish, but can we achieve them?

Furthermore, Mr. Speaker, no society - the society needs to settle down but no society can settle down and emerge from a crisis of this proportion, when those in charge, through their own actions and utterances, contribute to this sense of instability. (Applause) It is an abnormal situation, Mr. Speaker, to have had three tax packages within the space of eight (8) months. (Applause) A sense of crisis is conveyed when we replaced two key technocrats, the BOJ Governor and the Financial Secretary within the space of a few weeks.

The Opposition has sought to continue on its path of responsibility. We have made no attempt to exploit for short-term benefit, deficiencies of the programme - and there have been many. However, at the risk of being characterize as subversive and unpatriotic, we view it as our obligation and duty to identify, as we have done in the past, the challenges we foresee. (Applause)

Furthermore, Mr. Speaker, it's our obligation and duty to the Jamaican people, to point to technical deficiencies in the programme as it is all of us, but particularly those with very few or no options, who will suffer the consequences of failure. The Parliament needs far more information from the Administration in order to clinically analyze the realism of the assumptions and the commitments being made in this proposed Agreement with the International Monetary Fund. (Applause)

A MEMBER: Hear, hear!

Dr. DAVIES: We can only hope that this information is available and the areas of deficiency to which we have alluded have been thoroughly analyzed by those who advise the Political Directorate.

Some of the questions which I have posed, Mr. Speaker, I'm certainly hoping that these have been analyzed – I mean I asked one in terms of the funding for the FSSF and we need to clarify that immediately – if that One Billion is from the Two point Four Billion, then it changes the whole picture totally and we need to be clear on that.

Mr. SHAW: Four Hundred Million.

Dr. DAVIES: This says a Billion.

Mr. SHAW: Bad wording.

Mr. PICKERSGILL: Bad wording?

Mr. BUCHANAN: Bad wording, yuh really sey dat? (Heckling/Cross talks)

Dr. DAVIES: Mr. Speaker, we repeat, the Opposition recognizes that there is indeed a national crisis which demands the response of a united nation. (Applause)

Mr. PICKERSGILL: Hear, hear!

Dr. DAVIES: We're not discovering it, you know, Mr. Speaker, we spoke to this crisis a long time ago and repeated it and repeated it. By our actions we have demonstrated a willingness to work in the national interest, but too often we have been rebuffed. (Applause)

Mr. PICKERSGILL: Yes.

Dr. DAVIES: Mr**.** Speaker, we look, this time, to a meaningful… (Cross talk/heckling)

MEMBERS: Oh!

(Inaudible comments by Members)

Dr. DAVIES: I know you don't remember some of your actions.

Mr. Speaker, we look to a positive response to the issues which I have posed and my colleagues will pose, we look for a positive response from the Administration, but remember, Mr. Speaker, one hand can't clap.

Thank you, Mr. Speaker. (Applause)

The SPEAKER: Thank you, Dr. Davies.

Minister Samuda.

MR. SAMUDA: Thank you, Mr. Speaker.

You know, Mr. Speaker, as I look across to my colleague, I am constrained by time this afternoon…

A MEMBER: Yes!

Mr. SAMUDA: …and as I look across at my colleague from Central Clarendon, I'm reminded of the resolution that is contemplated by the Member from Central Westmoreland, in ensuring that those who have been in the House for over 25 years consecutively, and have passed the age of 65, should speak for a period sufficient to allow them to complete their presentation.

(Laughter/cross talks)

Dr. DAVIES: That is geriatric cause?

(Laughter)

Mr. SAMUDA: But as someone who is known for brevity in this House ...

Mr. PICKERSGILL: What?

Mr. SAMUDA: Brevity.

(Laughter/Cross talks)

Mr. Speaker, I could not start my short presentation without expressing personally, my profound regret and condolences as well as that of the Ministry that I have the honour to lead, on the terrible incidence that occurred in Haiti and the tremendous devastation that took place there. Mr. Speaker, it was only in August 2009, when the Ministry was so pleased to receive a high-level delegation from Haiti under the CSME. And we deliberated on a number of things, more particularly with JAMPRO, the Trade Board, Bureau of Standards and the Intellectual Property as they sought to establish a framework within which they could operate to deal with the challenges that face them and the economic difficulties that they were experiencing. In fact, that was followed up by a JAMPRO-led Trade Mission to Haiti in early December. So it was very sad particularly to us, to learn of the tremendous disaster that took place in Haiti.

Mr. Speaker, as we debate this very, very important subject, what I think we must be mindful of is that Jamaica is unquestionably going through some extremely challenging times, difficult times and they will be that way for some time to come. But there is a great sense of hope in the future, both in the short, medium and long term, if we adopt the right policies and we engage in the practices that will bring positive results. But whatever we do they must be measurable objectives. They can't just be taken as generalities, we must identify those specific areas that we can do something about and seek to achieve the results desired.

But we are not heartened at all, by the recent pronouncement by the President of the IMF, who signalled that there could well be, what he terms, a double dip in 2010, in terms of continued recession. And it comes against the background of encouraging hope - encouraging sounds coming out of the Far East, particularly China, India and out of United States as well, so we have to be mindful of that…

Mr. PICKERSGILL: Yes, make note.

Mr. SAMUDA: ...so that we operate with a sense of cautious optimism, cautious optimism.

Mr. PICKERSGILL: And don't make the same mistake, you've arrived, make note.

Dr. DAVIES: Don't make the same mistake.

Mr. SAMUDA: I join with the Opposition Spokesman on Finance, when he indicated the extent to which we must work together. Mr. Speaker, the attitude that we must adopt must be, one largely of a nonpartisan, cooperative, collaborative, oneness of purpose and generosity of spirit.

Mr. PICKERSGILL: Hi, hi, hi!

Mr. SAMUDA: If we adopt that approach, then we have a much better chance of being successful.

Dr. DAVIES: Oh what a difference of weakness.

Mr. PICKERSGILL: Oh what a difference.

Mr. SAMUDA: What a difference a ministry makes!

(Laughter/heckling/applause)

Mr. Speaker, we have indeed suffered severely over the last year in terms of specific things. The Minister of Finance, the Prime Minister and others will speak of matters as did the Opposition Spokesman on finance - specific financial matters. I speak from a standpoint of trade and it was many years ago

when every year I would stand up and speak feelingly about our balance of trade – visible trade - and the deterioration in our visible trade that resulted in an imbalance and a deterioration of our current account. I am not well known for that already.

Mr. PICKERSGILL: Your favourite topic.

Mr. SAMUDA: My favourite topic. I got known as 'The Mr. Balance of Trade'...

Mr. PICKERSGILL: Yeah, yeah, yeah!

Mr. SAMUDA: …'Balance of Payments'…

Mr. SHAW: Current Accounts.

Mr. SAMUDA: ...so I'm Current Account Deficit and all those things, we are not going there today.

Sufficient to say, however, that the Opposition Spokesman on Finance made mention of the lack of revenues, because there is simply not enough activity in our economy. That is an undeniable fact. There is no magic in that. If you lose, in terms of your exports for the period January to September, US$1.2 Billion fall out and when you consider that we might have made up some of it in our imports - reduction of imports, the fact really remains that when you take that kind of economic activity out of the economy, you are going to have a stress on the inflows of revenue. No question.

Mr. D. PEART: So why you never tell wi that all de while?

A MEMBER: Congo worm, keep quiet!

Mr. SAMUDA: Now, we have had a downturn, in terms of our imports of 45 per cent, which is a step in the right direction, if on the other hand, you can expand your exports.

(*Sotto voce* comments)

Mr. SAMUDA: …US$3 Billion, over the last - from January to September. Now, primarily, the oil price reduction is 63 per cent of the total reduction, so you are right, oil prices. But you know, I must point out that underlying this downturn, is something that we must not lose sight of. And you know, I crave your indulgence, Mr. Speaker, to breach the Standing Orders for one minute but Omar... (Laughter)

... when you referred to your young friend who was out-classed, I was reminded of a television interview where the Member from Central Kingston was the chairman, the moderator, and you were with our young and brilliant Minister of Agriculture, and you made a statement and it went like this, at a point that he responded to, you said; *'In the unlikely event that you should ever have responsibility at this 1evel'*. You were then speaking of perhaps, the finest mind and the greatest Minister of Agriculture to be in Jamaica for the last 10 years.

(Laughter/Applause)

Dr. DAVIES: How much you pay for that?

Mr. SAMUDA: So, make no mistake about that. And I am now going to demonstrate, in language that I am sure you will appreciate, that in...

Dr. HARRIS: Stick to the substance.

A MEMBER: Squeaky, keep quiet!

Mr. SAMUDA: I am sure that the House heard something.

(*Sotto voce* comment/Laughter)

But I am also sure that the House did not understand what they heard.

Mr. VAZ: Unintelligible! (Laughter)

Mr. SAMUDA: Mr. Speaker, I just want to illustrate the point by pointing out that since January to September, January to September, Jamaica imported in the category of food, an amount lower than that which we did in 2006.

A MEMBER: They can't afford it.

Mr. SAMUDA: That…that…hold on. There is no food shortage in this country. That is as a result…

Mr. SHAW: Increased domestic agriculture.

Mr. SAMUDA: …of domestic agriculture being increased exponentially.

(Applause)

Not only…not only…

Mr. CLARKE: They can't buy it.

Mr. SAMUDA: Mr. Speaker, not only…not only, Mr. Speaker…

A MEMBER: Even Roger a plant more.

Mr. SAMUDA: Mr. Speaker, not only did we import less…

(Heckling)

You know, Mr. Speaker, quite apart from my seniority in the House…

(Laughter)

…I never interrupted this speaker once, and I am asking for like treatment. To illustrate the point, Mr. Speaker, the figures for the year January to December, the average price movement in bananas '09 – to the end of '09, was down 17 ½ per cent.

Mr. CLARKE: You mean you don't export any, you don't import any?

(Laughter)

Mr. SAMUDA: Cabbage…When you were Minister of Agriculture you couldn't get any to buy locally, you had to import everything. Cabbage is down 34 per cent – I am talking about the price because of the production output. Carrots, down three per cent; eggs down six per cent; plantain – ripe plantains down seven per cent…

Mr. D. PEART: No demand.

Mr. SAMUDA: …and tomatoes down 15 per cent. Now, tell me who is performing in agriculture in Jamaica, you or us?

(Cross talk)

Mr. Speaker… No, those are the prices. There has been a reduction in the price of agricultural products at a rate over the last year, not seen in the last ten (10) years.

Mr. PICKERSGILL: There is a recession not seen in the last 20 years.

A MEMBER: The supply has gone up.

Mr. SAMUDA: When you understand…

(Heckling)

Mr. Speaker, they are taking my time. When you understand the laws of demand and supply you will understand…

(*Sotto voce* comments/Laughter)

…you will understand why the prices have gone down, production has increased.

Mr. BUNTING: There is no demand.

Mr. SAMUDA: But if it's fashionable to make noise at facts, be my guest, be my guest.

Mr. Speaker, this country has been so preoccupied with our dependence on mining, and the services sector that we completely took our eyes off the other two very important sectors, agriculture and manufacturing. We seem not to have learnt the lesson taught to us in the '70s when we had to impose the bauxite levy, nor in the '80s when the entire foreign exchange earnings fell out, but now we are faced with that situation. So, all that we can depend on is the tourism sector because the manufacturing sector was devastated.

Perhaps that is the reason why the former Minister of Industry made the statement in this Honourable House, MRS. ASSAMBA, when she

said of factories and factory space, *that if you give it to them for nothing they don't want it.* You remember that, Minister? If you give it to them for nothing they don't want it, because there was no incentive. Because when I asked the question over here; why are we allowing the manufacturing sector to be so decimated and shifting from Jamaica to other destinations in the Caribbean, the answer came back from the Minister then, of Finance: *Mining, services and remittances will take care of the fallout.* Today, what do we have? Mining is gone; remittances are down, and all that we have to depend on now is through the work of the Minister of Tourism. Tourism is what is holding up.

(Applause)

Mr. Speaker, what that did was, it shifted the emphasis from productive enterprise to persons engaged in paper trade, margin gatherers, persons more preoccupied with making a profit without doing anything and taking no risk, than investing in production.

(*Sotto voce* comments)

Mr. Speaker, this level of imbalance was because it was so profitable to go that route. Why go and engage in the employment of labour where you had to run so much risk? The kind of get-rich-quick mentality was the one that became dominant. Everybody wanted to get rich overnight. Perhaps that is one of the alleged statements made by the Minister (sic) Member of Central Kingston that I am told he said that he has come to drink milk not to milk cow.

MEMBERS: Count cow.

Mr. SAMUDA: Or count cow. Now, I don't know the context but it is apt.

A MEMBER: What he mean by that?

Mr. SAMUDA: I am not sure what he meant. He probably, today, will explain it. But it is this idea of not having to work to make a profit and be successful.

A MEMBER: Okay.

Mr. SAMUDA: But, in addition to that, what happens to us is that we lost the entrepreneurial spirit. It died when; especially in the mid '90s so many entrepreneurs were badly bitten. And so, it is our task today to reinvigorate the entrepreneurial class of this country, to give them the confidence to invest, to take risk, because if you don't - if you are not prepared to work and take risk to earn a profit, if that is not what is the prevailing feeling within our entrepreneurial class, we are not going to make it. So; it is our job to encourage them.

Mr. Speaker, in short, we need not just one leg on which to stand but we need four solid legs: the service industry, manufacturing industry, agriculture, including agro industry and the mining industry. Now, what does this all mean for the business community and specifically the areas for which I am responsible.

The recovery will depend on six (6) fundamental factors, macro factors. We have heard a lot of them, low interest rate – because interest rate is like handicapping a racehorse. It carries a burden that is designed to keep him slow and give the rest a chance so you don't have the opportunity of seeing the best of the best: low inflation, sustained stability of our currency, consistency of our currency, the reduced bureaucracy that we have all been fighting for so long, because time is money, establish a level playing field so that everybody gets the same deal. There must be

no preference and as far as my Ministry is concerned, that is a philosophy that we preach. No preferential treatment regardless of what the circumstances are, and improved access to capital.

Areas of specific focus, Mr. Speaker, as the Member has asked, what are we doing about it? When we came to office we found that Factories Corporation of Jamaica which took over the factories that were built by IDC primarily was engaged in renting factory space to businesses. What we have sought to do - it was never intended to be that. It was intended to be a developer of facilities to facilitate production. So, what we did was we made the decision that we would sell, divest ourselves of these factories and we would take those proceeds and build new ones on lands that we own. In that way we would be able to multiply the effect of providing facilities to accommodate manufacturing.

We also, Mr. Speaker, can report that, so far in our effort, we have sold $43 Million worth of properties, but we still own - we have 14 sales that are valued at $572 Million that is going through at the moment and we still own $4 Billion of real estate that we intend to dispose of. And the objective of this is to shift the emphasis or the shared burden of these spaces from being warehouses to being factories where people go to work and create jobs. That is the emphasis in our Ministry.

MEMBERS: Hear, hear!

Mr. SAMUDA: Unfortunately at the moment, only 50 per cent is occupied by manufacturing, 34 per cent occupied by warehousing. What we plan to do is, we plan to make ratio 75 per cent to 25 per cent in the short term.

Mr. Speaker, we also have at the moment, demand for - immediate demand for 200,000 square feet of ICT facilities to create jobs, and high-level paying jobs, not just the ordinary run-of-the-mill Call Centre type jobs. We have demand for this space and we don't have the space, we don't have the space. And to retrofit the factories cost a fortune. So we are at the moment in Factories Corporation looking at floating a bond, to use as collateral the existing real estate that we have and the rentals we achieve from the real estate to service the bond.

(*Sotto voce* comments by Dr. Davies)

Mr. SAMUDA: No, internally; we are not going outside. Strictly financed from within the Corporation.

In addition, we are going to be seeking foreign investment that will come in and perhaps take all the space we have and build additional space that we need, because the total demand at the moment is somewhere in the vicinity of one billion square feet of factory space.

Mr. Speaker, I don't need to reiterate the facts pertaining to our strategy for the development of Caymanas. Sufficient to say that the emphasis is not only on the economic zone at Caymanas, but also the development of domestic industry, by getting local investors to invest in 200 acres of land that we have set aside separately. And of that 200 acres, so far we have had expressions of interest and intent to purchase 175 acres of the 200 acres.

Mr. Speaker, I turn to perhaps the most important recovery tool of this Government - one of - and that is the expansion and promotion of Small Business. Small Business needs financing. And that is why this

Administration, spearheaded by the Prime Minister himself, made available to the Jamaica Business Development Corporation, $150 million to direct-lend to the Small Business sector.

I can report to this Honourable House, that, that $150 Million between January and last year April and now, has been fully utilized, which is not similar to what transpired before, because there was hesitancy, but we are fully utilized. We have $149 Million approved loans, $125 Million that has been disbursed, with an employment of 483 jobs which have been created. And the remarkable thing about it, to those who are the negative - who express nothing but negative response to this suggestion, I can proudly announce that the delinquency rate, so far, on that portfolio is 2 per cent. (Applause) Which goes to show - can I get some water please? (Laughter) Which goes to show that…

(*Sotto voce* comments)

How much time do I have?

The SPEAKER: You have five-and-a-half minutes.

Mr. D. PEART: So much time you giving him?

Mr. SAMUDA: Which goes to show that…

(*Sotto voce* comments from Opposition Members)

It seems that - anyway - which goes to show that those who we fear most, in terms of their honesty and their integrity and determination to live up to their obligations, are proving us wrong. And we feel confident that for existing businesses that we help, we can create jobs at the cheapest possible price and put more people to work, that will be sustained and will move ahead and move from small businesses to medium-sized businesses and on. So we are satisfied with the results of that, Mr. Speaker.

And this year, what we have done is, we have incorporated MIDA into JBDC, because JBDC, Jamaica Business Development Corporation, will be the agency that will be engaging all small - micro and small business activities. Every single element that was engaged by JAMPRO has been removed to JBDC. They would be the focal point. And so we have brought MIDA under the leadership of JBDC. So we now have, in terms of facilities to assist by loans, MIDA, JBDC and Self Start.

The total amount last year – to the end of last year was $288 Million that was loaned out by those three agencies, creating employment of over fifteen hundred (1500) persons. In addition to that, we have facilitated a number of other agencies by training and product identification, marketing and all the administrative services.

The future of small business - one of the areas of great potential is in the area of craft. And we will be going - I will be travelling with the Prime Minister on an official delegation to China. And while there - in this House I asked the then Prime Minister, when he goes abroad to try and get assistance, technical assistance from the Far East, also from Africa and all over the world where there are skilled craft persons who can come to Jamaica and train our indigenous craftsmen in the finer points. So that the products we make are not just simply eye-catching, but are of a particular international flavour that can demand the kind of prices and the support from, especially, our tourism product. (Applause)

Government MEMBER: Hear! Hear!

Mr. SAMUDA: We will be working in conjunction with the Ministry of Tourism, through the Craft Institute, and also the Ministry of Youth, Sports and Culture.

Mr. Speaker, in the manufacturing sector, in years gone by we used to look at the screwdriver industry as a bad industry. The fact is that we must now start to realize that the world is just one large economy. And so, we are going to be promoting the transfer of technology from those developed countries where we can get: the basic raw materials, the equipment, all the templates, bring them to Jamaica and have our people assemble them so that we can create the jobs. It's not going to give us the revenue we need because of our finished product, 60 per cent goes to innovation, the person who innovates gets 60 per cent. The person who makes it, like China, the factory of the world, only gets 12 – 12 ½ per cent. So what they are doing now is, they are engaging in creating their own products, protecting it through Intellectual Property Rights, and in that way, they will retain more of the activities in which they are engaged. We will, at this stage, have to go and deal with the question of creating jobs by using foreign technology, but as time goes by, we will be able to create our own technology.

And the question of larger investments, we have investments on stream that are now being worked on to the tune of US$8 Billion through JAMPRO. We have others that are good prospects and offer employment of up to thirty thousand (30,000) people, of another $8.6 Billion; and they are wide-ranging through a number of sectors: bauxite mining, the whole area of tourism, health, culture, because we are the agency that facilitates all of production.

And finally, Mr. Speaker, this is an area that was, in fairness, thought of and action taken by the previous Administration, the former Minister, right here. IFSC, International Financial Services Centre – got no support from the Cabinet, got no support from the Cabinet. There is no evidence that Cabinet supported it. They did not give any financial assistance.

This Government declared in its Manifesto that it would start an IFSC operation in Jamaica. We have put money behind it, we have identified the consultants to do the legal framework and the way in which – the model that we will adopt. We are well advanced in that process and working with the Minister of Finance. The Ministry of Industry is busy about the business of creating this Financial Services Centre because it offers the great opportunity for us right now, and it can be established within six (6) months. It can be established within six (6) months, with the potential of putting into our economy, over US$500 Million *per annum.* And, now is the time because Jamaica offers this great opportunity. But implicit in this opportunity must be our determination to be transparent, to reassure the international investing community and the countries that are skeptical about off-shore operations, that we are going to establish a facility that is going to carry the level of integrity that will make us a demand destination. We feel confident that this can be done… (Applause) …and we are about the business of establishing it. It will create fifteen hundred (1,500) jobs, including accountants, secretaries, lawyers, bankers, an

enormous army of brilliant people who, today, are lying idle because they don't have the opportunities.

And finally, Mr. Speaker, our success as the Administration, is your success.

Government MEMBERS: Hear! Hear! (Applause)

Mr. SAMUDA: Our success is your success. (Applause) Our success is Jamaica's success.

Government MEMBERS: Hear! Hear! That's right. (Applause)

Mr. SAMUDA: And because what we do today – and our prayers go with those who are on the frontline, who have to work day and night and who have worked tirelessly, on behalf of the people of this country - .and I speak from the Prime Minister through to the Minister of Finance whom I know have been working with, day and night, to bring this package together...(Applause)… fulfilling an undertaking he gave in this House, to make sure that we reduce interest rates by going to the multilaterals. He has promised it and he has delivered on his promise.

Government MEMBERS: Yes! (Applause)

Mr. SAMUDA: So when there are those who talk about this and that, and the Ministry of Finance, let me make it absolutely clear - and I speak as a Member of the Cabinet - that this Minister of Finance has 150 per cent support from every single Member of the Cabinet of this Government. (Applause) Notwithstanding all the challenges, we are absolutely sure that he will come through.

The SPEAKER: Could you finish up, Mr. Samuda?

Mr. SAMUDA: There is no room for error. Failure is simply, Mr. Speaker, not an option.

Thank you very much. (Applause)

The SPEAKER: Thank you, Mr. Samuda.

Dr. Phillips.

Mr. VAZ: Man a Yard get back him pants! (Laughter)

Mr. D. PEART: Mek we hear something sensible now!

Dr. PHILLIPS: Mr. Speaker, I hope that your clock will work at the same speed with me as it worked over that last five-and-a-half minutes.

(Laughter)

Mr. Speaker, this is a most important debate. It is a pity that the events of last week have generated so much of a diversion. But now we are at the point where the Government has finally presented the Letter of Intent, outlining its IMF programme, after much delay, many promises and a succession of missed deadlines.

At the heart of this programme is the so-called Jamaica Debt Exchange, which essentially involves what is in effect a compulsory rescheduling of domestic debt, and a forced reduction of the rates of interest previously committed to investors, both institutional and private. This is intended, we are told, to save more than $40 Billion in interest charges, and to balance fiscal accounts.

The debt exchange is the heart of the programme, as reported, but there are other measures within the programme, Mr. Speaker, as set out in the Letter of Intent, which are

designed to support the objective of bringing our fiscal accounts into balance, and by extension create the conditions for strong and sustained growth. I believe that, that is in fact the wording used in the Letter of Intent.

These measures include the tax packages announced recently, over three tranches, which are supposed to generate revenue equal to about three per cent (3%) of GDP, a wage freeze and a reduction in the size of the Public Sector wage bill, a reduction in government expenditure, and the removal of critical subsidies, increases in the cost of services offered by the Government, most notably a forty per cent (40%) increase in JUTC bus fares to be implemented by All Fools day, April 1, 2010, the divestment of government-owned assets, including Air Jamaica. And, in recognition of the fact that the programme is going to have a very harsh effect on people, particularly the poorest, the programme also envisages an expansion in the PATH programme. And there are other measures, including public sector reform, tax reform and legislative measures, including the fiscal responsibility framework.

In order to address this Agreement, Mr. Speaker, and the economic programme, of which it forms a part, we should be clear on what it is and what it is not. First, I think we all should note, and the Jamaican people should note, and we all need to face the reality that this programme will involve tremendous hardships and a very sharp reduction in the standard of living of most people. Taxes have already been increased, with more to come by way of property taxes. Effects of the taxes and of other price increases, on food prices, is already evident. Inflation is slated to be thirteen per cent (13%) this year, but some basic commodities such as sugar and bread have already risen much more than the rate of inflation. Transportation costs have already been mentioned. If we are to look closely at the Agreement and the commitment to remove nominal subsidies…

Mr. SAMUDA: Mr. Speaker, on a point of correction. The Minister indicated that certain - the former Minister - indicated that certain items such as - and he was very selective - such as sugar and bread have risen over thirteen per cent (13%), by implication. The facts are, as published by the Consumer Affairs Commission, that the degree of increase in bread is six percent (6%), Mr. Speaker, not over thirteen per cent (13%).

Dr. DAVIES: Sugar!

Mr. SAMUDA: In the case of sugar, you are correct, the increase was sharp. It was a sharp increase which…

Dr. DAVIES: How much?

Mr. SAMUDA: ...which the whole world knew about.

Opposition MEMBERS: How much, how much?

Mr. SAMUDA: Which the whole world knew about.

Opposition MEMBERS: The figure, the figure?

Mr. SAMUDA: But I told you, it has increased considerably.

Opposition MEMBERS: How much, how much?

Mr. SAMUDA: Forty-one per cent (41%). So what is the control we had over that? None. We had no control over it.

(Cross talk)

The SPEAKER: Okay, thank you, Mr. Samuda.

Dr. Phillips, continue.

Dr. PHILLIPS: The fact is that some of the prices have increased beyond the rate of inflation. We make no other point than that it is going to be causing hardship, Mr. Speaker. (Applause) We are not seeking a quarrel with my good friend, Karl, who has…

(Cross talk)

Dr. PHILLIPS: Mr. Speaker, let us withdraw the bread. Let the *bredda* withdraw the bread.

Mr. SAMUDA: Withdraw the bread, yes.

Dr. PHILLIPS: If you think six per cent (6%) increase for the householder in Maxfield Avenue is a good thing, then be my guest.

A MEMBER: For the year?

Dr. PHILLIPS: Since the period. And look at what was published in the newspapers. Look at what was published.

(Cross talk)

Mr. SAMUDA: Mr. Speaker, again, I am not…

The SPEAKER: What is the point of order? What is the point?

Mr. SAMUDA: The Member is misleading the House.

Dr. PHILLIPS: I said it, and I will say it again: If he thinks a six per cent (6%) increase in bread, for the Jamaican people, is a good thing, he is welcome to his views. That's what I said. Check **Hansard.**

Mr. SAMUDA: The Member said since the period.

Dr. PHILLIPS: Check **Hansard.** If you think a price increase is a good thing, be my guest.

Mr. SAMUDA: Talk the truth. Stop misleading the House.

The SPEAKER: Now, Minister Samuda, please take your seat.

Dr. Phillips, continue.

Dr. PHILLIPS: Mr. Speaker, Mr. Speaker…

(Cross talk)

Dr. PHILLIPS: Mr. Speaker, in addition to the fact that prices are going to go up, we are likely to see an increase in the tuition fees of university students. As part of the Agreement, wages of the public sector will not move, and they constitute about ten per cent of the labour force, and given the wage freeze and the increases in prices, their standard of living will be, effectively, reduced.

The sacrifices and hardship imposed by the programme, Mr. Speaker, doesn't stop there. The Jamaica Debt Exchange deserves special mention in this regard. We are not arguing against the necessity but we should be clear on its effects, which will be particularly hard on the middle-class and the pensioner and those who are euphemistically called the retail investors. These are the people, Mr. Speaker, who saved for the rainy day. Now the rain has come and their umbrella is being taken away**.** (Applause) And I want to suggest, Mr. Speaker, that maybe, in this area, the Government look to see what, if anything, can be done for this particular category of persons. Many of those who save their money, invested it, used the interest payments to meet their daily living expenses: to pay for their medical bills as they might arise, to plan on sending the late child to school or university.

Mr. M. PEART: The wash-belly!

Dr. PHILLIPS: The wash-belly, as they say. And in reality, you are going to have considerable hardship here and maybe some kind of - in the same way that some provisions have been made to allow for an adjustment for the financial institutions that may be under pressure, something special could be done for

the pensioners who are going to be hard hit by this Debt Exchange programme.

The second reality check, Mr. Speaker, that we should take in evaluating this programme, is that the prospects that it holds it out after all the sacrifice from all sectors are in fact very modest prospects. After three (3) years, the programme expects targets one twenty percent (120%) debt to GDP ratio, down from the current level of one hundred and forty per cent (140%) of GDP. Just for balance, Mr. Speaker, and completeness in the picture, let us recall that the GDP ratio inherited by this Government was a hundred and seven per cent (107%) of GDP. At the end of three (3) years…

Opposition MEMBER: Two and a half.

Dr. PHILLIPS: Two and a half, it is expected that we will be fourteen per cent (14%), approximately. Little bit more…

Mr. SHAW: I am going to answer you.

Dr. PHILLIPS: Yes, answer me - of GDP.

Growth, Mr. Speaker, for 2011/2012, as is expected to be derived from expansion in tourism, recovery in mining and agriculture, to put this in perspective, let us bear in mind that the combined decline in GDP for this year and last year is going to be about five per cent (5%). At the end of the programme period, at the end of the programme period, we will still have not made up the decline over the past two years.

Inflation expected over the life of the programme, that is after three years, is to be about six to seven per cent (6-7%), which is approximately where it was in 2007. What then is the overall judgment that we make? What are the roots of the problem? Is there another way?

The Government asserts at every opportunity that its problems result from the global financial crisis and the consequential fall in revenues from bauxite, tourism, and other sources. There is no doubt that the global financial crisis and the decline in the global economy is a part of the problem. But it is only a part of the problem. That a part of it has to do with policy decisions that were taken…

Mr. MONTAGUE: By Omar.

Dr. PHILLIPS: …including the commitment made by the Administration to unsustainable levels of expenditure upon entering office. In fact, last year the budget that was presented, last year the budget as presented was unsustainable. It was an unrealistic budget. The Opposition spokesman said so, and many others said so. The out-turn has proven the words and the warning given by the Opposition spokesman on finance.

The Government failed to respond to the early signs of the impending crisis, issuing incredible statements about the likely benefits from the crisis. The result was a massive increase in debt, Three Hundred Billion, and in debt service, which increased by more than fifty per cent (50%) in nominal dollars and a sharp increase in interest rate.

Mr. Speaker, it may be that the drastic measures that are now being introduced are unavoidable. But it is certainly true that without honest and dispassionate analysis, without a review of the errors which have been made in the past by many Administrations, drawn from both sides of this aisle, we will…

(*Sotto voce* comments made by Mr. Robertson)

Dr. PHILLIPS: Well, obviously the point is lost on you. (Laughter) Unless we are able

to undertake that kind of honest and dispassionate analysis, Mr. Speaker, we are unlikely to find the solutions. We have paid too high a price as a country for the way in which we have tribalized our national discourse, to the extent that we have abandoned the capacity for rational analysis of the problems that we face as a country.

Opposition MEMBERS: Hear, hear! (Applause)

Dr. PHILLIPS: Jamaica has missed numerous opportunities to make the necessary adjustments because of the politics of opportunism of the past. For example, we failed to adjust to the oil price shocks of 1973 and 1979, and the early 80s, and again in 1999, which has already been mentioned by the Opposition spokesman, when for reasons evident to everyone here, the *ad valorem* tax which was slated was not introduced because others, some in this House...

Opposition MEMBER: Said it was wicked.

Dr. PHILLIPS: …prevented the measures that would have made the adjustment - and in the late 2000, all of these have distorted our economy and crippled its competitiveness. The impact of each succeeding crisis is, therefore, more costly.

We are now some 33 years after our first IMF programme in Jamaica. We are now at that point again in circumstances which are even more extreme and the pressures on the population even greater than they were 30 years ago. We must determine now…(Inaudible comments by Mr. Samuda)… It's not because of you, Karl. You don't have to defend yourself. What we have to be prepared to do now, on both sides, is to determine that never again, after this particular set of sacrifices, will we ever let our country's condition fall back to the point where we need that kind of aid and sustenance. (Applause)

I am prepared to admit... (Inaudible comments by Mr. Samuda and Mr. Charles)… Yes, I am prepared to admit, I am prepared to accept responsibility for a part of that tribal political culture. I am prepared. And I know about your contribution, too. I know about your contribution, too. I am prepared to admit, Mr. Speaker… (Inaudible comments by Mr. M. Peart)… I am prepared to admit, Mr. Speaker, that administrations drawn from both sides of the political aisle…

Mr. CHARLES: No, leave me out of that.

Dr. PHILLIPS: …have over the years contributed to the accumulation of the national debt and that this debt is now unsustainable.

(Cross talk)

Mr. Speaker, other important issues remain, however. Are the solutions offered by the programme before us workable? Will this programme deliver the growth we expect and which we so urgently and desperately need as a country? What are the identifiable risks in the short term and the medium term to the programme? And as I indicated, Mr. Speaker, perhaps the most important issue arising is how will we fulfill the obligation to ensure that we never as a country get to this point again?

In terms of the programme and the risks arising from the programme, perhaps one of those which I'd urge the Government and the Minister of Finance in particular, to touch on, to examine, is the effect of the damage to investor confidence and the negative impact which is going to arise from the Debt Exchange programme to what the pundits call

'the psychology of the market', what is going to result from the Debt Exchange programme. Make no doubt about it, by whatever name you call it, the JDX represents, the Jamaica Debt Exchange represents a breach of trust and a default. It was imposed on investors by way of threat and we should not underestimate either the degree of hardships or, in fact, the anger and disappointment that many of the investors feel.

The risk here is that many will lose confidence in the financial system. The financial system is not just an aggregation of steel and concrete and offices with bankers. It involves that intangible of trust and confidence. As I said before, the risk that we have is that, that trust is broken, that you will see the move to hard currency, in effect a capital flight, and that more importantly, as the Opposition spokesman said, they will be shy in the future to rely on Government of Jamaica instruments again. As the saying goes, Mr. Speaker, once bitten twice shy.

Mr. BUCHANAN: Dem already say it.

Dr. PHILLIPS: All of this could prove disruptive to financial markets as we go forward. Not suggesting that there may be an alternative to it, but that one needs to tread very carefully and make very deliberate efforts to reinforce and rebuild this trust that has been broken.

Again, the inflation paths re effects of the tax measures, the effects of the tax measures on inflation which is predicted to be 13%, Mr. Speaker, this year, what it in effect means is that the Jamaica Debt Exchange is asking the investors to accept negative real interest rates. The rate of returns on interest that you earn is going to be less than the rate of inflation. In effect every investor is going to be losing money. And the question does arise: what will be the effects to the end borrower especially after round two? Will it have the real effect on reducing interest rates? (Inaudible comments by a Government Member) Yes, we all hope that it succeed. We all hope, we all hope that it succeed. Don't be like the ostrich and blind yuh head to it. Put yuh head under the sand, understand the risks so that you can find the way to overcome.

(Cross talk)

But I'm going to come to the point of something that you can do.

Mr. CHARLES: Okay.

Dr. PHILLIPS: Yes. It is not helpful to this building of trust that the Government asks everyone in support of the programme to make the sacrifice, pensioners, investment…

Mr. CHARLES: Everybody.

Dr. PHILLIPS: …investors, civil servants, poor and taxpayers, all showing the sacrifice. Yet the Government refuses to take this step, even if it's a symbolic step, of reducing the size of the Cabinet and the political directorate. (Applause) That would demonstrate your commitment… (Inaudible comments by a Government Member) …Symbolic, but it would demonstrate your commitment to doing this. We are all the taxpayers here.

(Cross talk)

They may argue that it is only symbolic, they may argue that it is only symbolic. But symbolism is important in demonstrating that the Government is prepared to share the sacrifice that it is imposing on others.

With respect to the medium-term prospects for Jamaica, a particularly troubling aspect of the programme as set out in the Letter of Intent is that there is no growth path,

clear growth path that is being set out. In fact, there is no reference to the trajectory of the capital budget. And I recall and expect from all the other elements in the programme that there is nothing about the capital side of the budget except that it in fact is going to be compressed.

No one argues with the need for us to bring our fiscal accounts under control. Let us be clear, however, that growth does not result simply from the manipulation of macroeconomic variables. It may be - one can put it this way - it may be sufficient, it may be necessary, but it is not sufficient to deliver economic growth. Simply bringing the fiscal accounts under control won't accomplish that. Development and growth are really the result of a serious public investment strategy and a whole complex of interrelated factors especially in an economy like ours where public sector activities represent, historically, close to 50% of overall economic activity.

The severe compression in expenditures by the State is, in the near term, certainly, going to have a negative effect and in the medium term. And what the compression of expenditures means is that many of the social deficits which are themselves impediments to growth, the low levels of education in your workforce, for example, the inadequate physical infrastructure, physical infrastructural deficit, the inadequate security environs, all of which dissuade investors, all of these are going to take longer to overcome unless we are able to have as part of our programme - and we would ask the Government to set out a clear public investment plan to support the growth aspirations of the Jamaican people.

(Applause)

Let me use the example of the recent hotel expansions on the North Coast which saw billions of dollars of investments coming in relation to new hotel rooms by Spanish investors mainly. But it wasn't just the result of investment promotion activity.

(Inaudible comments by Mr. Samuda)

Dr. PHILLIPS*:* It didn't just involve... It was the consequence of the investment in the North Coast Highway, the water and sewage projects in Montego Bay and Negril which were completed in the Nineties. Similarly, if we don't have a plan for public investment we are likely to continue bouncing along.

Mr. Speaker, there's the question of what guarantees do we have as a people that having made the sacrifices that the Government will stay the course? What guarantees do we have that the Government will maintain a prudent fiscal approach to see us through to the end? What guarantee do we have that the human resources for economic management will be in place in the public sector that it won't be - people of competence won't be rid of willy-nilly because they prove to be inconvenient? I want to suggest, Mr. Speaker, that this programme demands of us a new approach to governance. If we want a different economic future we need to have a different approach to governance and politics. It must be one that emphasizes cooperation and collective endeavor rather than division and partisanship. It must involve a commitment to consultation and transparency and not resort to unilateralism and excessive reliance on the enormous coercive capacities of the State. It should adopt tones of humility and tolerance and not yield to the traditional impulses of

bombast and abusiveness rooted in the excessive tribalism of the past.

I want to end, Mr. Speaker, with four (4) specific suggestions. **First** of all, I want to propose that we adopt collectively, a new approach to taxation and bring taxes effectively under parliamentary scrutiny, utilizing the parliamentary committee on taxation. (Applause) Mr. **S**peaker, all administrations in the past have really utilized the method now in place. But new times and new expectations on the part of the public demand that we have new approaches. There is no good reason for taxation to be determined unilaterally and in secret only to confront the errors and confusion such as we have seen recently. (Applause)

I want to suggest secondly, Mr. Speaker, I want to accept**, secondly,** Mr. Speaker, that the Government consider the establishment of a fiscal oversight group, including both sides in the Parliament and representatives from key stakeholder groups such as the private sector, the trade unions, consumers to ensure that there is no breach of these fiscal accounts given the sacrifices that have been made. It cannot just depend on the end of the year for the targets to be met or the failing of the test, involve the groups, particularly the financial institutions have taken a big hit in exercising direct oversight over the expenditure patterns that are taking place.

Thirdly, Mr. Speaker, third, Mr. Speaker, I suggest that the Government take the decision and I am certain the Minister of Finance will want to agree with me that the - and I say this because of what he used to say when he was on this side - that those funds, Tourism Enhancement Fund, the PetroCaribe Fund, the Universal Access Fund, which collectively represent about $4 Billion of accumulated resources, and which can imperil our macroeconomic stability if expended improperly, I believe they ought to be brought directly and immediately under parliamentary scrutiny. (Applause by Opposition Members)

Finally, Mr. Speaker, in order to try and pump-prime the pipeline, the investment pipelines, I think that the Government should call upon all the national resources available, call upon all those Jamaicans whose experience and contacts in the world of global investment and finance and send them out there to mobilize investment for Jamaica to ensure that we can move forward. Membership here wouldn't be subject to any partisan or other consideration. We need all hands on deck. (Applause)

Mr. Speaker, we are at a point in our history that is unprecedented. Never before has the Jamaican dream been so threatened. Never before have the hopes and aspirations of all sectors of Jamaican society seem so close to extinction. Investors are despondent and many feel betrayed. Pensioners who have worked all their lives and workers who have saved now see their plans and dreams of retirement shattered.

Our school children who languish in substandard educational system over many years deserve assurance about their future. We here owe them some recompense. The economic programme as it stands defines a starting point, but it is only a starting point. Ultimate success requires that we define a new way, a new politics to carry us forward to the future that we deserve. Let us here, all of us, collectively grasp the challenge to find a better way.

Thank you, Mr. Speaker. (Applause)

The SPEAKER: Thank you very much, Dr. Phillips.

Just before I ask the Leader of the Opposition, may I just take the opportunity to welcome, sitting with us in the Chamber of the House is a Minister from the Government of Bermuda, HONOURABLE NELIETA BUTTERFIELD (Applause by all) and her Permanent Secretary, MR. WAYNE PEER, welcome to the sitting of House. And also welcome to SENATOR, ARTHUR WILLIAMS, who is here with us this evening, too. (Applause) Leader of the Opposition.

(Applause by both sides)

Mrs. SIMPSON MILLER: Thank you, Mr. Speaker. Let me join you by welcoming my friends coming in from Bermuda and my sister and brother.

Mr. Speaker, we will approach the debate this afternoon on the basis of Jamaica's reality. This debate is not about party politics. This debate is not about the two political parties represented in Parliament. It is about Jamaica and the people of Jamaica, all the people of Jamaica. It is in this context that we examine the Government's programme to take Jamaica out of the present crisis.

Mr. Speaker, very often persons who speak out on behalf of the poor are ridiculed and vilified. But Proverbs 31 verses 8 and 9 tell us:

> *"To speak up for those who cannot speak for themselves, for the rights of all who are destitute, speak up and judge fairly, defend the rights of the poor and the needy.''*

(Applause by Opposition Members)

Today, Mr. Speaker, the 26th of January 2010, is a very significant day. It is officially the final day for investors and savers to decide whether or not they will support the Jamaica Debt Exchange programme announced by the Prime Minister on January 14. It is the day before the IMF's Executive Board will decide whether they will approve Jamaica's application for US$1.2 Billion of loan.

We are told that successful completion of the Jamaica Debt Exchange programme is a precondition for the approval of the IMF loan. Another precondition is that the Government closes the gap between income and expenditure.

Mr. Speaker, the Government chose to do so through the implementation of the Jamaica $22 Billion tax package, which was introduced in December of last year. Both of these measures will have far-reaching impact on the life of every man, every woman and child in this country.

We, the Opposition, are here today to speak out for all who will be affected by this programme. The Prime Minister made several commitments to keep the Parliament abreast of all economic decisions around the IMF negotiations if a deal with the IMF became necessary. He went further when he said, and I quote:

> *"The medium-term economic programme, the fiscaI and monetary policy measures to support it, and the draft Letter of Intent to the IMF have already been developed in the negotiations with the IMF at the technical level.*
>
> *As I have already indicated, these and the broader strategies being pursued by the Government will be debated in Parliament early in January, prior to*

the submission of the programme to the IMF Board."

That commitment, like so many others, has not been kept. Instead, the Government has continued to make statements which have little basis in reality. Many of these statements, programmes and pronouncements are nothing short of fantasy that has driven this Government.

In 2008, Mr. Speaker, the Minister of Finance said that the Jamaican economy would not be significantly affected by the global recession.

Mr. CHARLES: Nobody know sey the hurricane was coming or the **Tsunami.**

(Laughter by Members)

Mrs. SIMPSON MILLER: The…

(Mrs. Simpson Miller took out book and began looking in it)

(Laughter by Members)

Mr. BUCHANAN: You laughing after the words of God!

Government MEMBER: Who, me?

Mr. BUCHANAN: Yes, you!

(Mrs. Simpson Miller closed her book)

Mrs. SIMPSON MILLER: The Prime Minister said that going to the IMF was neither appropriate nor necessary. This is the reality. The Opposition warned that the global crisis would have had a negative impact on the Jamaican economy.

Mr. Speaker, a number of the country's economic and financial analysts also provided adequate warning to the Government. They did not listen. Mr. Speaker, the evidence that the Government did not listen can be seen in the overly optimistic economic projections they made despite the crisis.

According to the Minister of Finance, and, I quote from this 2008 Budget Presentation:

"The medium-term targets are GDP growth of 3%, 3.5% and 3.5% in 2008 and 2009, in 2009 and 2010, 2010 and 2011, respectively."

These projections were made despite information to the contrary from a number of credible sources. They have been proven to be wishful thinking devoid of any connection with reality.

Opposition MEMBER: That's right!

Mrs. SIMPSON MILLER: Two years later, Mr. Speaker, the Government has finally decided to face reality. It is now telling the country that - and, I quote:

"The Jamaican economy has been deeply affected by the global crisis."

They said:

"The real GDP contracted by 1½% in Financial year 2008/2009 and is projected to fall by an additional 3½% in 2009/2010."

That is a real decline of 5%, not the fantasy of 3%, 3.5% and the 3.5%.

Having told the Jamaican people, Mr. Speaker, that tourism and remittances would not be affected, the Government has now written the IMF to say, and, I quote:

"Tourism remittances and mining have been negatively impacted by the weakening of the global environment."

Mr. Speaker, others saw this reality nearly two years ago. How come, what the Minister termed government's simulations did not reflect what most people knew was bound to happen? How come? Was it incompetence or deceit? Mr. Speaker, whichever it was, the Government can try to hide from the people, but they cannot hide from the IMF.

(Applause by Opposition Members)

In the letter of the IMF, in the letter to the IMF, Mr. Speaker, the Government had to face reality and, I quote:

> *"The global crisis has also negatively affected the fiscal accounts with lower revenue and a significantly higher interest bill.*
>
> *As a result, the Budget deficit for fiscal year 2009/2010 is projected to exceed the original budget target by a wide margin.*
>
> *The Government is therefore confronting large financing gaps in a context where external markets remain closed."*

Mr. Speaker, the letter to the IMF deals with the failings of the last two years.

(Laughter by Government Members)

The Government has tried to find excuses, locally, to cover up their own failings.

Government MEMBER: That's not true. (Laughter)

Mrs. SIMPSON MILLER: They could not present those arguments to the IMF, the IMF knows better, because they have been, constantly, monitoring the Jamaican economy for approximately the last 15 years, although we were not in a borrowing relationship with them.

(Applause by Opposition Members)

Mrs. SIMPSON MILLER: During this period, Mr. Speaker, the external markets were not closed to the PNP Administration or to the former Minister of Finance. The external markets are now closed to this Government because they have failed to show, to the world, that they have a vision for the development of this country, and that they can manage the financial affairs of the country in a way that will give investors confidence.

(Applause by Opposition Members)

Since I hear the laughs and it is making me out to seem as if I am not speaking the truth, let us share with the Honourable House, Mr. Speaker, what the IMF, the same IMF Executive Board that will tomorrow pronounce on the application for a Standby loan, said about the Jamaican economy May 4, 2007, five (5) months before the JLP came to power, Mr. Speaker, five (5) months before the JLP came to power. I quote from the IMF Article IV Consultation:

> *"Jamaica's economy is estimated to have achieved its best growth performance in over a decade during fiscal year 2006/2007."*

(Applause)

Mr. CHARLES: You are clapping yourself. You are the ones in power nearly two decades.

Mr. BUCHANAN: That was good governance.

Mr. E. SMITH: Eighteen years!

Mrs. SIMPSON MILLER: Jamaica's economy, Mr. Speaker, is estimated to have achieved its best growth performance in over a decade during fiscal year 2006/2007, which ended on March 31, 2007. Notwithstanding some recent moderations of momentum, the economy is estimated to have expanded by just under 3% in real terms, up from 2% the previous year and 0.4% the year before. (Applause) They went on to say, while tourist arrivals have recently weakened, they were robust through December, 2006 and agricultural activity has rebounded sharply after the weather-related shocks encountered during 2004/2005. (Applause)

Inflation has fallen significantly. Annual consumer price growth fell to 6½% at the end

of fiscal year 2006/2007 compared to a target of 9½% and a recent high of 19% in September of 2005. The rebound in agriculture which weighs heavily in the consumer price basket has contributed to the decline in headline inflation. The IMF Article IV continues:

> *"On the external front, the current account deficit is estimated to have strengthened by 1% of GDP in financial year 2006/2007 to l0½% of GDP, largely on account of increased exports alongside robust tourism receipts and remittances. Capital inflows enabled a sharp build up in net international reserves, NIR, through 2006 and they currently remain broadly at historical highs."*
> (Applause)

This, Mr. Speaker, is reality.

The content of the Letter of Intent, the medium-term programme and all the supplementary data show that, over the last two years, the economy has plummeted. Now the Government is trying to bring it back to where the previous Administration left it. We recognize that there is a global crisis that has affected Jamaica, but it would not have been this bad if the Government were proactive and not reactive. (Applause) It's time that the Government faces reality, Mr. Speaker, and take responsibility for their mismanagement of the economy. The people of the country are paying a bitter price for this.

Mr. Speaker, I want to look a little at the Debt Exchange Programme. We agree that there is an urgent need to lower the Government's interest payment on debt. In that regard, Mr. Speaker, in principle we support the Jamaica Debt Exchange Programme. We cannot give it our unconditional support as it involves some clear and present risks. The impacts of most of these risks are unknown at this time. However, they cannot be ignored, even though their outcome is uncertain and will only be revealed in time.

Mr. Speaker, the process by which the programme has been arrived at, was fundamentally flawed. Inadequate consultation and the failure to take into account stakeholders interests were primary deficiencies as pointed out by Member of Parliament, DR. PHILLIPS, earlier, MP for East Central St. Andrew. Mr. Speaker, of specific concerns are the insinuations of persecution and threats of repercussion directed at anyone who might elect not to participate in this programme.

Mr. PICKERSGILL: Yes!

Mrs. SIMPSON MILLER: Mr. Speaker, there may be those who just simply cannot accept the terms offered. The threatening nature of the Government in this regard only undermines confidence in the market. Under the Jamaica Debt Exchange Programme, the Government is artificially setting interest rate at 12.875%. They are also lengthening the period of repayment on $701 Billion of the domestic debt. Mr. Speaker, as a result, many pensioners, as was identified earlier and passbook savers, are likely to receive a lower return on their investments and savings. This is a reality. (Applause)

Mr. Speaker, take, for example, the parents who invested their money to buy a Government bond which matures in August and plan to use it to pay university fees for their children. They must not be punished if they choose not to sacrifice the education of their children and elect to be paid their money

in August. They were told it was a safe investment. Their plans were based on what they thought was a sacred contract with the Government. Mr. Speaker, no Government with any sense of honour could dream of punishing them for choosing to rely on contract that they made in good faith. These threats are unacceptable, they are callous, it is a dictatorial approach devoid of the democratic principles of consultation and fair notice. (Applause)

Mr. Speaker, there are several questions the Government needs to answer. What will happen to the investment that the NIF has made in Government bonds? And this is after the Honourable Prime Minister shared his concern with us that the fund is already paying out more than it is collecting. How will the reduction in interest rates affect the thousands of pensioners who have contributed for a lifetime to these pension funds? Already, Mr. Speaker, local actuaries have sounded a warning that these funds will be significantly depleted as a result of the Debt Exchange programme. Mr. Speaker, think of the woman who toiled 24 years as a hospital attendant. She now receives an NIS pension of $4,019.08 per fortnight. She is going to face inflation, the cost of living is going up; food, electricity, water, just to name a few; She is unlikely to get any increase in her pension benefit to deal with the higher cost of living, that is because the returns to the National Insurance Fund will be reduced. What plans are there to protect her and the thousands of other pensioners, NIS or private pensioners from suffering?

As we promised, Mr. Speaker, the Opposition has consulted with a wide cross-section of the Jamaican people. Prime Minister, all is not well. There are many questions that the people have asked me to present to you in this Parliament this afternoon on their behalf. Jamaicans are asking the following questions: are the terms of the JDX imposed by the IMF under its conditionalities or is it the Ministry of Finance responsible for the terms of exchange and the manner in which it is being implemented? Is the JDX a voluntary one, if investors have no opportunity to say no without the implied threat against so-called free riders who exercised their right not to voluntarily participate? What are the legal implications for these investors considering that they entered into contracts with agreed terms for scheduled interest and principal payments? What is the impact on the confidence of the market? Can they have faith that future contracts will be honoured on terms agreed with the Government? Mr. Speaker, my information is that many persons affected are still unclear and very anxious over the future of their accounts holding these investments and are being asked to exchange their instruments, even without being provided with the fullest disclosure.

The experience in other countries, Mr. Speaker, is that small and medium-sized investors can be at a significant disadvantage when compared to large institutions. When there are significant movements in a financial market, Mr. Speaker, larger transactions tend to take priority. What special protective measures will be put in place? How can we be assured that all interests are treated the same and preferential treatment is not going to be given to anyone? Up to yesterday, Mr. Speaker, some customers reported that their banks were not able to tell them the different rates available for the exchange securities nor the expected maturity date of the new

securities. This means that people are left to guess and speculate. This can only undermine confidence in the JDX. Mr. Speaker, reports have also come to my attention that customers of some banks are being hurried, rushed and pushed to quickly complete the necessary paper work despite the fact that they have unanswered questions.

What is the role of the Financial Services Commission, Mr. Speaker, in educating and informing the public in a matter as important as the JDX? Who is to be the consumer advocate for purposes of transparency and fairness in relation to the JDX? We are asking these questions, Mr. Speaker, in the interest of transparency. What are the people allowed to know and when? In the interest of equity and fairness does everyone get the same treatment when their bonds are exchanged? In the interest of accountability, Mr. Speaker, who do we ask questions of, the Ministry of Finance, the Bank of Jamaica or the private institutions?

Mr. Speaker, let me extend the call for empowerment and greater protection of those individuals who committed their lifelong earnings to national development by purchasing Government of Jamaica bonds, many are now individually and collectively suffering the adverse financial consequences and anxieties that this programme will cause.

Mr. Speaker, a special provision has been created by the Ministry of Finance to provide liquidity to financial institutions whose financial condition may be impaired by JDX. What liquidity provisions or special arrangements will be put in place by the Government to provide some protection to those individuals whose lives may be severely disrupted by this significant loss of income? (Applause)

We call on the Government to give some consideration to this, in the context of fairness and equity.

The SPEAKER: Leader of the Opposition. (Gavels) Listen, there are just too many subcommittee meetings while the Leader of the Opposition is speaking and it is really flowing right across, we can hear all the subcommittee meetings. Please, keep the voice down or stop the talking, preferably.

Mrs. SIMPSON MILLER: Thank you, Mr. Speaker, but I don't mind, the Jamaican people are watching. (Applause)

Mr. KELLIER: Hear, hear! Watch the bad behaviour.

Mrs. SIMPSON MILLER: Mr. Speaker, I now turn to the issue of how interest rates should be determined. We too are for low interest rate.

A MEMBER: Really?

Mrs. SIMPSON MILLER: However, we are of the view that interest rate reductions should be sustainable and not artificially set. Interest rates and Government Paper at September 2007 were 11.85% per annum, lower than the Government is now attempting to bring the rates by ministerial decree.

For interest rate reductions to be sustainable, Mr. Speaker, they must be market driven otherwise the market loses confidence. The soundness of our position was once supported by the Prime Minister himself in his Budget presentation of 2006. He said:

> *"The better way is not to be found in any ideological debate. The world has established and accepted that it* is *the market forces which drive economic development and create wealth ...*"

Back then, while in Opposition, the Prime Minister boasted about that, and we support that position.

Mrs. NEITA-HEADLEY: Yeah!

Mrs. SIMPSON MILLER: He said:

"*We have always known that."*

It seems that the Prime Minister has forgotten what he said he has always known.

Let me share with the nation what the Executive Board of the IMF, the same board, that we are depending on to approve our application tomorrow said about what the PNP Administration was doing about reducing interest rate in 2007. Mr. Speaker, on May 4, 2007, five (5) months before the Government changed, the IMF Board said:

"Monetary policy remains focussed…"

Mr. KELLIER: Yes, yes!

Mrs. NEITA-HEADLEY: Focussed!

Mrs. SIMPSON-MILLER:

"Monetary policy remains focussed on containing inflation while also seeking to engender a sustainable reduction in interest rates."

(Applause)

They went further to say, Mr. Speaker, that:

"With inflation declining, the Bank of Jamaica eased monetary policy during fiscal year 2006/2007, by removing the special deposit on banks and reducing interest rate in three steps between May and December, to 12% on the sixth month instrument, currently."

(Applause)

Thank you, Omar.

May I pause, Mr. Speaker, to remind Members that this 12% is even lower than the 12.875% which this Government is now striving to attain. (Applause)

Mr. KELLIER: Yes!

Mrs. NEITA-HEADLEY: Mmm!

Mrs. SIMPSON MILLER: They have increased the debt burden by an additional $36 Billion specifically, they say, to protect the financial sector from potential fallout. We lowered interest rates without putting pensioners, passbook savers, fixed deposit holders, the entire financial sector at risk. (Applause) Thank you, Omar. Unlike the current approach, we did this without sacrificing our people at the altar of mismanagement.

MEMBERS: Hear, hear!

Mrs. SIMPSON MILLER: We did not have to ask the managing director of the IMF to write a letter to the local financial sector on our behalf, beseeching them to support our programme to reduce interest rates.

Mr. PICKERSGILL: Excellent point, excellent point!

Mrs. SIMPSON MILLER: Mr. Speaker, we know this Government is comfortable with the word of the IMF, let us hear some more of what the IMF said in May, 2007 about the management of interest rates debt reduction and its impact on the financial sector, five (5) months before the Government changed.

The SPEAKER: (Gavels) The Member's time for speaking has expired. House Leader.

A MEMBER: Sufficient time! Sufficient time! (Crosstalk/heckling)

Mr. HOLNESS: Mr. Speaker, I move that the Member's time for speaking be extended sufficient…

A MEMBER: Ah!

Mr. HOLNESS: ...for the Member to complete her presentation. (Applause)

The SPEAKER: The motion before the House is for the Member's time to be extended to allow her to complete her presentation.

Put to the House and agreed to.

The SPEAKER: Leader of the Opposition.

Mrs. SIMPSON MILLER: Again I quote, Mr. Speaker:

> *"Financial sector soundness indicators for regulated entities remain robust, despite the search for high yields. With real rates of return on Treasury Bills declining sharply, financial institutions have sought out profitable lending opportunities and bank credit to the private sector has increased remarkedly ...*"
>
> (Applause)

Mr. PICKERSGILL: Yes!

Mrs. SIMPSON MILLER:

> *"...Nevertheless, prudential indicators for both banks and other regulated financial institutions remain sound."*

Mr. PICKERSGILL: Yes, yes!

Mrs. NEITA-HEADLEY: Hear, hear!

Mrs. SIMPSON MILLER: This is reality, Mr. Speaker. Mr. Speaker, the Government's economic programme also included the three (3) burdensome tax packages, so far this fiscal year, totalling $47.8 Billion.

Mrs. NEITA-HEADLEY: Mm, mm!

Mrs. SIMPSON-MILLER: In two years, a gross tax package of $52 Billion has been imposed upon the backs of the Jamaican people.

Mr. KELLIER: My God!

Mrs. SIMPSON MILLER: Despite these massive tax packages, the Letter of Intent still calls for a huge reduction in the overall public sector deficit, from 12.75% of GDP this year, to 5% in two years' time. This will be a drastic adjustment, Mr. Speaker. In order to achieve this objective, the Government promises to contain costs and cut spending.

It is said, Mr. Speaker, that the budget for fiscal year 2010/11, will freeze or reduce allocations in a number of areas. Mr. Speaker, we need to find out from the Minister of Finance and the PM, whether the country is to expect further increases in user fees for public services. Is this is meant by achieving these objectives, requires a combination of corrective revenue and spending measures, Mr. Speaker, written in the Letter of Intent to the IMF?

EDUCATION

Mr. Speaker, I'll turn briefly to education, but I'm compelled to make a comment on this. I'm extremely concerned about the potential dangers to education inherent in the Letter of Intent. The Letter of Intent states that:

> *"A nominal freeze will also be implemented on tuition subsidies for tertiary education at the level in fiscal year* 2009/2010*. At the same time a system of means testing will be introduced. Subsidies.*
>
> *Mr. Speaker, and external school examination fees will be reduced by improving the incentive structure, example, providing reimbursement based on results.*
>
> *Mr. Speaker, these measures will provide a combined fiscal saving of 0.5% of GDP."*

Within the context of wage freeze for three years, Mr. Speaker, the Government still refused to examine suggestions to increase the

capital base of the Students Loan Bureau. Already, right now, with all things being equal as we speak, Mr. Speaker, I have been reliably informed that the Students Loan Bureau is not now sufficiently capitalized to satisfy projected demand for the next academic year. The situation, Mr. Speaker, is critical and urgent. The increase in the cost of living will affect the institution, parents and students.

Now, the imposed subsidy freeze will further undermine the ability of the Students Loan Bureau to sufficiently finance tertiary education. This policy, Mr. Speaker, will blight the future of thousands of our talented young people. Have the institutions been given guidelines about the inevitable fee increases which will affect tertiary students? If this continues, the deregistration of students for nonpayment of fees will become more widespread in the next few semesters.

A few days ago, a young man, a first generation university student from rural Jamaica outlined his ordeal. When he got the opportunity to go to university last year, he was so excited about his prospects. His greatest ambition, Mr. Speaker, was to qualify himself to help his mother who had sacrificed all her life, as a housekeeper, to send him to school. In November, whilst still in first year, he was told he could not sit his examinations, because his fees had not been fully paid up. This young man, like many children of working and middle class Jamaicans, was deregistered.

Mr. Speaker, I'm calling on the Government to, immediately take steps to overhaul and recapitalize the Students Loan Bureau. (Applause) Young people have been denied the opportunity to better themselves and their families and to be able to contribute, positively, to building their communities and, ultimately, this nation.

Mr. Speaker, many parents will not only have to rotate their children going to school, but with the 40% increase in bus fares, they will be forced to choose between sending the children to school and them going to work.

I submit that we cannot sacrifice the education of our children. I believe it is better to invest in their education. It is better to see young men with books rather than weapons of destruction in their hands.

MEMBERS: Hear, hear!

Mrs. SIMPSON MILLER: It is often said if you think education is expensive, try ignorance. The Government must explain this to the country. If a student cannot pay his or her fees and therefore cannot take the exams, how then can they be reimbursed for passing exams they cannot afford to take? How comes?

Mrs. NEITA-HEADLEY: How comes?

Mrs. SIMPSON MILLER: It is obvious that the implications of this commitment were not thought through by the Government.

Mr. Speaker, it was the RIGHT EXCELLENT NORMAN WASHINGTON MANLEY who said, "circumstance of birth should not deny anyone a good education."

Mr. KELLIER: Hear, hear!

Mrs. SIMPSON MILLER: I have always maintained that the only barriers the children of the poor should have, are those directed in their minds, but when those minds are liberated to think big and to dream big and to achieve big, what a Jamaica we will have! (Applause)

Mr. KELLIER: Hear, hear!

Mrs. SIMPSON MILLER: Mr. Speaker, the Government's responsibility is to liberate,

not enslave the minds and the spirits of Jamaica's youths.

With this programme, Mr. Speaker, the Spokesperson for us on Finance mentioned some things. I removed it in the interest of time. And last year, in the Budget presentation, the Prime Minister said the nearly poor will become the really poor. That danger has become a reality.

A MEMBER: Wah dat? Di nearly poor will become the really poor?

A MEMBER: Repeat dat!

Mrs. SIMPSON MILLER: The nearly poor will become the really poor.

(Inaudible comments by Members)

Mrs. SIMPSON MILLER: I remind this House that the **Survey of Living Conditions** done in July, 2007, confirmed that poverty was reduced to 9.8%, the lowest in the country's history. (Applause)

Mr. Speaker, the economic measures of the Government and the resolution they are asking us to support, places a tremendous burden upon the people of Jamaica. Mr. Speaker, there is a fundamental difference between the people making a sacrifice and the people being sacrificed by their Government. (Applause) This is the lesson that this Government must learn. Remember, all the fancy talks, Mr. Speaker, 6% growth *per annum,* jobs, jobs and more jobs, 2.5 of Budget for Constituency Development Fund, that is helping us. Now, they are squeezing the blood out of the people.

The Government's performance is so bad, even the Prime Minister is quoted in the Newspapers as saying, he is stressed at times. Perhaps, too, he is disappointed. I know many Jamaicans are.

In their letter to the IMF, the Government said, growth is projected to fall, cumulative five per cent (5%) between 2008 and 2009. Just to be clear, growth has already fallen by five point one per cent (5.1%). The Government's projects that total real growth will be less than one point three per cent (1.3%) in seven (7) years, if they remain in power for that long.

(Applause/*Sotto voce* comments)

Over the seven (7) years - this is an annual average of less than 0.2 that is one-fifth of one percent, Mr. Speaker. Even with such meagre targets, one journalist, writing in the *Sunday Gleaner* of January 24, 2010 said that the GDP growth rate is not likely to be met. He further suggested that the Government's inflation targets are closer to fantasy. This is from a Government that loves to boast that they are better managers of the economy. They boast that they are the party of growth. Mr. Speaker, 1 Kings 20 verse 11 tells us; **a warrior putting on his sword for battle should not boast like a warrior who has just already won.** Mr. Speaker, this advice is worth taking.

A review of the economic programme presented by the Government to the IMF reveals some troubling outcomes that after all this sacrificing of the people, at the very best, the Government will return the country to where it was in September of 2007.

(Applause/Crosstalk)

Mr. Speaker, they are projecting that real GDP will be in the region of $1.45 Trillion in 2013/2014 with debt at one hundred twenty per cent (120%) of GDP. They are saying that if they remain in Government, the total debt will be approximately $1.7 Trillion. This is

almost seventy percent (70%) higher than it was in September 3, 2007. Mr. Speaker, from their own figures, in four years' time, inflation is projected to be six per cent (6%) higher than where it was in September of 2007 at five point eight per cent (5.8%). Mr. Speaker, from their own findings.

(*Sotto voce* comments)

This is projection, Mr. Speaker, and the five point eight (5.8), September, 2007 is reality.

Mrs. NEITA-HEADLEY: Absolutely!

Mrs. SIMPSON MILLER: From their own figures, they are saying, in four (4) years' time the NIR will be down to US$1 Billion. Worse yet, the agreement projects NIR $1 Billion at the end of fiscal year 2010/2011. This is projection, Mr. Speaker. We left the NIR at US$2.4 Billion. This is reality. This is reality.

(Applause)

From their own figures, they are saying, in four (4) years' time, poverty will increase to about twenty per cent (20%) of the population. We left it at nine point eight (9.8), this is projection. We left it at nine point eight (9.8), this is reality.

A MEMBER: Don't look good. Don't look good!

Mrs. SIMPSON MILLER: In their letter to the IMF, the Finance Minister admits that the contraction in the economic activity has led to a significant increase in layoffs.

(*Sotto voce* comment)

And he talked about the high unemployment rate and that the most vulnerable social groups with low levels of human capital are most affected by the decline in economic activity. We left unemployment at nine point six (9.6), the lowest ever in the modern history of this country, in 2007.

MEMBERS: Hear, hear!

(Applause)

Mr. KELLIER: Trending down.

Mrs. SIMPSON MILLER: Mr. Speaker, as if that is not bad enough, Mr. Speaker, the deteriorating social economic situation has manifested itself in spiraling levels of crime and violence. And this will be dealt with by the spokesperson when he makes his presentation.

(*Sotto voce* comments)

Admittedly, Mr. Speaker, this Government set many records. Unfortunately, they are going in the wrong direction: record levels of borrowing, record levels of poverty. All of this is in an attempt to take the country and the economy back to where it was when they became the Government in 2007. Talk about changing course. This has proven to be an expensive detour from the road of progress to a roundabout of promises.

(Applause)

A long drive, perhaps, Mr. Speaker, to nowhere.

Mr. PICKERSGILL: Yes!

Mrs. SIMPSON MILLER: Mr. Speaker, I have sought to outline in clear terms, the crossroads that the Minister of Finance has indicated that we face.

Mr. PICKERSGILL: Jamaica.

Mrs. SIMPSON MILLER: I have also detailed what the IMF's forecast of Jamaica was when we demitted office. The crossroads that the present Government has brought us to is vastly removed from the highways where we left it.

(Applause)

Consequently, Mr. Speaker, I have had to identify the many misjudgments, miscalculations and missteps by this present administration that brought us to this worrying crossroad. Mr. Speaker, notwithstanding this, and though it is my duty to call out the Government when it is going off course, Mr. Speaker, we are not at a place, as a nation, for mere fault-finding and finger-pointing. What Jamaica needs now is transformational and inclusive leadership.

(Applause)

Clearly, the Government cannot manage the challenges on its own. The way forward calls for all…

(*Sotto voce* comment)

Mr. Speaker, let me repeat, the Government cannot manage the challenges on its own and anyone who feel so, wrong, because unless you do not carry the majority of the people along with you, nothing that you do as a government you will succeed.

Mr. PICKERSGILL: Silence is consent.

Mrs. SIMPSON MILLER: The way forward calls for all hands on deck. We need Government hands, Opposition hands, civil society hands, the hands of the church, the private sector, the experienced hands, the youthful and exuberant hands. We need…

(Crosstalk/Applause/Laughter)

We need every - Mr. Speaker, we need every well-thinking patriotic-minded Jamaican to now put hearts and minds and resources together to pull us back from the brink of this economic and social precipice in which we find ourselves as a nation.

Mr. Speaker, we have demonstrated as an Opposition that we are about building up, not tearing down.

(Applause)

We have not sought to destroy but to engage into constructive engagement with the Government. This is our example to the nation. And today again, I extend the hand of cooperation to the Prime Minister on the things that are in the interest of the people of Jamaica, and the things that will impact, positively, the lives of the Jamaican people as we work together for the recovery of our nation, Jamaica Land We Love.

(Applause/*Sotto voce* comments)

Mrs. SIMPSON MILLER: Mr. Prime Minister, Honourable Prime Minister, I say to you, you cannot manage alone. You need to talk to the people. You need to talk to your people. You need to talk to who have the experience and the people with whom you must work. The word I leave with you, Honourable Prime Minister is *consultation.*

(Applause)

A MEMBER: Not confrontation!

Mrs. SIMPSON MILLER: And to the many Jamaicans from all walks of life, I say to you, this is not a time to shrink in the face of these challenges. This is a time to summon your courage and determination to fight the good fight. Unite around your families and loved ones, unite around your communities and work to ensure that the worst affected are cared for and nurtured through these difficult times. Let our hospitality and love and our resilience, strength and determination, hold us together as one nation, one people, one Jamaican family. Together we will survive, together we will overcome. May God bless our beloved country, Jamaica. May God bless our beautiful Jamaican people. May God bless us all.

Thank you, Mr. Speaker.

(Applause)

The SPEAKER: Thank you, Leader of the Opposition. Prime Minister.

(Applause/Cross talk)

The PRIME MINISTER: Mr. Speaker, the debate is taking place in a context that we need to place on the record. The debate is taking place in the context of the worst global economic crisis that the world has seen in more than 80 years, longer than any of us in this House is alive. It is taking place in the context of a re-engagement with the International Monetary Fund. It is not something peculiar to Jamaica. Countries like Poland, Colombia, Ukraine, Costa Rica, Guatemala, many countries whose economies were performing far better than ours ever has performed, have found that they have had to seek the assistance of the IMF because of the severity of the impact of the global crisis.

It is taking place as well, Mr. Speaker, in the context of the Debt Exchange programme which was launched, and which is unprecedented in Jamaica, not unprecedented in the world, but unprecedented in Jamaica because it has never been necessary before. And I am going to address that in a short while.

But the issues that are involved in this debate involve more than just the global crisis, as serious as that is, it involves more than the reengagement with the IMF, it involves more than the Debt Exchange programme. The decisions that we have taken and the strategies that we intend to pursue, which are the subject of the discussion in the House, represent a turning point in this country. It is an opportunity, Mr. Speaker, to start getting right what has been wrong for too long. (Applause) It is an opportunity for us to position ourselves to begin to achieve a level of growth and development that has eluded us for so long, so often appearing to be within our reach, but never within our grasp. And in doing this, I don't need to come here to score political points. The facts are there.

Today, we resolve that notwithstanding the many missteps and missed opportunities of the past, we resolve that we are going to clutch this one, this opportunity, this moment, with both hands.

Discussions about the economy entail analysis interpretation and conclusions. We will always differ. And we don't even have to be on opposite sides of the aisle to differ, because economics is not an exact science. What doesn't differ is the fact that for decades we have failed to achieve the level of growth that is required to satisfy the needs of the people. (Applause) And anybody who gives the impression that this failure to achieve the required level of growth is a pro-September 2007 phenomenon, to thine own self you have a duty to be true. (Applause)

Mr. Speaker, over the last thirty-seven (37) years - that's how far back I am going, I am going back spanning several Administrations; Administrations of that side, then this side, then that side for eighteen-and-a-half (18½) years, and now this side. Over the last thirty-seven (37) years, Mr. Speaker, the economy has grown in aggregate, cumulatively for thirty-seven (37) years by 5.2 per cent, but the population during that period has grown by 40 per cent. And therefore, on a per capita basis, if we were to take that cake and we were to slice it up for each human being in Jamaica, in real per capita terms, the economy is 25 per cent worse off today than it was thirty-seven (37) years ago.

Mr. PICKERSGILL: No, man! A voodoo business dat!

Mr. D. SMITH: You nuh understand!

The PRIME MINISTER: Over those thirty-seven years, Mr. Speaker, over those thirty-seven (37) years, there were fifteen (15) years, fifteen (15) years of negative growth, fifteen (15) years. There were nineteen (19) years of anaemic growth, when growth was less than 3 per cent. There were only three (3) years when growth exceeded 5 per cent, which is what you normally use as the benchmark; you are doing well if you are over five. Only three years when we exceeded 5 per cent, 1987, 1989 and 1990.

Mr. Speaker, successive governments and strategies pursued have failed to deliver the jobs that must be created so that young people can leave school with confidence, not just hope, but with confidence in their future and the opportunities that await them. We have failed to secure the level of investment in education and training so that those young people can be equipped for those jobs. We have failed to provide a health service that is first class, and that is available to every class. We have failed to provide adequate infrastructure, so that our people can have decent roads, they can have access to clean, fresh water and a clean and safe environment.

The people of Jamaica, Mr. Speaker, demand and they deserve better. They need better roads, better water supply, a better equipped police force, a more efficient justice system, better schools, better health services. Our nurses shouldn't have to leave here to go abroad to earn four times as much as we pay them. We should be able to pay them what they are worth. And if we were growing at the level that we ought to have been growing, then that would have been possible.

Each of us, each of us as a Member of Parliament, each of us is under pressure from our constituents. They demand things. Sometimes the demands are unreasonable, but most times the demands are justified. What they are asking us for is what they are entitled to expect from us. We can offer an explanation, but we cannot offer an excuse.

The truth is, Mr. Speaker - and I believe that the majority of Jamaicans recognize this - we may come in this Chamber, we may isolate ourselves from that reality, but I think the Jamaican people understand. The truth is, as a country we have not managed our financial affairs well. That's a fact. (Applause) We have been running fiscal deficits consistently for fourteen (14) years. Every single year of the last fourteen (14) years we have run a fiscal deficit.

What does a fiscal deficit mean? It means after you collect all your taxes, your taxes cannot cover your expenditure, so you have got to go borrow. That's what it means. There are circumstances in which deficits cannot be avoided. When a country has a disaster, when a hurricane ravages a country, you have to spend money, you have to rebuild, you have to help people back on their feet. You will have to spend more than the taxes, because the hurricane may knock out the taxes.

Many countries, many developed countries, some of them countries that have not run a fiscal deficit for the last thirty years, are running deficits now because of the economic crisis, the global crisis, and they have had to pump money there to try to stimulate the economy. But what is clear, there

is no study of economics that I know – I mean, KEYNES, I think it was he who was proclaiming that, you know, there are times when you have to use deficits to drive economic growth - there is no study of economics, I know, that can sustain deficit year after year after year after year. It doesn't work.

Now, let me go back a little bit. Up to 1995, up to 1995 we were running fiscal surpluses, small, but surpluses. The revenues and grants that we collected were sufficient to cover Government's operations and to pay the interest on its debt. It wouldn't repay the debt, that's not part of your fiscal balance. You don't take loans into your fiscal balance either. But the revenues and the grants we received were sufficient to cover Government's expenditure and pay the interest on our debt, and leave a little smalls over.

In 1995, that was the year when we said goodbye to the IMF. I mention it; I am not connecting the two. I am simply mentioning that up to the year when we said ta-ta to the IMF, we were maintaining fiscal surpluses. And, the first year after we said goodbye to the IMF, we plunged into deficit, and we have remained in deficit every year since then. (Applause)

Mr. VAZ: Expensive ta-ta! Expensive ta-ta!

The PRIME MINISTER: Over that period of fourteen (14) years, Mr. Speaker, over that period of fourteen (14) years, the accumulated deficit, up to the end of March, this year – we are projecting what it will be up to March – the accumulated deficit would have been $467 Billion, and that simply adds to your debt. Because, when you don't have the money to spend, you have to go borrow it, and you simply pile it on the debt. Your debt is really nothing more than an accumulation of deficit, that's what your debt is, times when you borrow.

The Member for Eastern Kingston had proposed one day, sometime ago – and I don't think many of us took him on – he proposed that we amend the Standing Orders to allow PowerPoint presentation in the House. On this occasion, I am sorry we didn't support him on that, because I would love…

Mr. PAULWELL: It's allowed.

The PRIME MINISTER: Well, if I had known that, I would have, perhaps, had my office prepare, because this one is – it would make more sense if I put it on a PowerPoint. But let me try and explain.

Over the fourteen-year period…

(*Sotto voce* comment from Mr. Hylton**)**

Mr. SHAW: And you can't hold on the PowerPoint. (Laughter)

The PRIME MINISTER: …that I am referring to, from 1996/97 to the end of this fiscal year, if you were to add up the budgets of all of those years, we would have spent $3,922 Billion. You can call it $3.9 Trillion, but I am still trying to see if I can understand what a Trillion is, so let's stick with the Billion. $3,922 Billion is what we would have spent in aggregate over those fourteen (14) years. But over those fourteen (14) years, the revenues and grants we collected amounted to $2,170 Billion. The difference, which is $1,752 Billion, is what we borrowed. We went and borrowed that.

Now, with those loans – bear with me. If when we were borrowing that money, we were borrowing that money primarily to build roads and to make sure that we provide our children with the best schools, and make sure that we

have the best hospitals so that our people can be in the best of health...

Mr. VAZ: And police stations.

The PRIME MINISTER: …and we were using that money to provide support for the Small Business sector so that they could really develop and expand. If that's what we were borrowing the money for, we would not be in a crisis today, because that kind of investment would have paid back itself several times over.

But let us look and see, how was that $3,922 Billion that we have spent over these fourteen (14) years, through the budget, how was that spent? Out of the $3,922 Billion, we only spent $476 Million on Education. We spent 12 per cent on Education. Security and Justice - 6 per cent; Health - 5 per cent; on everything else, roads, water, indigent, Government business, everything else, 17 per cent. Where did the bulk of that money go? Sixty per cent (60%) of that money went to either paying interest or paying repayments - making repayments.

I am not here to make political points, because, you know, we could say that the Government between 1972 and 1980 grew the debt exponentially. But then between 1980 and 1989 the debt grew exponentially as well.

I don't know who is going to stand in this House in any sanctimonious posture. In 1996/97 - I am using this fourteen-year window - in 1996, March 31, 1996, do you know what the total public debt was? A Hundred and Ninety-two Billion Dollars. You know what it was before we took office, the day before? Nine Hundred and something Billion. And we have moved it beyond that, still. So we run the risk, you see, of perpetuating the paralysis that has afflicted Jamaica for so long if we decide to use this little lectern that they give us here to defend either Belmont Road or Old Hope Road. We have a country that needs to be addressed. (Applause)

I think I said in the House last week, that there is a chance, no more than a chance, that some good might come out of the tragedy in Haiti, and that good might be that the severity of the tragedy will force the world to do for Haiti what the world has not, up to now, been prepared to show the resolve to do. (Applause) And I think, Mr. Speaker, there is just a chance, no more than a chance, that the global economic crisis that has battered us so severely may just force us to come to terms with a reality that we have sought to deny for so long and may cause us to find the energy and the resource; perhaps because it will now leave us with no other option but to do for Jamaica, what if it had been done fourteen, fifteen, eighteen, twenty, twenty-five years ago, perhaps we would have been looking at the storm of this recession now and saying, as tough as you think you may blow, you can't blow us down because we are a strong, powerful people, small, but with an economy that is so resilient that we can withstand any kind of pressure. (Applause)

We have lived and we have worked, Mr. Speaker, to pay debt. If we don't stop, don't change this course, our children who are not yet even born will come into this world with one primary responsibility, with one everlasting burden to repay the debts that we have incurred. And you know what? They are not going to be able to do it. So what you think they are going to do? They are simply going to incur some more debt to try to ease off those debts and pass that on to their

children not yet born. We would be condemning this country to a life that perhaps won't be nasty, brutish and short, it will be nasty, brutish and long. And that is even worse.

There are many Jamaicans, Mr. Speaker, many of my constituents, many of yours, who don't understand what this has to do with them. As far as they are concerned we may be boring them. They don't understand what this has to do with their inability to find a job. They don't understand what this has to do with our inability to fix their roads and to provide them with the support and to give them the water supply that they are agitating for, to equip the hospital with sophisticated equipment and highly trained personnel who can make them well. They don't understand what this has to do with the things that they are supposed to get. They work hard, they campaigned with us, they went out and they voted for us and as far as they are concerned, it is time to deliver. What you are talking about this global nonsense, we are not interested in that. There are many of them who feel that way. To many of them, this is – all of what I am talking about – is a bookkeeping issue. Accountants must deal with those things, Government must deal with their thing.

You know it is interesting I watch, when I do have time, I watch with great interest, what is happening in American politics. If you look at the setbacks that President Obama has suffered - and, you know, one of the factors that has influenced the voters in voting the way they have, his party lost three critical governorships and then lost Ted Kennedy's seat in the Senate, a seat that has been held by the Democrats now for…

(*Sotto voce* comment made by a Member)

The PRIME MINISTER: Yes, well it was held first by John Kennedy and then - but you know one of the issues that has played up in that kind of voter reaction - they said that President Obama is spending too much. Too much borrowing to finance too much spending. America is now running a deficit that is about fourteen per cent (14%) because of the effort that his administration has made to try to stimulate the economy, to try and rescue collapsing financial institutions. And the voters have revolted against him and his party because they say, you are spending too much. In Jamaica, our people complain that we're not spending enough, we need to spend more. But in order to spend more, you have to borrow more and when you borrow more, you have less to spend because you have more debts that have to be serviced.

This debt-driven strategy, Mr. Speaker, is what has paralyzed the economy. It is what caused us – and I still haven't fully understood this myself, because I spent a lot of time, I have looked at numbers, I have been trying – but it is what I believe caused us, caused our economy to defy growth in the 1990s up to the mid-2000 when the entire world was growing at unprecedented levels. When the developing world was growing at a much faster rate than the global average, the Jamaican economy just stood up like a mule and say: I am not growing. When Jamaica was enjoying record levels of foreign direct investment – there were some years when we had foreign direct investment of Six, Seven, Eight Hundred Million US Dollars coming into the country. Over an eight-year period, there was Four Billion Dollars, US, of direct investment into Jamaica, and when you look at the economic

performance, one point two per cent (1.2%), one point five per cent (1.5%), I think, one year we manage to get over two, went up to two point six per cent (2.6%), we just refused to grow. It is this debt-driven strategy that I believe has discouraged investment, preventing jobs from being created, eating up the budget, preventing us from fixing roads and schools and providing scholarships and pumping money into the Students Loan Bureau and putting water into our homes.

In the broadcast that I did two weeks ago I tried to spell it out so that people could understand. You know when a government keeps borrowing so much that individual, it may be a young man that has ideas, just graduated from one of our universities, may not have graduated at all but just has a good idea, or it may be a business that started out, had done reasonably well, need to expand but they need money. Not all of us are born with some affluent family that can give us our capital, we have to go and borrow. But by the time yuh reach the bank yuh find that the government was there before you and borrow the money already. There is no money left. Or, if there is some money left, the interest rate is so high that you can't borrow because if you borrow that any at all, you bound to fail. There are many businesses that I know that have failed, which if you were to put that same person with the same business in a different environment it would have succeeded. But it failed because a business that can be successful if you're borrowing money at ten, or twelve, or fifteen per cent can't succeed if you are borrowing money at twenty-five or thirty per cent. (Applause)

You know, so much has been said about these FINSAC people. You know one of the reasons I sympathize with them, but for the grace of God there would I have gone. I went into business myself, borrowed. I borrowed money at nineteen per cent (19%) which I thought was high.

(*Sotto voce* comment made by a Member)

The PRIME MINISTER: That's true, and I thank her for it. But I borrowed money at nineteen per cent (19%). Before I completed the construction, don't even open the business yet, before I completed the construction, that interest rate was forty-two per cent (42%). And I mean there were evenings that I went home and I sat down and I prayed and I almost came to tears because I saw everything that I had tried to do, tried to work for, just about to disappear in front of me. And yet, at nineteen per cent (19%) I would have been driving fast down the highway. At twenty-three per cent (23%) I would be coming a little marginal. But once you take me over twenty-five per cent (25%), I am dead.

The truth is that money, money, Mr. Speaker, is a commodity. It responds to demand and supply. If the government is gobbling up money and if the holders of money know that the government cannot do without that money, they jack up the price. What is more, if the people who have money watch and see that government is just borrowing and borrowing, so government is getting to a stage where its ability to repay may not be a threat now but is likely to become a threat down the road, then they put in the risk premium, they jack that up. It is what is called in construction, 'hazard pay'. Because they are not sure that - I may be sure of getting my money this year and next year but when I look far down the road I am not sure, so tell you what, let me stick up *mi*

interest rate so that I can make enough in the interest over the next couple years so that if anything happens down the road I would have recovered. I mean, that's how the market operates.

The SPEAKER: The Prime Minister's time for speaking has expired.

House Leader.

Mr. HOLNESS: Mr. Speaker, I now move that the Prime Minister's time for speaking be extended to complete his presentation.

The SPEAKER: The motion before the House is for the Prime Minister's time to be extended to allow him to complete his presentation.

Put to the House and agreed to.

The SPEAKER: Prime Minister.

The PRIME MINISTER: I thank you, Mr. Speaker. And, of course, the other side of that coin, or that equation, is that those who have money and would otherwise have gone into business, create jobs, employ people, increase exports, increase production, are discouraged from doing so because what you can earn from the Government is more than you could earn from your business.

I had a neighbor – I tell the story before – who had two factories out in St. Thomas. It's a man who had a – well-known in Jamaica, used to be big in animal feed production. He had two processing plants in St. Thomas and in the mornings when I am going to pick up my newspaper, he goes down, he is driving down. He is heading out at 5:50 to go get his factories open, get his boilers started, get everything going. And then, for a while I didn't see him and at Christmas we stopped by his house. "Ken, what you're doing these days? I don't see you pass in the mornings." He said, "Man, I sold the factories." I said, "Then what you're doing now?" He says, "I spend *mi* time reading *mi* bank statements." He said, "What money I am making now, I have never made in my life, from Government Paper."

Mr. CLARKE: That man cause you to do that…

Mr. GOLDING: *Yuh* know the man too.

(Cross talk)

The PRIME MINISTER: We need to get back to a day, a day long gone, when people didn't have to chase money, money would chase people.

I grew up in Old Harbour as the Member for Central Manchester knows. He was supposed to have grown up there too but he didn't spend much time on page one with me. He went all over the place.

But my neighbour, when I grew up in Old Harbour, was the manager of what was then Barclays Bank. And when I just started getting active in politics - I'm talking about 1968/1969-70, that period - David would say to me, "when you going up into the hills on a Sunday evening, can I ride with you?" And I would say to him, "*wha* you *wan'* ride *wid mi fah*. You want to go into politics?" "No, you know I can't do that." I say, "then what *yuh* want to go up there *fah*? Him say, "a need to lend some money. My head office has given me a quota. A have to lend so much money each month and I'm below my quota. I need to find some farmers, some shopkeepers, a need to find some people who will borrow money." And when he would go to them, you see him talking to a little man, and he says, "a can lend you, you know, a can lend you the money." "Well, how much it going cost?" "Well, it going cost seven per cent." The man says, no,

no, sir, that too high!" "Well, what about six, eh?" (Laughter and inaudible comments) The bank manager was like a higgler trying to make a sale, you know.

Mr. Speaker, …and you know, when an individual finds himself in the same problems that we are in today, where you have huge loans so you take out a lot of money to buy a car, to buy furniture, you are sending your children to university, you may have a mother who was sick and you had to borrow some money because she needed major surgery, you pile up yourself with these loans and when you discover that the cost of servicing those loans is more than your income, you keep borrowing and at some point the creditors say, look, I can't lend you any more money. What do you do at that point? You cut your expenses. You start cutting back. You have to deprive yourself. If you have some assets that you can sell you sell them. If you have a loss-making business that's dragging you down you have to cut it, get rid of it. You have to seek ways to earn more money. You have to seek ways to increase your income. You are in a crisis. It cannot be business as usual, Mr. Speaker.

The IMF Agreement that we have negotiated - not yet approved - the IMF Agreement that we have negotiated is necessary to offset the losses arising from the global recession. We know the losses we have suffered. Take bauxite/alumina, we'd normally get indirect taxes each year, almost Four Billion Dollars from bauxite/alumina revenue. This year, we are struggling to make One Hundred Million, *nuh*?

Mr. SHAW: One Hundred and Thirty Million.

The PRIME MINISTER: One Hundred and Thirty Million and we are not talking, now, about the other taxes that you would collect from bauxite workers when they are employed and so on. The economic downturn has caused a significant drop in custom duties and GCT, dropped below what we had expected to be derived. The Capital Markets, as has been pointed out, are closed.

We have had to impose additional taxes this year. And I know it's hard. I don't think any of us saying that it is so astounding or new by saying that it is hard on people. And yet, even with all the taxes that we have imposed, we still have not been able to close this huge gap that was opened up between what our income is and what our expenses are.

There are some countries that have had to impose taxes. Ireland has done it. Spain has had to do it. There are some countries that didn't have to do it. There are some countries that did the opposite. There are some countries that figured, cut taxes now as a means of cushioning the fallout from the global recession and also as a means of stimulating some activity. The difference between us and those countries is that they had built up surpluses. They had surpluses that they could call on to finance those tax cuts. We didn't have any surpluses. The recession caught us flat-footed and with an empty pocket.

The IMF, as the Minister has pointed out, will provide us with US$1.2 Billion over 27 months. I think it's actually US$1.25 Billion, *nuh*? (Inaudible comments by Mr. Shaw) And the World Bank/IDB and the CDB will support us to the tune of another US$1.1 Billion. The IMF funds, as I think we all know, are strictly for balance-of-payment

support. And that deals with the fallout in foreign exchange earnings from alumina, remittances, private capital flows. These funds are necessary, Mr. Speaker, to address those gaps because without that, then the foreign exchange market could not be sustained in any stability.

But the funds from the other multilaterals will help us in terms of the gap created because of the under-performance of the revenues. There are conditionalities attached. There are fundamental weaknesses that were prevalent long before the recession that have to be addressed. The recession has served only to magnify those weaknesses. We are faced with a reality check now. We either act now to correct these long-standing systemic weaknesses or we will slip into a permanent recession. I mean, that's where we are. The Minister of Finance has outlined the fundamentals of the programme and I want to speak to some specific elements of that. And I will try not to detain the House too long.

We are pursuing a fiscal strategy, Mr. Speaker, which recognizes a compelling need to reduce expenditure where we can, and to contain expenditure where we must. The biggest item of expenditure is our debt service costs. This year, by the end of March, we expect that we would have spent, on interest alone, $182 Billion. On loan repayments, $153 Billion. When you add those two, you are talking about $335 Billion that we have paid out by the end of March and not one pothole would have been fixed, not one length of pipe would have been run, not one house would have been built for an indigent, not one young person would have been sent to school. That's just what we are spending this year, either to pay the interest on the money that we had borrowed or to pay back the money that we borrowed long time ago. That's $335 Billion out of a budget of $571 Billion. That is 59% of the budget.

Next year – If we did not take some of the decisions that we have taken, if we did not introduce the Debt Exchange programme, next year we would have been spending not $335 Billion, almost $400 Billion in interest and loan repayment, we would get to a stage, Mr. Speaker, where the budget could be printed in a document that would be no thicker than this. *(The Prime Minister displays a file folder)* Debt repayment balance, zero. And then the schools would start shutting down and then the hospitals would collapse. It has happened to some countries. Go ask Zimbabwe how they're faring and you'll understand the seriousness if we don't take action.

We've introduced the Debt Exchange programme. It's something we've been working on for a long time. We have been guided in developing that programme by City Corp of New York who were retained by the Government. We had to take a cautious approach. There are reputational issues that we had to concern ourselves with because once you disturb - and I think the point has been made – once you disturb the terms of a contract, because that's what it is. It's a contract with a lender who's lending you the money on certain terms. Once you disturb that, then there is a nervousness that is almost sure to set in. And we know what the action of the rating agencies has been. But there were some practical issues that had to be confronted. The unsustainability of that level of debt. And let's not - this is not wizardry. I mean, you can juggle around. You can find some new sources to borrow some money from, to sort of take

those that you have that are due off your back and you do a little juggling and you do some creative things and so on. When the world begins to close in the way it has over the last two years, when capital markets are closed, the opportunity for juggling is not there anymore. And that unsustainability would have led to the possibility that we could one day find that the price we would have to pay for servicing that debt would have been so great that the kind of social unrest that it would lead to would have been so unmanageable that you wouldn't be able to pay it.

In addition to that, there are huge spreads that were being enjoyed. And I thought that it was significant. I asked for the documentation, and I just want to quote the Opposition spokesman on finance. And he was quite right, quite right. And I think because - mindful of the position that he held, the position he held then and I assume still holds, and because I think he has a particular sensitivity to the issues that we are talking about, I thought his comments today were measured. I would like to contest with him a number of issues, but that's something that he and I can do another... I was in your constituency last week Friday, by the way.

(Inaudible comments by Dr. Davies)

Government MEMBER: You can't go back.

The PRIME MINISTER: But they told me that since you built the housing scheme they couldn't get any water down the bottom. I made a few calls and I got word today that they ... They hadn't got water for over a year you know. (Inaudible comments) But they sent word to me today that they have got water. (Applause)

A MEMBER: That was the boss, that was the boss talking.

The PRIME MINISTER: No, no, no! In fairness, in fairness, the Member and I have a particular working relationship. For example, Central Branch Basic School is in West Kingston. But it is more convenient for him to look after it and he does, and he does a good job. And the new Basic School that I had just finished building at Christopher Road is in his constituency but he has assigned me the responsibility of looking after it and dealing with it. So that's how we work. (Inaudible comments by Dr. Davies**)** You go on!

But this is what he said and I think it's worth quoting. He says here:

> *"It has not been technically refuted that at this time of high interest rates, where we are paying a Hundred, we'll be paying a Hundred and Sixty-odd Billion in interest rates. We said that those who are reaping these high interest rates could never have anticipated it."*

That's what he said. There is a gap between the rate of inflation and the interest rate which cannot be justified in any technical terms and if those who are earning rates which they would never have anticipated or not justified, they can make a contribution. And I remember that in that debate... This was in December. No, this was in September. Was it? Yes, it was in September. And I remember indicating that, look, we are going to try and see if we can get that contribution - a more substantial contribution another way. We spent a lot of time, Mr. Speaker, stress testing because we know that there were institutions that might be more vulnerable, would perhaps have less resilience; and that's why the

Stabilization Fund was set up. That is why we have been working over these last few weeks with these institutions to ensure that liquidity support is there, because it is not in our interest for any of the financial institutions to fail because of this effort.

But it is also true and the Member for Central Manchester might have similar views. The stability of the financial market is not enhanced when it is exercised by such a wide, large group of players, many of whom are not able to develop the strength, and capital adequacy to be able to function and to be able to serve their customers well. And, therefore, it is something that the market will have to determine that, that is not something that the Government can ordain, but it is something that - I think the regulators must be prepared to assist and facilitate if the market chooses to go in that direction.

In a sense, we are facing there with the non-bank entities, exactly what we faced with the banking entities many years ago, where there had to be, not just improved regulations, but I think there had to be some amount of streamlining. But, in these bonds that we are seeking to have exchange, it is interesting to note that the $240 Billion of those bonds, total of roughly 700 and $240 Billion of those bonds are made-up of fixed rate bonds that carry interest rates ranging between twelve and a quarter per cent (12¼%) and twenty-eight and a quarter per cent (28¼%) which means that even if interest rates were to plunge to two per cent next year, you will have to continue paying this twenty-eight and a quarter per cent. And in this instance, Mr. Speaker, there are bonds out there at twenty-eight and a quarter per cent (28¼%) that have a maturity date of 2039, which means that for another 29 years you would be paying twenty-eight per cent (28%) no matter where interest rates have gone at this stage. If we are talking about burden sharing, the bond holders have to be a part of that burden sharing.

And the Minister is right – the Member is right when I quoted him a while ago. We made the offer, the justification is there. We are going to be able to build confidence around a debt profile that is more manageable, people are now going to feel that, well Government is in a better position and, therefore, some of the fears, some of the apprehensions that I have before, I don't need to have. That is why two of the rating agencies have already indicated that if the Debt Exchange is successful, they will, very soon, upgrade the rating for the new bonds while the ratings for the older bonds - if there are any still in the market - will continue not to attract a good rate.

I have spoken about the Stabilization Fund. It is not true that we have not consulted. This is a matter that has been under discussion, I think the Member for South St. Andrew acknowledged it - the matter has been under discussions for a considerable length of time. The Government was advised and I am saying this, deliberately, the Government was advised, strongly, against pursuing this strategy, and it was on that basis that I took the decision after discussion with the Cabinet to indicate that we were not going to pursue it because what we were told, what the advice said, that if you do, that you are going to be down-graded. What the advice didn't tell us is how you are going to deal with this load. If not that, then what? There are other countries that have done it, you know; Argentina did it in 2001 and, again, in 2005. As a matter of

fact, Argentina is actually floating a Debt Exchange right now, as we speak, to deal with about US$20 Billion of debt that were held but did not come into what was there. Theirs wasn't a Debt Exchange, theirs was a mandatory. In the Debt Exchange, we have - we are exchanging par for par, $100 brought in, gets $100 of the new bond but, with a lower interest rate and with an extended maturity.

When Uruguay did it, Uruguay said, look, I am taking 13% off the top because I can't pay you the full $100. When Argentina did it, Argentina said, I am taking seventy-three per cent (73%) off the top, I can only pay you twenty-seven per cent (27%). We have said, no, we respect the principal, but the twenty-eight per cent (28%) interest would bury this country long before each of us go to that final resting place, individually. Dominican Republic did it in 2005, Belize, in 2005, Lebanon, last year, Ecuador, last year. Seychelles just did a successful Debt Exchange and as I said before, no haircut, no reduction in principal.

We await the results of the programme, tomorrow. The Minister is likely to be making an announcement because while the institutional investors are all in, I don't think that there is any of them that are still out, there has been a challenge for the individual small investors. And I am told that today there were lines and crowd at the Bank of Jamaica, at various retail, investment retail locations.

(*Sotto voce* comments by Mr. Bunting)

The PRIME MINISTER: Yes, and that the Minister briefed me on that earlier today, and that is exactly what I was referring to.

Mr. Speaker, the second biggest area of burden in terms of the budget has to do with the wage bill, and the programme that we have prepared requires a freeze on the wage bill. And, let me be very clear, and let me be very – you know, sometimes, in an attempt to be very precise and explicit in what I say so that people are not left speculating, I am accused of dictatorial attitude and unilateral action.

Let me put it simply. The wage bill is frozen. The amount of money that this country can afford to make available for wages is frozen. The amount of wages is not something that we can go around having discussions and negotiations about. The Government has to determine, in its macro-economic programme, what is possible for wages. Now, within, that ceiling, if some workers are to get more, then it means that other workers, either have to get less or you have to shrink the size of the workforce, that is the raw fact of the matter. That is where the negotiation would have to be. I don't know of negotiations that can proceed on the basis that, look, your business can only pay $1000 for wages, but we want you to pay $1500 and collapse the business, it cannot proceed on that basis. And, therefore, let me indicate, is that an unreasonable position? No, it is not. And, why I say it is not.

In 2007/2008 when we took office, the total wage bill of the Public Sector was $86 Billion. You know what it is today? $126 Billion. That wage bill has increased by approximately 50% in two years and we have not taken on more people, it is not that we have employed more people. It is the people who were there who were getting $86 Billion two years ago, are today getting $126 Billion. Nobody could ever say that this Government has been unreasonable in its treatment of Public sector salaries. But we have had to say

- what we have to say, is that, look, we are going to have to hold it there, for the next two fiscal years in order to give this country a chance. We have to ask Government workers that they have to help bear the burden as well.

There are retroactive payments that are due, we have said we are going to have to work those out with you over time. We are going to pay you the retroactive amounts, but we cannot load it all on, on this fiscal year, we have to spread it out over time. That is the subject of discussion.

An accusation that ought not to be made, an accusation that ought not to be made of this Government, is unwillingness to cooperate. It is untrue, it is unfair. I checked my office. I had nine (9) meetings at Jamaica House at the Office of the Prime Minister with the Opposition last year at my invitation, nine (9) meetings. (Applause) The Unions cannot argue, the Unions cannot argue, that we have not consulted. In the course of last year, I had seven (7) meetings with the union leadership, the Joint Confederation, Jamaica Confederation, not including special meetings that we held to deal with the bauxite problem, to deal with the sugar industry problem. I had - not including informal meetings.

I had an informal meeting at Vale Royal with some of the principal leaders of the Trade Union movement. The Minister of National Security who was in the Chamber sometime ago, he was there with me. At that meeting and I – I am going back now at least three months ago, maybe four. At that meeting, I put on the table that the programme that we were developing was going to be so tight that we would have to look at holding the wage bill where it is for a period of time. They suggested, at that meeting, that, that is something that they are prepared to enter discussions about, but it would be difficult for them to do unless the issue of the seven per cent (7%), that they were due for 09/10, unless that were addressed. And I gave them an undertaking, not that we would pay, but that I certainly would want to explore the possibility. But I said, and in fairness to them, they even said to me - I am talking about some of the senior leaders of the Trade Unions Movement in Jamaica - They said to me that, we are not insisting that it must be paid now, but it is a contractual arrangement and we have never felt comfortable about it just being cancelled. So, even if it can't be paid now, if it can be paid over a period of time, we can negotiate that. We had that discussion at Vale Royal.

I met with the Jamaica Confederation again on Friday the 11th of December at the Office of the Prime Minister, breakfast meeting. At that meeting I outlined to them the scope of the IMF Agreement. We did not have all the fine details, but I did indicate clearly that the question of a wage freeze was now almost unavoidable. I thought it was one of the most constructive meetings I held with the Unions. I mean there was one particular Union Leader who I was very surprised to see, he understood, won't tell you that he was applauding, but he understood. He raised a number of concerns that we felt needed to be addressed.

And then on the night of Monday the 18th I met with them again to brief them on the entire programme, but with particular reference to the Debt Exchange programme. That meeting went on until pretty late, almost midnight. It is not fair to say that we have not consulted. But let us be practical.

A government has to deal with a range of competing interests. There are all sorts of interests, vested interests out there, some of them represent large constituencies, some of them represent constituencies that may not be large but may be powerful, and a government has to make itself available, it has to consult and discuss. But let it also be understood that while government and government decisions by consensus is desirable, no government can function if consensus is a prerequisite for taking action, because it is easy for consensus to be withheld or prevented. And I don't think that anybody could ever argue that we are arrogant or that we are unreasonable. But at some point as I said to some of my friends when meeting at my home, we have a lot of discussions, a lot of consultations, but when the decision is to be made, my wife makes the decision, I have learnt that, right. And that is after whole heap of consultations but she makes it clear that the buck stops here and that is where the decision is made.

For the time being and in so far as the Government of Jamaica is concerned, the buck stops on my desk.

(Applause)

We have taken on, Madam Speaker, the business of Public Sector transformation. It involves more than just reducing costs, it involves improving efficiency, increasing productivity, better management of resources. It involves a transformation of the public sector. It's something that we have never done enough of. Efforts had been made before and it has been proven to be successful in a number of respects but there is still a far way to go. A transformation unit has been set up. I'm very impressed with the work that they have been doing. When we had the recent Cabinet retreat, they made a presentation and I was satisfied that they were moving in the right direction.

We have a Consultative Advisory Committee which is chaired by MR. PETER MOSES. It has on it MR. WAYNE JONES who is President of the Civil Service Association and also Vice President of the Jamaica Confederation of Trade Unions. We have invited the Opposition to name a representative, the Opposition has not, up to now, responded; but I had told them, I told the Committee that they are to keep the Opposition informed of whatever decisions they are making, whatever advice they are giving.

TAXATION PROGRAMME

The Member for West Central St. Andrew made a proposal for the oversighting of this programme, the taxation programme. I want to say to you that in so far as the taxation programme is concerned, that is accepted. It is a provision in the Standing Orders that was introduced, I think in 1999, for a particular purpose. We have observed it with impunity and it's something that I discussed with the Leader of the House and the Finance Minister and it's going to be activated. I don't know that we need a special committee, however, to review the fiscal arrangements. I know that in the setting up of committees we had identified an Appropriations Committee which would do, in looking ahead, what the Public Accounts Committee is doing in looking behind and I would think that it could be the proper function of that Committee.

But I also want to say that in monitoring the programme and in that oversight, we have established three (3) levels. There is, of

course, going to be the IMF Programme, the IMF oversight and the Quarterly test, that have to be met. The Minister heads a team that is going to monitor it virtually on a daily basis, but certainly recording on a weekly basis. That team is going to report to me on a fortnightly basis. But there is a third level.

The partnership for transformation has established a committee which will do precisely that; and that involves representatives of the Government, the Trade Unions, the Private Sector and the Opposition. The problem is that, for reasons that I am not unaware of, there has been some difficulty. The Opposition has not formally withdrawn from the transformation, they have just stopped coming to the meetings; and if it is something that we need to fix, let's fix it. If it is that the Opposition does not want to participate at that level – every meeting the matter comes up and every meeting I say, well look, let the good not be the enemy of the best. If it is that something needs to be fixed, let's fix it. If it is that the Opposition is not prepared to participate at that level then the Opposition, in fairness, not just to me but to the other partners, needs to say so. I have said and it is recorded, I have said it not once, more than once, that it is not easy for an Opposition to participate in that kind of - it's not easy, it's not natural either, not in our competitive politics, but we can do it. I believe that the need is there and I believe that we can summon that spirit that would enable us to do it. And there may be times when we are going to have to say now look, we are going to have to take a position and we are going to have to criticize this. But I make that comment in relation to the suggestion because I think it's unfair, and I'm not hurt by it but I just think it's unfair to suggest that this Government has been lethargic or hesitant in cooperating. We have done everything. I mean some of the things that we have done in terms of cooperation are things that I don't think it would be appropriate to speak about publicly. And it's not that it's anything that anybody needs to be ashamed of, it's just that these are things that I just don't think that we need to air in public.

I wanted to speak very quickly, Mr. Speaker, before I close, on the question of some of the burdens that we are going to have to shed, sugar. I think we are the first government that has really taken the tough decision that look, if we cannot sell it we have to shut it down. I don't think any government or any Minister in the past has been prepared to stand up in this House and say that this thing is going to kill us and if we can't find somebody who can run it properly we are just going to have to put it down. And I know that that provides grits for people who want to head unto platform to say that this Government is shutting down the sugar industry. Where is that sheet? You all hold it. I need to see that document. You get that document for me because I'm going to have to refer to some of it.

We have, as you know, privatized St. Thomas and Trelawny. We have the rest of it which is the bulk of it. The arrangement with **Eridania**, as we have already reported, has not materialized because what we offered doesn't fit into their business plan; but they have given us a purchase contract and it enables us to continue to function. How long we will be able to continue to do that I'm not sure, because part of the reason why they have been able to function as effectively as they have so

far, without any recourse to Government, they are doing that, is because of the price of sugar. The price of sugar has been good and it is because the price of sugar has been good why the increase in the price of sugar has been so high, because every teaspoon of sugar we eat in Jamaica is imported. It's not our sugar, we don't make it. Our sugar goes on contract to somebody else.

(*Sotto voce* comments)

There are possibilities of divestment of sugar, real live possibilities and there are two proposals that are before us right now. I can say no more because I'm not making announcement prematurely, neither of those two proposals might materialize, but what I'm saying is that the matter is not dead. But let me make it clear that in this programme the Ministry of Finance will not be entertaining any request for any further financial support for the industry, we cannot do it. We are going to have to start shedding these burdens that have helped to put us in this predicament that we are in today. And that brings me to the question of Air Jamaica.

Madam Speaker, I understand the emotion about Air Jamaica; it's the little piece of Jamaica that flies. And nobody and apart from those who may be employed to the airline, there is nobody that has a greater emotion and attachment and passion to Air Jamaica than I do. I was at - what was then the Palisadoes Road - Palisadoes Airport in 1968 when CLEVE LEWIS, the then Minister of Communications and Works, pulled the trucks from the front wheel to launch the first flight of Air Jamaica. I was there. I was a youngster, '68, I was just 21 at the time, 20/21.

(Inaudible comments by Dr. Davies)

The PRIME MINISTER: What's that?

Dr. DAVIES: You didn't join the march?

The PRIME MINISTER: I didn't take part in that, I didn't take part in that. You know I didn't, you know I didn't.

(*Sotto voce* comments by Dr. Phillips)

But let me say this about Air Jamaica. The losses of Air Jamaica, the accumulated losses of Air Jamaica is over J$100 Bil1ion, over J$100 Billion, not million, over J$100 Billion is what we have lost on Air Jamaica from its inception. Air Jamaica made money, I think for one year in 1973 when I think ERIC BELL was the Minister responsible for it. It had covered its initial capital, it made profit for one year, it has never made profit since then. It is costing us now, even with improved performance - and by improved performance I mean we have cut out some of the routes that were big loss makers, we have slimmed it down, but even with all of that, it is still costing us more than a Billion Dollars a year to keep it going.

We sought to privatize it. We short-listed two entities, one was Indigo. We negotiated with Indigo in good faith. Those negotiations came to an end in November because what was being proposed was not, in our view, in the interest of the country. What is more, it would have involved a continuing obligation on the part of the Government that we were not prepared to consider.

Caribbean Airlines was the other short-listed bidder. We had chosen to negotiate with Indigo in the first instance because the proposal that was made by Caribbean Airlines was not as good as Indigo's, in so far as our tourist interests were concerned. Subsequent to that, Caribbean Airlines amended its offer but by that time we had entered into an exclusivity arrangement with Indigo. We were

not privileged to negotiate with any other entity. When that came to an end, we turned to Caribbean Airlines. It is consistent with the procurement rules that are closely overseen by the Contractor General. If you advertise and you have two bids and you are negotiating with one and that one doesn't work out, you are obliged to go negotiate with the other. You can't just jump outside of the two and start to negotiate with a third.

I make that point in reference to the offer that is reported being made by the pilots. We have not received any detailed offer, what we have is correspondence. What we have is letters saying that we are interested, this is how we intend to proceed. Unless we get a detailed proposal with convincing and satisfactory evidence of the ability to finance and to finance in such a way that will achieve two things: we will have reasonable assurance that the air services will continue to be available to Jamaica and secondly, there will be no requirement for financial support or for government guarantee.

(Inaudible comment by Dr. Davies)

The PRIME MINISTER: What's that?

But I want to say a couple of things, you know. The airline industry lost US$4.7 Billion last year. There were thirty (30) airlines that went out of business last year. There are some airlines that are too big to fail; it's not that they are making money. American Airlines lost One-and-half Billion US Dollars last year, bringing their total losses for the decade, that's from 2000 to 2009, to US$10.2 Billion. Delta lost US$1.2 Billion last year. Japan Airlines, one of the - well at one stage, the leading airline in Asia, filed for bankruptcy because it had accumulated debts amounting to US$25 Billion; and this would be the fifth time in nine years that it has run into a financial crisis. It is in that kind of atmosphere that any person contemplating the acquisition of Air Jamaica must understand what they are getting into.

I make two other points about it. Any, any entity that is proposing to take on Air Jamaica on the basis of debt financing, borrowing money, I would advise them, sincerely, don't go there. If you are not able to get in on the basis of equity where you have the cash and you are prepared to invest that cash, put it at risk because you believe that you can make it work, then my advice is, don't go there.

The pilots have made certain assumptions that I would caution them. For example, they are assuming that the US$25 Million that we would be paying to the workers in terms of redundancy, that the workers are going to turn around and invest that US$25 Million as equity in the Airline. I am not saying that some won't, but I would be very skeptical of any suggestions or any thought that a huge portion of that US$25 Million is going to be foregone by the workers, put in an entity, whereas in the case of American Airlines and Delta Airlines and Japan Airlines, it is at risk, it is at great risk and you could lose it. I wouldn't, myself, accept that that is a business proposition.

There are other legacies, Madam Speaker. Clarendon Alumina Products, the Minister of Finance at the time, Member for South, South St. Andrew, the Government has so far incurred losses at Clarendon Alumina Products, of US$545 Million, US$545 Million. So when you look at the debt, and when you look at the crisis that we are in, just factor in for me. Blame me, blame this side for any errors that we have made, we may have made errors, we are not perfect, but let the

debate not proceed on the basis that these things don't exist.

National Road Operating and Construction Company, that's the Highway 2000, where we are servicing the debt but there is no chance of getting any revenues until 2014, and even then, not sure. Central Waste Water Treatment Company, which was built with bridge financing provided by NCB, there was no arrangement in place for any long-term financing, none whatsoever.

Mr. BUCHANAN: Careful when you talk bout bridge financing, Prime Minister.

A MEMBER: You have no sense.

Other MEMBER: No! You keep quiet, go drive yuh truck and keep quiet. (Laughter)

The PRIME MINISTER: And every month, the Minister of Finance has to wrestle, he has Ministries that are pounding him down for warrants so that they can go fix roads, so that they can go look after their services, but he has to deal with NROCC, he has to deal with Air Jamaica. Up until, up to three weeks ago, Air Jamaica came into us and said, if they did not get US$14 Million, they were likely to start seizing their planes.

The Government built the North Coast Highway and that leg…

Mr. BUCHANAN: Good road.

The PRIME MINISTER: Good road… and that leg, the one that comes from Montego Bay, yes, the contract was US$50 Million. Well, can you, since you are so proud of that road, can you explain to me why the Government is now facing a claim for US$38 Million additional? US$38 Million.

(*Sotto voce* comments by Government Members)

The PRIME MINISTER: Well, if it was going to cost $88 Million, then why you never sey so in the first place?

Mr. SHAW: Yes, you ask for that one.

The PRIME MINISTER: The Minister, Mr. Speaker, will deal with some of those.

We are committing ourselves to privatizing those assets that may not necessarily be a burden, but can assist us in getting out of our burden. And therefore, the Government will be negotiating the sale of our shares in JPSCo. We don't have to own shares in a public light and power company in order to be able to exercise sufficient control and regulatory authority on behalf of the people.

We are going to be privatizing Norman Manley Airport. We are going to be privatizing the Kingston Port. We are going to be disposing of the Pegasus. The UDC has been instructed to sell all of those assets that it has that are not critical to its development responsibilities. In other words, it may have built apartments, it may have built shopping centres. Well, that's part of its function to go and see development, to start development, but now that you have built it, sell it and take the money and go somewhere else and go do some more investment. UDC has become one great gigantic landlord. I have said to them, sell your assets, you are not getting any money from Government. You have enough assets where you can get rid of those assets so that you can finance your development.

We are going to put PETCOM up for sale. The Government doesn't have to be in the business of owning gas stations and pumping gas. (Applause by Government Members) We want to get some money for it.

The divestment list, the only reason why it's not being tabled today is that the final list has not yet gone to Cabinet. There is a list of 99 properties, 99 assets, by the time it is vetted by Cabinet it may very well be that it may be a little more, it may be a little less, but we will be bringing that list to Parliament.

Madam Speaker, implicit in this – and can I just mention. I know that the question of increasing JUTC fares, bus fares is right for criticism, its fodder, its fodder, right, but understand that without a fare increase the Government would have to find $1.3 Billion of support for JUTC this coming year, $1.3 Billion. It's all of these things that we have to find that have helped to put us in the mess that we are in. And therefore, even with the increase, the exact amount of which the Minister has not yet advised Cabinet, but even with the increase that is contemplated, we are still going to have to find $600 Million. And we recognize that a bus service needs some amount of Government subsidy. What we are saying, that the subsidy cannot gallang, gallang so. So, it is $1.3 Billion this year, and next year, it is $2 Billion and the year after that it is $3½ Billion. We have to get our house back in order or else this country has no future. (Applause by Government Members)

We have had to ask the people, we have had to ask the people of Jamaica, Mr. Speaker - Madam Speaker, I am sorry. We have had to ask the people of Jamaica to bear the burden. It's not a - it's not something that one wants to do. You are faced with a situation where you have to tek tough decision and though some of those decisions may make you unpopular, that is not going to cause us to flinch. Nobody, whoever stands in this place, this particular place that has had illustrious persons in the past, nobody who occupies this position must be unwilling to take those tough decisions because they are so preoccupied with the next elections that they fail to see what this country requires at this time in order that the country can have… (Inaudible comments) (Applause)

But in asking the people to bear burden, we are going to have to commit ourselves to a standard of conduct and a kind of performance that is going to be more stringent than anything that any government have been subjected to before. Because if we are saying to the bond holders, for example, sacrifice some of the returns which we had entered into a contract with you to give you, and we are saying to them it is necessary in order to ensure that Jamaica can have a stable future, that inflation can be low, so when we are asking you to take 12%, you accept our assurance that we are going to ensure that inflation is going to be way below 12%, we have to deliver on that. It's a covenant that we have to enter into.

And the Minister has spoken already, he may return to it, the fiscal responsibility framework under which he's going to have to come to Parliament to outline what the targets are. He's going to have to come back to Parliament anytime that there is any question of those targets not being met and what corrective action he's taking. I told you already of the monitoring mechanisms that we have set up.

You are going to see, this year for the first time, a consolidated budget, which is not just Central Government, but all of Government entities. And the Budget Debate that will take place, will not only be about the Minister of this and the Ministry of that and the other Ministries, it is going to be about the entirety

of government. Every Government agency, the documents are going to be tabled - they are not being put in the budget, but they are part of the consolidated presentation of Government's fiscal arrangement and, therefore, will be subject to scrutiny oversight, and I am sure, during Standing Finance Committee, will be subject to questioning.

(Inaudible comment by Dr. Phillips)

The PRIME MINISTER: What? Everything, everything, everything, going to be brought together.

And we are to have a discussion at Cabinet regarding the reporting regime for the Bank of Jamaica, because it is going to be important that monetary policy comes under the scrutiny and oversight of Parliament, and the logistics of that will be worked out.

Madam Speaker, the road ahead is not going to be easy. We have reached a point where, if I am to borrow, if I am to borrow that analogy, if I am to borrow that analogy used by the Member for North West St. Catherine…

Mr. PICKERSGILL: What happen to the North West St. Catherine?

The PRIME MINISTER: We have reached a point along that road where someone climbed a tree and discovered that we were in the wrong jungle. (Laughter by both sides) And getting out of that jungle is not going to be easy. (Laughter by both sides) We have schemed ourselves over many, many years, over many decades, we have schemed ourselves into a position where more and more of every dollar that we get has to be used to service debt, where less and less is available to provide even the basic things that our people need, where our ability to pay the primary school teacher, our ability to put little bandages in a clinic depend on our ability to find the next loan, that's where the country has reached. We have worked ourselves into this position where interest rates are so high that people are unable to borrow, so the jobs are not being created, where investments look to Government Paper, because only illegal activity can offer you a better return than you can get on Government Paper; where bankers no longer assess loan applications, bankers no longer engage in risk analysis.

We have some of the brightest youngsters coming out of Wharton & Stanford.

A MEMBER: UWI.

The PRIME MINISTER: UWI too, who are working in financial institutions, some of them been there for 10 years and they do not know what it is like to have an application come to them, from somebody who says now, I want to go and do this business here and I need $5 Million or I need $10 Million to borrow. They are not interested in that, they can't be bothered with that because they know that on Thursday of this week, the Minister of Finance is going to require another $2 Billion, and he's prepared to pay 28¼%, so that's the best game in town. We have gone on like this for years, for decades and that's how we end up in the wrong jungle.

(The Speaker returned to the Chair at approximately 7: 13 p.m.)

The time has come, Madam Speaker, to make a paradigm shift as you have made a paradigm shift. We can face up to the truth, we can face up to the reality or we can bury our heads in the sand and the rest of our body beating death. We can seize the moment or we can let the opportunity for rebirth go by. Each of us must choose.

We have presented an economic programme which is necessary at this time, for which there is no cogent alternative that has been put forward. We can seek to discredit the programme for political gain. We can seek to exploit the pain of the poor and the impatience of the youth. We can seek to inflame their passions to secure their votes. But you know, Mr. Speaker, unless we change course, unless we take the tough decisions that have to be taken, unless we make those tough choices, the poor will have no hope of escaping from their poverty, the young people will stand little chance of ever securing a job and those voters whom we are so anxious to excite and incite, will have no possibility of a brighter tomorrow.

In the competitiveness of our politics and where our politics is robustly competitive, in the competitiveness of that politics, we can choose to get onboard, we can choose to help push that vehicle up that hill or we can choose…

Mr. PICKERSGILL: You are not driving it now, you are pushing it!

The PRIME MINISTER: …or we can choose to be cantankerous. (Laughter)

Mr. GALLIMORE: He is still in the wrong jungle.

The PRIME MINISTER: I suggested before, that to thine own self you need to be true. It is a choice that we have to make. And I can't tell you that I am leaving this Chamber this evening happy and inspired that there is a willingness among all of us to make that choice. I can't tell you that I am not apprehensive that, that instinct that lies in each and everyone of us - because we are all political personalities in here - but that instinct that lies in each of us, that here is an opportunity for us to take some advantage, here is an opportunity for us to perhaps recover ground that has eluded us for some time, that we can resist that. I don't hold it against anybody. This country has a limited window of opportunity. It requires us to choose. We have made our choice, others must make theirs. (Applause)

(Standing ovation by Government Members)

Mr. CLARKE: Mr. Speaker.

The SPEAKER: Mr. Clarke, could you hold a short while?

Mr. HOLNESS: Mr. Speaker, we are now approaching the time set in the Standing Orders beyond which the House should not sit. I therefore, Mr. Speaker, would like to move a motion that we suspend the Standing Orders to allow the House to sit beyond 7:30.

The SPEAKER: Members, the motion before the House is for the suspension of Standing Orders to allow the House to sit beyond 7:30.

Put to the House and agreed to.

The SPEAKER: Mr. Clarke.

(Applause)

Mr. CLARKE: Thank you very much, Mr. Speaker. Batting at Number Four on this side after few centuries have been scored on this side would indicate that I just need to make a few more runs to make sure that we only bat one time. (Applause)

Mr. Speaker, the debate is really taking place after the fact. In real terms what's happening here, this evening, is an elucidation of what has happened in terms of the agreement with the IMF and what the Government is committed to do. I heard the Minister of Finance saying that the programme being pursued is the Government's

programme and not a programme imposed, and I am happy that you are taking full responsibility for the programme.

Mr. SHAW: I have to.

Mr. CLARKE: If it fails, is you.

Mr. SHAW: Absolutely. I will take responsibility.

Mr. CLARKE: Good. I say, Mr. Speaker, I wish the Government success. If the programme succeeds Jamaica succeeds… (Applause) …and the people of this country, the people of this country will benefit, so I wish them well in their efforts. (Applause)

I am not a trained economist but I know what it is to borrow money. I know what it is to have to decide how you pay it back after you borrow it. I know what it is to go to the banker on a Thursday and say beg you let my check go through tomorrow to pay the bills. I know what it is if you default. So from my little corner I really understand what this borrowing thing is about. And so, Mr. Speaker, penalties will be there if you deviate from your chosen path or your agreed path and in that regard the country will suffer and all of us will suffer, so therefore make sure that what you have committed to you stand by it, because I understand that the first test is going to be in March.

(*Sotto voce* remarks by Mr. Shaw)

Mr. CLARKE: I hear that this debt swap will give the Government some breathing space. I really would like to ask a few questions and I won't be long, but I need some questions answered. It is said that this is a voluntary situation where the banks voluntarily decided to do this. I want to know those of us who borrowed at 20-odd per cent now, are the banks going to volunteer to lower our interest rates? I would like to know that. Because if the Government is getting that bligh and it has pleaded that it is in a terrible situation and needs the help, there are some of us who have borrowed almost in the same predicament as the Government, is it going to go down? That's something I want to know.

The second thing I want to hear, those of us who have been able to put a little savings passbook wise, will those interest rates hold? Is that going to go down? Because if the banks are giving up all that they must find a way to make money, so I want to find out how that one is going to work.

I want to take up from where the Prime Minister left off and he spoke about borrowing money and investing it. The document that I have looked at doesn't point to how we are going to grow the economy. I really want to know where, how we are going to grow the economy because the only way that we are going to be able to deal with the debt, to deal with the debt is if the economy grows. And sector specific I see where mining and tourism are the two – ones mentioned and then in some adjunct it says that agriculture will benefit.

(*Sotto voce* remarks by Mr. Samuda)

Mr. CLARKE: I am not talking about what you say. I am talking about what is said in the letter because what you say is immaterial to what is in this letter. You can say anything. So I would like to know what are we going to do to grow the economy? And, you know, I listened to you awhile ago backslapping my dear friend over there as this great Minister of Agriculture. I want him to be greater, I want him to be greater. I want him to be the greatest Minister of Agriculture that Jamaica has ever seen. (Applause) But his greatness cannot be centred around how much

carrot you grew this year and how much tomato…

Opposition MEMBER: Or little rice.

Mr. CLARKE: …or little rice, it has to be all encompassing, and agriculture, if it is to play a role it has to go much further than that.

(*Sotto voce* remarks by Government Member)

Mr. CLARKE: And I have always offered help, always, and advice, if he would take it. No, I am serious about it. I kinda stubborn. I am going to share with you some things. I had some concerns about what was happening at Monymusk in terms of what was happening there in cultivation. I told him, he didn't pay me any mind. I went as far as going to the Prime Minister, because you know, when you are in this thing you know a thing or two. And you know, they set a date for me to go with them to look, they call me and tell me the date is off, but the evening I saw the Minister, that same day, at Monymusk in the cane field pointing out the great, oh this is the modern way of growing cane, man. I say to myself oh, what is this? No, Minister, I don't begrudge your little thing, man, but…

(Sotto voce remarks by Government Members)

Mr. CLARKE: Hold on. Subsequent to that, they call me and say, you know what, alright, you can come. (Laughter) I subjected myself to it and I went and when we went to tour, they took me out, we went in a bus, the Minister couldn't condescend to come with me and it was – wasn't on a Monday and, better than that, his chief man couldn't condescend to come with me either.

(*Sotto voce* remarks by Mr. Pickersgill)

Mr. CLARKE: The $2 Million man. The $2 Million man couldn't travel with me, so they sent some other functionaries and I still condescended to go, because I wanted to point out to them the difficulties. And we went out, when we were coming through the gate they decided to show me where they want to go, I told them no, I am not going that way, we want to go so, so I went and I showed them.

Mr. PICKERSGILL: You never want to go, Hutchie? Dem never send Hutchie.

Mr. CLARKE: No, Hutchie has his own area of responsibility. But I say to you Monyrnusk, I am saying to you Monyrnusk, check it and all that I have said you will come to agree with me in due course.

Mr. SHAW: You talking parable.

Mr. CLARKE: I am not saying anything more.

(*Sotto voce* remarks)

Mr. CLARKE: He knows what I am talking about. And I tell you something, you see, sometimes, you see, even my own people say, oh, you are not strident enough. You know what I have been doing? I have been giving the young man a chance, yes, I have been giving him a chance in every respect, in every respect, I have been very, very generous. (Applause)

I love – don't bother even talk bout rice, please don't trouble me!

(Inaudible comments by Members)

Mr. CLARKE: That is even worse.

A MEMBER: Cassava.

Mr. CLARKE: Don't ever touch me with that, please, let us kill that argument, because I ain't using it.

Mr. D. PEART: Cassava a reap ya now.

Mr. CLARKE: Well, cassava – all the things, the dairy industry, this year gone, we reap 600,000 tons of cane, less than what we did in 2007. So you know…

A MEMBER: How yuh know that?

Mr. CLARKE: Who? Me?

(Inaudible comments by a Member)

Mr. CLARKE: A say, crop gone!

(Inaudible comments)

But this one is going to be worse.

(Inaudible comment by Mr. D. Peart)

Mr. PICKERSGILL: Say something, Hutchie, Hutchie say something! (Inaudible comments)

Mr. CLARKE: Is alright, you nuh worry.

DR. DAVIES: Hutchie, Roger right you know. (Cross talks/Heckling)

Mr. CLARKE: Mr. Speaker, what is needed now – because when you look, the only area, or one of the few areas that people can get into now, is agriculture.

(Inaudible comment by a Member)

Mr. SHAW: That same agriculture, Mr. Vet. (Laughter) So is cattle agriculture, and horses, agriculture, and dogs? But hear me, almost every person who has been made redundant in the bauxite industry that is what they gravitate to…

A MEMBER: But why?

Mr. CLARKE: ...so we have to find a way to bring as much people in.

We have some very, very serious constraints. This fuel increase is going to be devastating in the agricultural sector. Spillage, transportation, almost anything that has to do with agriculture. You go to electricity – and we are talking about agro-processing - that again is an area that you are going to have some serious setbacks with, in terms of production cost. When it comes to irrigation, already the cost of irrigation water is prohibitive. This increase in electricity is going to kill production as far as that is concerned. And hear me, I'm just quoting something that the Prime Minister said, I think it was 2006. "We need to become…

Mr. PICKERSGILL: The former Prime Minister?

Mr. CLARKE: This Prime Minister.

Mr. PICKERSGILL: Oh!

Mr. CLARKE: He said when he was in Opposition…

(Inaudible comments by a Member)

Mr. SHAW: Whether Prime Minister or Opposition, you can still talk in 2006, you know. (Laughter)

> *"We need to become far more serious about a national energy policy that will facilitate economic development. Last year we made it clear that we would oppose a gas tax increase as part of an energy policy. If higher gas prices were capable of reducing consumption, the increased cost of oil over the past two years would have done that. It did not. I know of no country where increased gas tax is used as a tool to stimulate economic development…"*

Mr. PICKERSGILL: No, no, no Roger, that's a bogus document.

Mr. BUNTING: Who said that? Who said that?

Mr. CLARKE: The Prime Minister.

Mr. BUNTING: Who?

Mr. CLARKE: The Prime Minister. (Cross talks/Laughter)

> *"Now that the Government has happily abandoned that idea…"*

Mr. PICKERSGILL: Yes.

Mr. CLARKE:

> *"…let's sit down and agree on some meaningful initiatives. We want to see*

the emphasis placed on identifying alternative sources of energy…"

Mr. D. PEART: Very good, very good!

Mr. CLARKE:

"…especially renewable sources. Conservation as well as…" And this is what I am concerned about, this is my take, "*…a pricing structure that provides advantages to the productive sector."*

MEMBERS: Yes!

Mr. CLARKE: So, therefore, we need a pricing structure with the fuel – the diesel, to support the productive sector. (Applause) I don't think I'm asking too much, I'm only trying to assist my great Minister of Agriculture to be the greatest Minister of Agriculture. And Minister, I seek your support. (Laughter)

Mr. BUCHANAN: He caan support you.

A **MEMBER:** Help him take care of the Minister, you hear?

Mr. CLARKE: Yes, I will.

(Cross talks)

Mr. PICKERSGILL: That good though man. Roger, yuh haffi go frame dat.

Mr. CLARKE: No.

Dr. DAVIES: Audley say he wasn't trying to promote the economic development.

Mr. CLARKE: So, Mr. Speaker, there has to be a production plan and the enabling environment to produce.

The Land Titling Programme must be accelerated. Idle lands, especially Government's - and I see you doing something. I went to look at some in Sprint Lane yesterday, but you can't use a D9 tractor to rip, it's too expensive, that is to work in the mines. I yet again offer my advice.

(Inaudible comment by Dr. Tufton**)**

Mr. CLARKE: No, no, a tell you, it is about ripping, I'm not talking about bulldozing and even that, you don't need a D9. You using D9 to rip land, that is a waste of money and waste of resources. So don't use that. So get those idle lands to work. Choose the crops which have the potential, deal with you zoning thing and whatever assistance you are giving - if people want to plant all over the world that's their business, but target your areas where you want the production and you put your resources in those specific areas. So if you're dealing with Irish potato in Christiana, let it be an Irish potato project in Christiana, and you do one in Guys Hill, and you do one in Darliston you've started, concentrate your efforts in those places. Don't make anybody come and say I want a bag of Irish potato and you send him go and plant it anywhere. If he wants to, that's his business, but target those production areas. (Applause)

Mr. D. PEART: Mr. Murray want some help from you Roger to plant wild potato down there.

Mr. BUCHANAN: Darliston is a... (Inaudible)

Mr. D. PEART: Yes, man, him a get frustrated.

Mr. CLARKE: Financing, it has always been a major problem. How do we get more affordable resources to the agricultural sector, because that has been a real problem. Because the risks are so enormous that nobody is going to borrow money at any high interest rate to put into agriculture. So let there be a little window for them.

And you're doing your greenhouse expansion, you know what that will do: it is going to displace some of those small farmers who used to grow their tomatoes, because one

good greenhouse can displace quite a few small farmers who are in the business. So deal with it, let them also understand that there is a place for them. But if the processing is going to be - the cost is going to be exorbitant, you're going to have another problem. So those are things that we can sit down and do. And so I just…

A MEMBER: A you a di Extension Officer? (Laughter)

Mr. CLARKE: Yes, that's been my life. I would just like to know what…

Mr. PICKERSGILL: You don't rate the Extension Officer? You gwaan run up yuh mouth. (Cross talks)

Mr. CLARKE: I want to know, finally - and this is the Minister of Finance – what is going to be our financial position as a country after all of this? We imposed taxes of some nearly $50 Billion annualized, we're going to be saving about $30 Billion from this debt swop, we are going to be borrowing some $211 Billion over a period. What will be the net effect of all of that? Are we going to be in a better position after we've gotten this? We're going to be paying down our debts and we're gonna grow? What I see here, tells me that between now and 2014, we will grow about 6%, that would just bring us back to 2007. So we have to find a way to grow more than that.

Mr. D. PEART: Less waste.

Mr. CLARKE: I'm talking about 2014 you know, not overnight, it's not one night between now and 2014.

(Inaudible comment by a Member)

Mr. CLARKE: Yes, but what I'm saying, the figure says, 2014 we would have grown 6%, so we have to find a way to accelerate that growth.

Dr. TUFTON: Well, of course.

Mr. CLARKE: Yes, yes!

Mr. D. PEART: Because you nuh have the answer.

Mr. CLARKE: Tell me that, that is a conservative figure that you have put and you are striving to go much further than that.

Dr. TUFTON: But it is!

Mr. CLARKE: And I want to say that I am participating.

Mr. D. PEART: Hear, hear!

Mr. CLARKE: Minister, I am growing things that I never thought I would do… (Applause)

A MEMBER: A true!

Dr. TUFTON: You sure it is not illegal? (Laughter/Cross talks)

Mr. CLARKE: ...but the circumstances made me do it. And me, if I were doing anything illegal I would not have announced it.

Dr. TUFTON: How much dasheen you have?

Mr. CLARKE: Right now we have 10 acres, and 10 acres of dasheen is plenty dasheen, you know? Yes, that covers a whole thing.

Dr. TUFTON: How yuh nuh invite mi down deh?

Mr. CLARKE: I have invited you again, don't say it.

Dr. TUFTON: A coming down there.

Mr. CLARKE: I beg you to come and look at my farm and let me teach yuh bout agriculture and you will not come. Yuh must come! (Applause/Laughter) Come! Come! And we even have an agricultural school down there name Sydney Pagan Agricultural School. So come and you will do the academics there and I will take you with the practical on the

farm which is right next door. (Applause/Laughter)

A MEMBER: Poor host! Poor host!

Mr. CLARKE: Mr. Speaker – five minutes, I don't want all five minutes. I could ask the Spokesman on Finance to get back another five minutes.

Mr. ROBERTSON: He was boring.

Mr. CLARKE: But let me say, as far as I'm concerned, this debt swop and whatever it is, we on this side would want it to succeed. Because, hear me good; if it doesn't succeed, none of us would have any use for Jamaica. So let it succeed and let us move forward and build a great country. Thank you very much. (Applause)

Dr. TUFTON: Big talk**,** Roger.

The SPEAKER: Thank you, Mr. Clarke.

Mrs. Neita-Headley.

Mrs. NEITA-HEADLEY: Thank you, Mr. Speaker.

Mr. Speaker, I make my contribution to this debate at a critical period in the life of all Jamaicans.

A MEMBER: Hear, hear!

Mrs. NEITA-HEADLEY: Let me commence by acknowledging the difficult crossroads that we now face during this global recession, and express with the deepest sincerity, the need for all well-thinking Jamaicans to genuinely seek to play a part in ensuring the restoration of our economy.

As Parliamentarians, we have the undeniable mandate to responsibly and effectively steer the ship to shore. As such, we must carefully chart a course that will not, carelessly, wreck the ship. My duty is to speak specifically to those matters relating to the public service.

The Member from South East St. Andrew will contribute also, the secondary part of that presentation on the Public Sector. Mr. Speaker, the Public Service is the most vital cog in the wheel of policy implementation and in the day-to-day conduct of the business and programmes of government. Indeed, as users of service, all of us depend on a committed, well-trained, neutral and objective Public Service for outcomes that enhance the quality of our lives. Mr. Speaker, this Administration, prior to this one, has historically favoured and promoted an active role for the State in development, a role for the State that many others have come to appreciate and embrace in these times of global market failure.

We have believed and demonstrated that a quality Public Service and quality public servants are critical foundations for a quality society.

(Applause)

Indeed, Mr. Speaker, the record will show that successive PNP Administrations have sought to improve the calibre, efficiency and morale of the Public Service so that it would better cope with the demands of the State's expanding role in development.

(Applause)

Permit me, Speaker, to mention one of the our best**,** DR. CARLTON DAVIS, the recently retired Cabinet Secretary, Head of the Civil Service, who performed brilliantly and was the embodiment of integrity.

(Applause)

Mr. Speaker, I wish his successor, the very Capable MR. DOUGLAS SAUNDERS, all the best as he tackles this demanding area of responsibility.

(Applause)

Mr. Speaker, it is against the background of our unmatched record of accomplishment in the building of Jamaica's public service that on this side we stand ready, through collaborative efforts to build on our progress and to create even greater successes. We have taken this position on the public sector because we know and are convinced that government policy and initiatives are only as effective as the people who are charged with the responsibility for their implementation. This being so, it is in the country's interest that we continue to develop a public service with talented professionals who are committed to quality programme delivery and who are responsive to public concerns. We would never underestimate the critical, and should never underestimate, the critical role that the public service also plays in the private sector.

(Applause)

For these reasons, we will continue to act to defend the progress made in the public sector.

I wish to now highlight just three of the emergent and serious threats posed to the gains that have been made in the public service as we move towards, and continued transformation and modernization of the Public Sector.

The issue of trust, Mr. Speaker… the issue of trust, Mr. Speaker. To retain public support, the public must have confidence in the professionalism of the public administration and its ability to keep its word. Mr. Speaker, one cannot build trust in the public domain when Government unilaterally breaches a signed contract with our Public Sector workers on the basis that they are unable to pay. Such a precedent could have serious effect on the conduct of business across the entire society.

A MEMBER: You have done that already.

Mrs. NEITA-HEADLEY: Mr. Speaker, one cannot build trust in the public domain…

A MEMBER: As you have already done.

Mrs. NEITA-HEADLEY: …when Government casually and callously, almost flippantly, without debate or consultation, announces a two-year wage freeze in this Parliament while it is actively engaging in the services of consultant in the Ministry of Agriculture at $2 Million per month.

Mr. WARMINGTON: You want the job?

Mrs. NEITA-HEADLEY: And how do we justify burdening the Public Sector workers and yet we are paying a retired Judge $15 Million to do 70 days of work…

(Applause)

…when a sitting Judge does not make that for an entire year? Mr. Speaker, one cannot build trust in the public domain when Government, through arrogance and political expedience take action which results in us, taxpayers, paying two governors for one Bank of Jamaica.

(Applause)

Mr. Speaker, one cannot build trust in the public domain when the Government dismisses entire boards of dignified Jamaicans under very questionable conditions. I will tell you, Mr. Speaker, there is no plan that will work which involves people without trust between Government and workers.

Mr. Speaker, in the past, multilateral lenders, especially the IMF…

Mr. KELLIER: We want a new MOU.

Mrs. NEITA-HEADLEY: …have tended to dictate how the Public Service would be structured and manned. What has been problematic is that the re-structuring models promoted as conditions for loans are not designed to meet the peculiar needs of Jamaica's economy, but rather to advance the Private Sector bias of the lender. We have seen the effects of these policies on the public service and so we brace ourselves for what will be catastrophic developments for households headed by public servants. And let me caution, what appears in the Letter of Intent, by way of percentages and statistics are real people with real families, and who are undergoing heightened anxieties about job losses and suffering tremendous hardships.

(Applause)

The ripple effect, Mr. Speaker, will extend to businesses and communities as consumer demand declines. Reductions in the public sector workforce, especially in this current economic crisis is going to cost Jamaica dearly, both socially and financially. The Letter of Intent clearly indicates - page 7 section 2, to reduce the already frozen Public Sector wage bill from 11.5 per cent to 9.5 per cent. This projected reduction, Mr. Speaker, will represent a loss of jobs between some 20-25,000. When this is added to the already estimated 40,000 jobs already lost by Jamaicans since 2007, Mr. Speaker, it is clear we are being driven down a very slippery slope.

(Applause)

All this, Mr. Speaker, has been further compounded by a report I saw last week in the *Business Observer*, page 8(b) where the Financial Secretary who is sitting in the House, all respect, is said to have indicated that Public Sector wages would be frozen four out of five years. I have not heard a retraction of that statement. And so, I must, therefore, conclude that it accurately reflect the economic plan of the Government. And that, Mr. Speaker, is not only unprecedented, it is highly unenviable.

Mr. Speaker, fixed income PAYE earners have had to face the brunt of the savaging of their standard of living and public servants have been at the forefront of economic avalanches, tidal waves and tsunamis, a freeze on hiring, inflation to 13 per cent this year. One of the most massive increases in consumer items, taxes, which have now been affected even more severely by the increases in electricity and gasoline, and includes those basic food items, Mr. Speaker, which were taxed, untaxed, and now indirectly, re-taxed, massive job cuts and redundancies and a casual extension of the current public sector wage freeze without consultation for four years. Lack of trust, transparency and confidence engenders growing skepticism and creates genuine hostility. When a Public Sector worker is confronted with all of these hardships along with insults from Ministers and Government with words like '*extortionist'* and *'plunger'***,** and these are coupled with uncertainty relating to job security, he or she becomes de-motivated.

A MEMBER: Hear, hear!

(Applause)

Mrs. NEITA-HEADLEY: This drastic and devastating reduction in the standard of living of the public service will not yield the promise of prosperity that Minister Shaw spoke about last Tuesday. In fact, it will result in the painful reality of increased poverty. It was the Prime Minister who said in his

contribution to this House when he was Leader of the Opposition in 2006 in a speech entitled: A Platform For Economic Development; Give The People A Chance:

> *"The last MOU has left them, the public servants, 30 to 40 per cent poorer than they were in 2000. How much poorer can they get?"*

That was the question the Prime Minister asked. Today I ask, Mr. Speaker, are they now less poorer because you have implemented a wage freeze? Are they now richer because you have broken MOU3? A four-year wage freeze is not only unprecedented, it is catastrophic.

What about the pensioners? The Prime Minister, then Leader of the Opposition, went on to say in the same speech:

> *"Today I make a passionate appeal to the Prime Minister to increase the tax-free threshold of the pensioners to $1 Million."*

That was in 2006. These are your own words, Mr. Prime Minister.

A MEMBER: Remind him.

Mrs. NEITA-HEADLEY: You now have the authority to raise that threshold. Make good on your desire for that worker who has given 30-40 years of dedicated service to the public sector. Honour your concern.

(Applause)

Mr. Speaker, the issue of consultation and dialogue: In 2005, a consultation code of practice for the public sector was developed out of the Cabinet Office. It sought to re-define the role of government; it sought to embark on, and I quote from former Prime Minister, P J Patterson:

> *"Repositioning the Jamaican people from the periphery to the centre of the policy-making, from passive observers to active participants."*

Mr. Speaker, the development of this code was the vision of this Government, we believed prosperity must be based on the form of Government, past administration, must be based on participatory, sincere dialogue and an inclusive society. The code defines consultation as; 'an *exchange of information and ideas between affected and interested people and decision-makers before',* and I repeat, Mr. Speaker, *before* decisions are taken.

This Government is now guilty of breaching the consultation code. It has not sought to exchange information and ideas. And when it does seek to consult, it is usually after a decision has already been taken.

(Applause)

Mr. Speaker, I remind the Government why we must consult in a democratic society. To effectively identify the needs of the people and to decide on the strategies to be engaged to address those needs. When we attempt to guess at the needs of the people we are usually wrong and we are likely to continue to make the goofs and gaffes and the foul-ups that has happened to this Government.

The development of the stakeholder analysis was to ensure full participation of all. So, as a public service we can move away fiom the high-handed, top-down, backra massa approach towards engendering governance that embraces differentiative quality: Our non-government organizations, our public and private sectors, our trade unions, our political parties, associations with persons with disabilities, academia and all who have interest that might be affected by a particular policy.

One of those strong principles highlighted relates to the need for mutual respect, giving regard for differences in perspectives and views.

Allow me to refer to what the Leader of the Opposition said in her Press release on April 9, 2009:

> *"While I acknowledge some of the difficult decisions the Government must make in this fiscal year, the Prime Minister has adopted an attitude of confrontation rather than consultations. As the highest authority in the Government, the Prime Minister should be careful of the signals he sends, particularly at this time when we are facing the crisis."*

We have eroded the Memorandum of Understanding. Critical component of the initiatives promulgated by the People's National Party Government for addressing public servants employment-related matters. Is the Government of Jamaica - the MOU was conceived as a confidence-building measure - consistent with the vision for stable quality public service. It was part of a deliberate programme to advance and cement trust between policy-makers and policy implementers.

The Government, from as early as last year, indicated its lack of interest in upholding the tenets of the Monitoring Unit.

Mr. Speaker, in light of this inaction, or action, it is not unreasonable to ask, is a stable, motivated and capable workforce a priority of the Government? Does the Government truly understand the devastating impact that has weakened the economy, and what it has had on the public servant debt? Does the Government understand how financial pressures quickly lead to anxiety and discontent? Can we not trust Civil Servants to act in the best interest of their country? Does the Government not understand that inaction is likely to be interpreted as indifference, which can lead to unrest? What does the Government find so unappealing about regularly convening consultative meetings of the MOU, and where these stakeholders can play an important role?

Mr. Speaker, to retain public confidence and public support, the public must have confidence in the professionalism of the public administration and its detachment within reasonable lyrics from politics.

That brings me to the point of the threat of politicization. It assumes many forms and has many consequences. In the process, it compromises our Constitution, it erodes our institutions, violates our basic ethics. These are principles of accountability, transparency, integrity and non-partisan effort, which can only serve to form a more effective public service. (Applause)

Mr. Speaker, corruption has been a most corrosive - has had a most corruptive effect on the public and public institutions. It undermines the trust and credibility that are necessary for government to function effectively under any administration, Mr. Speaker. Against the background of the Government's campaign promise to attack corruption, I am still awaiting the promise to impeach public officials, to appoint a special prosecutor to combat corruption, to enforce procedures for awarding government contracts, and to strengthen corruption prevention authority. Mr. Speaker, those were the promises made, not mine.

Victimization is another threat. We feel strongly that all public servants, the educational, health, child-care, safety and security professionals, technical experts, administrators and managers, manual and ancillary staff, all must be enabled and empowered to serve all Jamaicans without interference from politicians.

Mr. D. SMITH: Bobby used to say, "commitment over competence"!

Mrs. NEITA-HEADLEY: Mr. Speaker, public servants who faithfully adhere to the principles enshrined in the terms of their employment, have a right to a certain expectation for their career and for security of tenure. Those who are guilty of misconduct should be appropriately disciplined. But outside of any breach, our public servants must be protected from arbitrary, unilateral and summary dismissals. We have reports, Mr. Speaker that this might not have been happening all along. Due process is the right of every citizen, under the law, therefore, we cannot passively stand by, watch public servants victimized in this manner.

We call upon the Government to actively commence a process of discussion where we can debate the matter with a view of enacting legislation to protect the public sector employee through successive administrations.

Opposition MEMBERS: Hear! Hear! (Applause)

Mrs. NEITA-HEADLEY: Mr. Speaker, I will agree there are and might be some sensitive posts that may require changes to facilitate the smooth implementation of Government programmes and policies. I may agree. However, let us seek to make the process transparent. Dismissals and sudden terminations of technically sound, eminently qualified public servants without due process and unexplained termination of Agencies, Bodies and Boards, is unacceptable and is a violation of our own Jamaican labour laws.

Saving the public sector, Mr. Speaker: the orthodoxy embraced by some of the public sector is a costly burden and has led to the problems in the delivery of the service. This is manifested in the tendency to place public sector reduction at the top of the list of the solution every time domestic debt problems arise. Mr. Speaker, there are other significant factors that lead to domestic debt crisis.

But let us, accurately, look at preserving the public sector jobs where they are necessary. Firstly, when the private sector of small economies cannot support private universities, research institutes, utilities and infrastructure development, educational and health services, mega-energy industries creation, and international airline and shipping, or cannot relate and regulate the environment, safety and security, waste management and industry itself, the Government must turn to the public sector.

While we seek to reduce the size of the public sector through divesting activities, *et cetera*, it is an established fact that in many developing and small societies the Public Sector is a major employer of services, compared to larger, more developed societies.

Because we are a developing society, Mr. Speaker, there are certain human development issues that seem more intractable and deep-seated, requiring a dedicated, competent and efficient public service. I refer to the fight against poverty, crime and violence, the special needs of youths, the preservation of culture from foreign influence; dysfunctional families, broken communities, the reversal of

the discrimination embedded in structures, created by history, and the building and sustaining of new, more progressive and liberating structures in their place. This is more than just about cost-cutting, and it is more than the IMF might take into account.

Mr. E. SMITH: Is the first time you call IMF since you start talk!

Mrs. NEITA-HEADLEY: That's not the first time.

(Cross talk**)**

Mr. KELLIER: First time you hear!

Mrs. NEITA-HEADLEY: Mr. Speaker, Mr. Speaker, we see the public sector as an investment in Jamaica's social capital. It is an investment in the quality society we are all searching for. Let us look at it.

First, in an economy with high employment and under-employment in both the private and informal sectors, public sector wages and salaries are necessary sources of consumer spending. Without demand for goods and services by wage earners, the private sector will suffer, leading to increased unemployment and less demand for local manufacturers, and the recession deepens.

So although the State might cut cost on the backs of the public sector, the resulting socio-economic consequences will exacerbate an already serious situation for our people. But good can come out of adding to the number of unemployed, and a further decrease in consumer demand. the public sector is important to economic growth. Less does not automatically translate to greater efficiency and cost-cutting should not automatically mean joblessness.

Second, if our economy is contracting and the public sector is to contract also, where will our young, skilled Jamaicans find jobs? They will migrate and take their skills with them. How will we develop these skills? How can we sustain a knowledge-based society if our educated and skilled people see no opportunity in our own country? We might get balance of payments from the IMF, but who will provide us with the balancing of the people's lives?

Conclusion, Mr. Speaker. Mr. Speaker, while it is not in my interest or this side's interest to support an over-bloated bureaucracy, the Government should not lose sight of the fact that there is a broad consensus among economists, internationally, that public sector job retention and creation are key factors in mitigating the effects of the current economic downturn.

We must strive for the better way. And I call upon the Government to restore the trust, improve consultation and dialogue, protect the dignity of the public servant, eliminate political victimization, cushion the economic fall-out with sound policy positions and workable economic strategies to alleviate hardships; create employment and retain public sector workers. We must try to keep our young, skilled, technically sound workers in a streamlined, efficient public sector.

(Applause)

Mr. Speaker, I close…

Government MEMBERS: Hear! Hear!

Mrs. NEITA-HEADLEY: I close with the closing quote from the Minister of Finance, in the last Budget Debate - or was it the first, or the one before? I am not sure – Micah Chapter 6 verse 8, and it reads:

> *"He hath showed thee, O man, what is good; and what doth the Lord require of thee but to do justly and to love mercy, and to walk humbly with thy God."*

It is my prayer, Mr. Speaker, that this Government will do justly to the public servants and to all Jamaicans, to display love for all, not just a select few, and to seek to replace highhandedness with humility. (Applause)

Mr. Speaker, may God guide us as we continue in our deliberation, and grant us true wisdom from above.

Thank you. (Applause)

The SPEAKER: Mr. Shaw.

(Messrs. Shaw and Bunting rose to their feet)

Mr. SHAW: Mr. Speaker…

Opposition MEMBERS: No, no, no! (Cross talk)

Mr. KELLIER: Mr. Speaker, there are a number of Members that still want to make a contribution.

Sit down Audley, nuh worry wid dat! No, nuh worry wid dat!

Mr. Speaker, Mr. Bunting had indicated, earlier, that he wanted to speak. Don't bother pull dat…

(Cross talk/Heckling)

Mr. SHAW: Mr. Speaker – you want to make a point? You want to speak? I am yielding to you.

The SPEAKER: Anyway, what's the position, Mr. Kellier? How many…

(Cross talk/Heckling)

Mr. ROBERTSON: That's what you did! You missed the moot of the debate…

Mr. KELLIER: Mr. Speaker, we have the Member from Central Manchester…

The SPEAKER: And how many other speakers you have?

Mr. KELLIER: And there are two other speakers - three other speakers after him that are speaking for ten (10) minutes each.

The SPEAKER: The position…

Mr. KELLIER: We agree to give them ten (10) minutes each, Mr. Speaker.

Mr. HOLNESS: Mr. Speaker…

The SPEAKER: Yes, House Leader?

Mr. HOLNESS: There is no attempt to muzzle anyone. We have been very accommodative and we have worked out… (the Member rose to his feet)

The SPEAKER: I didn't know if anybody else was speaking.

Mr. HOLNESS: …according to Standing Orders. (And caught the eye of the Speaker)

Government MEMBER: Right.

Opposition MEMBERS: No, no!

Mr. BUCHANAN: That is ginnalism! That is ginnalism!

Mr. HOLNESS: Mr. Speaker…

The SPEAKER: Okay.

Mr. HOLNESS: …we have been very accommodative. Mr. Speaker, we have had an agreement regarding the duration of the debate. We would like the Opposition to stick to that agreement.

Mr. KELLIER: Mr. Speaker, we submitted a number of names of persons to speak in the debate, and those persons have not yet been exhausted.

The SPEAKER: Now, Mr. Kellier, you say you have - one second - you say you have three more speakers, is that my understanding?

Mr. ROBERTSON: Three!

The SPEAKER: The problem - no, may I just make…

Mr. KELLIER: The number of names was submitted, Mr. Speaker.

The SPEAKER: No. But here is the position, here is the position Members, now, here is the position. What is unfortunate is that the persons who are speaking must look at

Number 11 and see what it says, we are talking economic strategies. Now, in all sincerity, you know…

(Cross talk)

…this is - to the best of my knowledge…

The PRIME MINISTER: Mr. Speaker…

The SPEAKER: …this is another full-blown budget debate.

The PRIME MINISTER: Mr. Speaker…

Mr. KELLIER: Mr. Speaker…

The PRIME MINISTER: …might I offer some guidance? This side is prepared to sit all night, if necessary, to allow every Member of the Opposition who so wishes to speak.

Mr. ROBERTSON: And not nonsense, please!

The PRIME MINISTER: But I ask the Opposition to take into account that they are disturbing a tradition that governs the arrangement of the business of the House, and it has serious implications. It means that whenever there is an understanding that on Tuesday of next week such and such a Member will speak, that there can be no guarantee that, that is going to be so.

We play footloose with traditions in this House. We do it carelessly, not recognizing that we are dealing with tradition. And there is a tradition under which the House Leader and the Leader of Opposition Business agree on the business of the House, so that people can plan their affairs; so that people can know whether or not we are going to have a long sitting, whether we are going to have a brief sitting.

The understandings, the undertakings that were given to us have been totally abandoned.

Opposition MEMBERS: No!

The PRIME MINISTER: And it appears that – there was a proposal that we limit this debate to three speakers from each side. The Opposition said, no, we want to have more speakers. It was proposed, well, alright, let us limit it not by the number of speakers, but by time. We have long exceeded both the time and the number of speakers. And what appears to me to be the case is that this is a clear case of filibuster. If it is so, declare it.

(*Sotto voce* comments)

There is a particular event that was scheduled to take place in Washington tomorrow. As it is, it is not taking place in Washington tomorrow; it won't take place until next week.

(Cross talk)

Mr. KELLIER: Mr. Speaker, we don't need to quarrel over this thing, you know. I am simply saying, a list was submitted to the House Leader's office as to the amount of persons, right, as to the amount of persons, and we are not resiling from that.

The SPEAKER: No, but the understanding, Mr. Kellier, was that…

Mr. KELLIER: We are simply saying, Mr. Speaker…

The SPEAKER: But persons were going to speak for short periods.

Mr. KELLIER: Yes.

The SPEAKER: But we have everybody speaking for short periods.

Mr. KELLIER: Yes.

The SPEAKER: But we have everybody speaking for half-an-hour.

Mr. KELLIER: No, no, but those that are to come are going to be shorter. Those that are to come are going to be shorter.

Mr. HOLNESS: Mr. Speaker…

The SPEAKER: Yes.

Mr. HOLNESS: Mr. Speaker, as the Prime Minister said, we are prepared to sit and listen to the presentations made or that will be made by the Members of the opposition. But we ask, Mr. Speaker, that the Leader of Government Business remind the speakers of the agreements that the - the Opposition remind the speakers who are to come of the agreements that we had.

The SPEAKER: My understanding is that Members would speak for - very short speeches of ten or fifteen minutes.

Government MEMBERS: No!

The SPEAKER: But so far, nobody has spoken for less, for under twenty-five minutes.

Mr. MONTAGUE: Don't allow them to speak after the Leader of the Opposition.

The SPEAKER: Remember we indicated that no longer than half-an-hour, but everybody has taken half-an-hour.

Mr. MONTAGUE: Respect due.

The SPEAKER: Who is the next speaker?

Mr. KELLIER: Mr. Bunting, Mr. Speaker.

The SPEAKER: Please, and I am asking Members to be relevant to the particular resolution before the House.

Yes, Mr. Bunting.

Mr. BUNTING: Thank you, Mr. Speaker.

Mr. MONTAGUE: All right, G. Sec.

Mr. BUNTING: Mr. Speaker, the Opposition has been careful, up to this point, to avoid public statements which could jeopardize the proposed IMF Agreement, or more specifically, torpedo the chances of success of the Jamaica Debt Exchange programme (which is referred to as JDX).

Mr. Speaker, the JDF represents - JDX represents not just a paradigm shift in our…

Government MEMBER: JDF?

Mr. BUNTING: JDX (Jamaica Debt Exchange) represents not just a paradigm shift in our approach to debt repayment. The Prime Minister referred to it as a turning point, but I think, Prime Minister, it is perhaps better described as a crossing of the rubicon.

If we go back less than six months ago, Mr. Speaker, the Prime Minister, at the PSOJ Chairman's Club forum said the following:

> *"Jamaica has never defaulted on its debt. There is absolutely no chance of Jamaica defaulting on its debt. The Government of Jamaica, this one, and all those that have preceded, it has never flinched in making any and all the necessary adjustments to ensure that we meet our debt obligations."*

Mr. Speaker, I am not suggesting that we are in default. We have been rated as selective default, but legally, we are not in default because of voluntary exchange. But I want to focus, Mr. Speaker, my contribution on the Jamaican Debt Exchange programme, a major component of the Government's economic programme and an essential for the reduction of the fiscal deficit. However, it is important to first set this Debt Exchange programme in context. It is understanding where we are and how we got here. And I don't find it particularly useful, Minister of Finance - and in your presentation you referred to a table which was the total debt service to government revenues - and I find that when you combine the interest expense and the principal amortization it tends to obscure the picture rather than clarify it.

And to illustrate my point we can look at the table, look at that table and you will see that the total debt service ratio to total

revenues in 08/09 was ninety-nine per cent (99%) and in 09/10 it is a hundred and three per cent (103%). On the face of it, these ratios appear similar but it really hides the dramatic jump in interest expense, by almost thirty per cent (30%). It moves from fifty per cent (50%) of revenues to sixty-five per cent (65%) of revenues. And that really is the reason for - or put it this way – the reason for this sharp increase in interest as a proportion of revenues is the sharp increase in interest rates, which we have had over the last two year.

Mr. E. SMITH: Dehring, Bunting and Golding…

Mr. PICKERSGILL: No, you are getting personal.

Mr. BUNTING: Mr. Speaker, all I am going to say to the Minister is that high rates were not inherited. I don't want us to get quarrelsome over it. And I know that the Minister of Finance has developed a habit now of opening the debate in a very moderate tone and close the debate…

Mr. PICKERSGILL: In a hostile…

Mr. BUNTING: …in a bombastic style, full of sound and fury.

Mr. PICKERSGILL: Yes!

Mr. BUNTING: And I hope he is not going to do…

(*Sotto voce* remarks by some Members)

Mr. BUNTING: Signifying nothing. And I hope that's not how we are going to close today.

But, Mr. Speaker, in determining the solvency of an entity, whether government or company, it is very helpful to separate these interest payments from the principal payments.

If an entity…

(Cross talk)

The SPEAKER: Just allow the speaker to continue, nuh. Please.

Mr. BUNTING: Mr. Speaker, if an entity is solvent and capable of meeting its interest payments and other obligations comfortably, then principal maturities will be refinanced in the ordinary course of business without any difficulty because the bankers and the capital markets have confidence in the future of the entity. However, if the entity's solvency is in question, then refinancing principal maturities and even working capital becomes a serious problem and ultimately leads to illiquidity and the inability to service your obligations as they fall due. Mr. Speaker, this is the situation that the entity called the Government of Jamaica found itself in last year.

Government MEMBERS: Long before that. Don't try that, don't try that!

Mr. BUNTING: Using the chart from the Government's own briefing document, interest as a per cent of tax revenues moved from forty-seven per cent (47%) in 07/08 to fifty per cent (50%) in 08/09, then jumped dramatically to sixty-five per cent (65%) in 09/10.

A government can't practically cut its other services by fifteen per cent (15%) of revenue so it borrowed more. It grew the fiscal deficit from four point six per cent (4.6%) of GDP in 07/08 to seven point three per cent (7.3%) in 08/09 and ten per cent (10%) in 09/10. This is the Central Government deficit.

Mr. MONTAGUE: We are well aware.

Mr. BUNTING: The deficit must be financed. So after being on a declining trajectory for four years, the debt to GDP ratio, the standard measure of an economy's indebtedness started climbing. And again using the Government's own briefing

document, the source quoted as the IMF, it started climbing from a hundred and fourteen per cent (114%) in 07/08 to near a hundred and forty per cent (140%) at the present time. And, Mr. Speaker, this is before the drawdowns, the loan drawdowns from the IMF and the other multilaterals. So our indebtedness will increase even further.

(Cross talk)

The SPEAKER: (Gavels) Members, Members, please. Is only one Member is allowed to speak.

Mr. WARMINGTON: He is not talking…

The SPEAKER: No, Mr. Warmington, please!

Mr. BUCHANAN: Apparently he is not speaking your language.

(Cross talk)

Mr. BUNTING: Mr. Speaker, by the end of the 2009 calendar year the market had lost confidence in the Government's ability to meet its obligation as they came due and by early December the debt issues of the Treasury were no longer being subscribed by the market, resulting, Mr. Speaker, in the Bank of Jamaica having to provide advances to the Government to meet its December obligations. And I suspect that, that may have had to continue in January.

(Cross talk)

Mr. BUNTING: Mr. Speaker, at that point the Government found itself in a position analogous to corporate bankruptcy.

Mr. ROBERTSON: Why you never lecture Omar.

Mr. BUNTING: But, Mr. Speaker, we are where we are, and given that we are here, we have to look at how we get out of it.

Continuing with the corporate bankruptcy analogy, Mr. Speaker, the Jamaica Debt Exchange programme is the sovereign equivalent of the United States Chapter 11 type bankruptcy, which lets a potentially viable entity restructure its debt and operations under court supervision. This is as distinct as from chapter 7 bankruptcy where the entity is deemed to be terminally ill and therefore goes into liquidation. In our case, rather than the court, the supervisor is the International Monetary Fund. And while the Jamaica Debt Exchange addresses the debt restructuring, the remainder of the IMF programme deals with the operational restructuring of government.

(*Sotto voce* comment made by Mr. E. Smith)

Mr. BUNTING: No. Listen and you will hear.

Faced with these two choices; a Chapter 11 or Chapter 7 type bankruptcy, obviously, the Jamaica Debt Exchange programme is clearly the preferable choice. So the issue becomes how best to achieve fairness and equity.

A MEMBER: Hear, hear!

Mr. BUNTING: Mr. Speaker, the Opposition believes this is where the programme would have benefitted from consultation with all the key players but in particular the Pension Fund industry, before rather than after the fact. (Applause)

Mr. Speaker, insufficient attention has been paid to evaluating the impact of the Jamaica Debt Exchange on pensioners. One actuary has made the following estimate. And I quote:

> *"The members from defined contribution plans shall suffer*

> *significant falls in their pensions. For example, for sixty-five year old just beginning, just going on pension, each one per cent fall in interest rates should result in a fall in pension of eight per cent."*

The expectation is for the yield curve to fall by at least five per cent (5%) so a new pensioner could have a reduction of forty per cent (40%). And this is the pension payment they would otherwise have received.

Mr. MONTAGUE: Who is the analyst?

Mr. BUNTING: Mr. Speaker, it appears that persons who are about to become pensionable from defined contribution plans would be the hardest hit. The Opposition believes that such a case would neither be fair nor equitable and we are calling on the Government to do a comprehensive evaluation, Mr. Speaker, of how many such new or upcoming pensioners would be severely affected and to find a way to ameliorate the situation.

But there is another element to it, Mr. Speaker. The acceptance of the Jamaica Debt Exchange exposes pension funds trustees to potential lawsuits for breaches of duty since they are rushed into a decision ....

Mr. PICKERSGILL: Yuh hear dat?

Mr. BUNTING: ...without sufficient time for a proper actuarial evaluation of the impact. Therefore, the Government should consider indemnifying trustees against any lawsuits arising specifically from their decision to participate in the Jamaica Debt Exchange programme.

The Jamaica Debt Exchange, while primarily targeting interest costs savings, also attempts to improve liquidity by stretching out maturities. But again, Mr. Speaker, if you look on Page 21 in this document, **"The Summary of the transaction Impact"**, it is interesting to note that debt with an average maturity of 5.1 years before the transaction is only lengthened to six years after the transaction. And yet, debt with an average maturity of just over one year is lengthened to four and a half years, an extension of over 200% of the term in one case *versus* 20%. (Heckling)

Mr. KELLIER: Peter, hold on. On a point of order, Mr. Speaker.

Mr. WARMINGTON: What's the point of order? What is the point of order?

Mr. KELLIER: If you were the Speaker, I'd tell you shut up. (Inaudible comments by Mr. Warmington) Shut yuh mouth! (Interruptions by both sides) Shut yuh mouth!

Mr. WARMINGTON: You're out of order!

Mr. KELLIER: Shut yuh mouth!

Mr. WARMINGTON: You're out of order!

Mr. KELLIER: That's why yuh mus' shut up. Shut yuh mouth!

(Heckling/Cross talk)

The SPEAKER: (Gavelling) Listen…

(Heckling and Cross talk continue)

Mr. KELLIER: You are out of order. Shut yuh mouth!

The SPEAKER: Mr. Kellier, direct your attention to the Speaker.

Mr. KELLIER: Mr. Speaker.

The SPEAKER: Yes, Mr. Kellier.

Mr. KELLIER: Mr. Speaker...

(Heckling continues)

The SPEAKER: (Gavelling) Can I hear Mr. Kellier, please?

Mr. KELLIER: Yes, Mr. Speaker, I can't hear myself.

Mr. WARMINGTON: You should go to JAMAL!

The SPEAKER: Come on Mr. Warmington, please!

Mr. WARMINGTON: He needs to go back to JAMAL. He cannot even spell shut!

The SPEAKER: Mr. Warmington!

Mr. KELLIER: You must name him. Yuh 'fraid to name him, Mr. Speaker?

The SPEAKER: Yes.

Mr. WARMINGTON: Him can't do that, eh nuh.

The SPEAKER: Come!

Mr. KELLIER: The Members are violating Standing Order Number 40 to the extreme. The Member who is on his feet and given your permission and authority to speak, cannot be heard. And I'm asking you, Mr. Speaker, to control the Members on that side of the House so that we can hear the person who is speaking.

(Applause by the Opposition) (Cross talk)

The SPEAKER: Mr. Bunting, please continue.

Opposition MEMBER: Apologize now. (Heckling continues)

The SPEAKER: (Gavelling) Mr. Robertson, Mr. Robertson! (Heckling continues) No, Members, Members, please, allow the Member to speak in silence.

Mr. WARMINGTON: Tell John Junior, tell John Junior!

The SPEAKER: Please! We cannot be shouting across the aisle like this you know, Mr. Warmington. (The heckling continues) Please! It's…

Mr. BUNTING: Mr. Speaker.

The SPEAKER: Continue.

Mr. BUNTING: There seems to be a lack of… Perhaps these numbers were arrived at by a technician, manipulating a spreadsheet to achieve a targeted goal. But it does not measure the inconvenience and the unreasonableness of asking someone who had planned to receive a sum of money in three months' time to have to wait up to four years to get their money back.

A final comment, Mr. Speaker, on the objective in this document of it being a fair and equitable contribution from all segments of the investing community. But the reality is, Mr. Speaker, while for pragmatic reasons, it may have had to be designed how it is, the reality is, is that those persons, those holders of global bonds, the Jamaican foreign currency debt originally issued overseas are not participating. Those persons who are participating, those members of the investing community who are participating through repos are not affected. Ironically, the FSC, The Financial Services Commission, has for years been advocating the shift away from the repo model for securities dealers and now it is the clients of those dealers who complied with the policy advocacy and who bought the instruments directly, they are the ones who are placed at a disadvantage and called on to sacrifice.

But, Mr. Speaker, we accept that in the time allowed perhaps the system could not have been designed to achieve impartiality, equity, total fairness and it is clear from the examples used that it falls unevenly and sometimes inequitably on some of the debt holders. Therefore, in that context, we believe the Government should respect the rights of any debt holder not to participate for their own good and sincere reasons. (Applause)

Prime Minister, we accept that sometimes you have no choice…

Government MEMBER: All right.

Mr. BUNTING: ...in the situation that is facing you. But it is not only what you say sometimes, it's how you say it. And I think we have, as we said last week, an opportunity in this crisis. In fact, it presents a number of opportunities.

The **first** is that we can reduce the administrative burden on the Debt Management unit and enhance the efficiency of our debt markets through the immobilization and de-materialization of debt instruments. It is something that the Financial Secretary would know has been under discussion for many years and if this has precipitated it to come into being at this point, then that is a good thing.

The **second** is reducing the plethora of the legacy debt instruments that had come about over many decades. That is now reduced to a few dozen, making it much more manageable.

Thirdly, it gives us an opportunity to do something which we have talked about for many years but not done, and which is to streamline the other structures and operations of government. And perhaps under the strict scrutiny of the IMF that will now get done.

And, **finally**, Mr. Speaker, it gives us the opportunity to forge that other long-talked about goal of a social partnership to which our local debt holders are now making a tangible commitment and sacrifice and to stop the finger pointing and get on with the task of building our beloved nation.

Thank you. (Applause)

The SPEAKER: Yes, Miss Hanna.

Mr. ROBERTSON: This is a conspiracy! (Heckling)

The SPEAKER: Now, please, Miss Hanna, could we try and keep within the time-frame.

Miss HANNA: Thank you, Mr. Speaker. (Inaudible comments)

Mr. Speaker, the foundations of a prosperous country…

(Heckling by Government Members)

The SPEAKER: Please, please, just allow the Member to speak. Yes, Miss Hanna.

Miss HANNA: Mr. Speaker, the foundations of a prosperous country should not be impeded by this politics, but its politics should really benefit those of us who live. (Inaudible)

Government MEMBERS: Oh-o-h-o! Speak up!

Miss HANNA: The necessary criteria for a country's economic growth has nothing to do with isolated pronouncements but rather a specific set of fundamental criteria intended to work in harmony to generate confidence, investment and sustainable, viable economic opportunities.

Some of these criteria include:

- *a national strategic plan that identifies foreign exchange industries to drive the economy even in the midst of unprotected trade boundaries;*
- *a united commitment to provide education and training to eradicate illiteracy and create more productive workforce for the people;*
- *low energy costs and energy incentives for industries that are targeted for economic growth;*

- *a low crime rate;*
- *a push for technology and technologically-driven industries;*
- *an access to appropriate financing to drive demand in the marketplace.*

Mr. Speaker, four of these platforms involve our youth: a low crime rate, education, a commitment to technology and a national plan for productive industries.

Recently, we heard a number of new announcements and an economic programme announced by our Prime Minister. Mr. Speaker, while I acknowledge that the Government has taken a bold decision to manage interest payments on debt, the inefficiencies in the public sector where they may exist and interest rate payments requirements necessary to satisfy the IMF, a careful review of the Letter of Intent signifies or signals rather, a very bleak reality for most Jamaicans, especially our youth.

Mr. Speaker, I saw a number of initiatives in the letter to satisfy the IMF but not enough for our young people. I looked in the Agreement for something for youth and I found nothing. I found nothing on education and training and nothing for the social sector. The truth is that when most families get an increase in their transportation costs, get an increase in their home electricity bill and get an increase in their food bill they will find it very difficult to meet their needs.

However, here is the crux of the matter, Mr. Speaker. The programmes announced by the GOJ recently, might or perhaps will not work as they do not include significant opportunities for our young people. None of the money saved from the Debt Exchange will go towards youth initiatives and furthermore our young people will still be able to qualify for the loans even with its new projected interest rate.

Mr. Speaker, we need a new kind of thinking, one which sees our economy driven by technology. Our world sees a true partnership between government and the private sector which will position Jamaica's world leaders in core industries that international consumers crave. We on this side recognize that we must equip our youth with skills, not one in a rapidly disappearing world that will soon become obsolete.

Mr. Speaker, Jamaica really has four (4) major economic programmes and problems. Fiscal deficit, interest rate payment on debts, public sector productivity and a lack of Foreign Exchange industries to grow our economy. The GOJ's announcement of the Jamaica Debt Exchange lower interest rates and the Public Sector Reform initiatives are only pieces of the puzzle and if left alone, will not have the desired impact of growth. The US$300 Million that the GOJ projects to save from the JDX will not go towards any productive initiatives for our young people. At the moment Youth Initiatives and Youth Development only receive point four per cent (.4%) for capital expenditure from our multi-lateral and bi-lateral programmes. Or put another way, youth have such a low priority in our budget that their budgetary cut was 50%, from $104 Million to $50 Million for Youth Development programmes.

Mr. Speaker, lower interest rates will also have no direct impact on youth development. The young entrepreneur who couldn't qualify for a business loan at 20% will still not be able to qualify at 11% as projected, so reducing it has no real impact Furthermore, if the

variables remain constant, the high energy costs, crime, government inefficiencies where they exist, this will do very little to give investors confidence. Furthermore expansion in an economy doesn't take place...

(Heckling by Government Members)

The SPEAKER: (Gavelling) Members allow the Member...please, allow the Member to continue her speech.

Mr. PICKERSGILL: Very ungentlemanly, very ungentlemanly!

Mr. ROBERTSON: You know 'bout that?

Miss HANNA: Mr. Speaker, I can actually finish in ten minutes you know. Mr. Speaker, furthermore, an economy doesn't expand… (Interruptions) ...or grow simply because interest rates are lower. You expand because there is a demand for your products. The real problem, as I had mentioned in my last presentation, is that we do not have enough Foreign Exchange industries, Mr. Speaker, and the Government has been silent on addressing our Achilles' heels which is the fact that we are an export-driven economy rather than...

Mr. WARMINGTON: Mr. Speaker…

Miss HANNA: …an import-driven economy.

Mr. WARMINGTON: Mr**.** Speaker, on a point of order, Mr. Speaker.

The SPEAKER: Yes, Mr. Warmington.

Mr. PICKERSGILL: What point of order is it?

Government MEMBER: Shut yuh mouth!

(Inaudible comments by Mr. Pickersgill)

The SPEAKER: Please, the Member has raised a point of order. (Interruptions) Mr. Pickersgill, the Member has raised a point of order. Allow him to say what it is.

Mr. PICKERSGILL: You call him the member.

The SPEAKER: No, please, allow him.

Mr. WARMINGTON: I wouldn't dignify that with an answer.

Mr. Speaker, the Standing Order clearly states ... I notice that the Member is reading her speech. The Standing Order clearly states:

> *"A Member shall not read his speech but he may read extracts from written or printed papers or books."*

Mr. PICKERSGILL: We know that.

Mr. WARMINGTON: But she continues to read from her speech, Mr. Speaker, and the Standing Orders says that is not permitted.

The SPEAKER: Mr. Warmington.

(Cross talk)

Mr. WARMINGTON: The Standing Orders says she is not supposed to be reading from her speech and she is reading from her speech. (Cross talk)

The SPEAKER: Mr**.** Warmington.

(Cross talk)

Mr. WARMINGTON: The Standing Order says she can only refresh her memory… (Interruptions) …but not to be reading from her speech. That's what the Standing Order 32 (11) says… (Interruptions) and, Mr. Speaker, that needs to be observed and recognized. (Interruptions)

The SPEAKER: (Gavelling) No, please, Members, Members! (Interruptions) Mr. Warmington, it is a bit late to call this particular Standing Order at this time. (Interruptions by a Member) No, one second. Unfortunately, we have allowed this particular Standing Order; we have breached it more

than we have observed it. (Interruptions) One second. So until we decide on both sides we are not going to do so then at the moment we cannot enforce it.

The SPEAKER: Miss Hanna, please continue.

(Cross talk)

Mr. MONTAGUE: Mr. Speaker, Mr. Speaker…

The SPEAKER: Please continue, please continue. I am ruling that she can continue.

Mr. MONTAGUE: Mr. Speaker, Mr. Speaker…

The SPEAKER: Yes, yes, Mr. Montague.

Mr. MONTAGUE: The Member from South West St. Catherine brought to your attention the rules and I am asking you to rule as per the Standing Order.

The SPEAKER: Yes. What has happened… May I just say, at this time she has my permission to continue.

Mr. HOLNESS: Mr. Speaker, the rule of the House, which we have all respected and observed - and whilst acknowledge what you have said, Mr. Speaker, that we have breached it more than we have observed it - I think, Mr. Speaker, that even for the benefit of the Member, that you should recommend to her that she should follow the Standing Order.

The SPEAKER: Actually, we have recommended, in this House, repeatedly, that this rule should be followed. Unfortunately, Members have frequently asked for permission to do so. So, the end result of it is that at the moment… Miss Hanna, please continue.

Miss HANNA: Mr. Speaker, I don't have a problem speaking.

Mr. MONTEITH: The rules must be complied with fairly.

Miss HANNA: Mr. Speaker, as I said to you, I don't have a problem speaking directly as I normally do in the House. And he is actually taking up my time.

The SPEAKER: Very well. Miss Hanna, could you just continue and just… take note she is not going to read any longer, that's what the Member said.

Mr. WARMINGTON: You must maintain the rule.

(Cross talk)

Miss HANNA: Mr. Speaker, I notice where the Government has an inflation rate which is trending down to nine per cent (9%). But, Mr. Speaker, we all know that you really won't have low inflation unless you have production; and as I said before, the only way that we can have production and we can have any kind of growth is with a national economic strategy with sensible goals, and there is a certain criteria. Right now we have cut our training budget in education and if it is that we are going to go forward with any kind of productive plan, the budget that is allowed for training has been cut by some 23%. Right now we are servicing only 10,000 of our young people which is perhaps only 10% of our at-risk youth. What HEART also shows is that persons who are asking for training are asking for training in barbering, waitressing, and these really have no impact to be internationally competitive to drive the economy.

Mr. Speaker, right now 70% of our young people under 30 are responsible for the majority of crimes that are committed in our country. If the crime rate is reduced it will allow our GDP to not fall by four per cent, we could actually grow; and if we find sensible

jobs for young people - but at the rate that we are going this particular initiative that is channelling once again resources away from youth initiatives, will actually not work.

What I proposed earlier last year in my budget presentation, was to give the Government some solutions that could help young people and could help the economy grow. One, was to establish Jamaica as university capital of the Caribbean by partnering with Cuba. (Applause) Right now Boston has eight universities, which in the early part of the last decade made in excess of US$5.8 Billion and employed over 51,000 persons in the Boston area. I also suggested to the Government that they should train a cadre of young people whose only, only goal is to develop content. Right now copyright industries in the United States are worth $192 Billion and the sport industry is worth $238…

Mr. MONTEITH: Where you got those figures from?

Miss HANNA: I can provide those for you.

Mr. MONTAGUE: Please provide it.

Miss HANNA: I will.

(Cross talk)

A MEMBER: Don't pay him no mind.

Miss HANNA: What we need to be doing, Mr. Speaker, is finding a growth plan and use our youth to drive that growth plan. Content is actually big business.

What happens normally in these debates and in this House is that we come here as politicians and we deliberate the problems; none of us get up on our feet and actually identify solutions that can drive the economy (Applause) Mr. Speaker...

Mr. HOLNESS: You do much better when you don't read your speech.

Miss HANNA: Mr. Speaker, I want to once again put forward, that right now unless we start channelling the $300 Million that we are saving from the Jamaica Debt Exchange programme, we need to be channelling some of those funds, if we can find another way, to youth programmes.

We are not going to get the low inflation until we have production, Mr. Speaker.

Thank you very much.

(Applause)

Mr. MONTEITH: Hear, hear!

Mr. BUCHANAN: Bobby, yuh a hypocrite, Bobby! Yuh a hypocrite, man.

The SPEAKER: Mr. Hylton.

A MEMBER: Mr. Hylton, man, yuh just get a baby, yuh must waan guh home now, man.

The SPEAKER: And, Mr. Hylton…Mr. Kellier, how many more speakers you have on your side?

Opposition MEMBER: Seven!

The SPEAKER: All right, since you have so many, we are limiting you to fifteen (15) minutes, fifteen (15) minutes.

Mr. HYLTON: Mr. Speaker, it is most unfortunate that Jamaica, a sovereign country in which Parliament is the seat of the representative of the people, has submitted this Letter of Intent to an international organization, the International Monetary Fund, without first discussing and debating even he broad framework of that Agreement in Parliament.

(Heckling by Mr. Robertson)

As an international agreement, it should have been required that it be introduced to Parliament not after the fact, but as a basis of understanding between the two parties in Parliament.

(Continuous talk)

Mr. HYLTON: The administration has promised to bring such legislation, and I urge its timely submission in this House.

Mr. MONTAGUE: You are reading again!

Mr. HYLTON: Mr. Speaker, the trigger for the current crisis facing Jamaica, its economy and its people is the global recession brought on by the near collapse of the international financial system. The IMF Standby Agreement sought by the administration was created by the international community in response to this crisis. It is not credible, therefore, Mr. Speaker, that a debate on the resolution before this Honourable House could conclude without an examination of the foreign policy pursued by this Administration before the crisis and the aftermath after the crisis. Because the point must be brought home, Mr. Speaker, to the Jamaican people that the conduct of domestic economic policy in a globalized world must be complemented by a dynamic and coherent foreign relations strategy and a foreign economic policy as well as a robust diplomacy.

Mr. Speaker, the Opposition challenges the Administration to identify a document, including its Manifesto of 2007, or a comprehensive statement by either the Prime Minister or the Minister of Foreign Affairs and Foreign Trade that sets out clearly its view of the current global development and which identifies Jamaica's interest and a coherent strategy for protecting and advancing the interest in a changing global environment. The Opposition asserts that it does not exist. We assert further that a series of inchoate speeches, even slightly developed diplomatic week activities, meetings and conferences attended, or photo opportunities taken cannot be a substitute for a coherent and clearly articulated foreign policy.

Mr. Speaker, while in the context of or our tribal politics continuity is to be applauded, it is not enough to simply continue the foreign policy articulated and pursued by the Opposition while in office, in a situation in which the dynamics of the global environment is constantly changing and especially in a crisis situation.

We have been reminded by previous speakers in this debate of the confusion within the Administration concerning the likely impact of the global crisis and the social and economic situation in Jamaica.

(Heckling by Mr. Robertson)

The SPEAKER: Mr. Robertson, Mr. Robertson, you are interrupting across the Chamber, man. Please!

Mr. HYLTON: It is admitted by the Prime Minister that the Administration was slow to recognize the nature and scope of the crisis and hence its slow and ineffectual response, now acknowledged by even the most rabid supporters of this administration. As has been said here today, Mr. Speaker, this lack of appreciation at the outset of the crisis was not without its cost to the economy, for which the taxpayers must now pay. Mr. Speaker, this failure to grasp the nature of the domestic crisis reflects itself in the confusion and a lack of response at the international level as well.

The lack of a response by CARICOM was a result of indecision at the national level as well as the reported state of relations among the individual leaders within CARICOM in the aftermath of much name-calling, including the regrettable incident in which leaders of

CARICOM were likened unto mendicants going around the world with a begging bowl. Mr. Speaker, this was simply not Jamaica's finest hour in diplomacy. And the *Gleaner Editorials* of the day bemoaned the absence of State craft in the administration.

In the absence of a clear foreign policy the Administration ignored and downplayed traditional alliances and otherwise failed to give the leadership expected of Jamaica, both within CARICOM and among the developing countries generally.

Mr. Speaker, Jamaica has over these last 48 years and even before its independence, recognized the importance of the foreign policy dimension to its quest for social and economic development. It has paid the price for its leadership role in rallying the Third World in its demand for new international economic order and has been acknowledged for its leadership role in building CARICOM, which remains today the oldest integration movement within and among developing countries and arguably, the most effective to date.

The Opposition asserts, Mr. Speaker, with compelling evidence, that this Administration has sidelined Jamaica in CARICOM and among developing countries. Indeed, Mr. Speaker, it will go down in history as the Administration that broke developing countries solidarity in the international economic negotiation with the Metropolitan North, when it agreed to include the Most Favoured Nation clause in the Economic Partnership Agreement with Europe. I will return to this in a minute.

Mr. Speaker, the Administration's views on CARICOM to the extent articulated, has reflected a muddled thinking and an unreality about any prospect that Jamaica may have in going it alone in a globalized world of intense competition and expanded market. Even if the Prime Minister has come reluctantly to the view that the developed world and regions are insistent in dealing with CARICOM and not individual Small Island States, the Administration remains confused as to whether it supports to CARICOM Single Market, the CSM, the CSM only…

Government MEMBERS: Nooo, nooo!

Mr. HYLTON: Listen to me, listen carefully! The Administration remains confused as to whether it supports the Caribbean Single Market, the CSM only, or the CARICOM Single Market and Economy in totality. It continues to speak in ignorance of the integrated framework that is enshrined in the revised Treaty of Chaguaramas which addresses both the CSM and the CSME.

This ambivalence regarding CARICOM's proper role in our foreign policy coupled with the absence of an articulated vision for CARICOM…

The SPEAKER: No, Mr. Hylton, what's the relevance to this though, what's the relevance? What's the relevance of this motion?

In all sincerity, Mr. Hylton, what's the relevance to this motion?

Mr. HYLTON: But that's precisely the point, that the absence of any knowledge for an economic policy in the aftermath of the IMF crisis, how - of the IMF plan, how will the economy - how will we approach the economy, how will we approach the growth that is cyclical to the economy?

Mr. HOLNESS: Mr. Speaker, the member is obviously struggling to find the relevance of his presentation.

A MEMBER: Yes!

(Applause)

Other MEMBER: Have a seat!

(Heckling)

Mr. HOLNESS: Mr. Speaker, I encourage you to…

(Heckling)

The SPEAKER: Mr. Hylton, try and make it relevant – try and wrap up with some relevance, please.

(Laughter/*Sotto voce* comments)

Mr. HYLTON: Again, Mr. Speaker, we in the Opposition believe that the Administration's actions or lack thereof are results of the absence of a clear view of CARICOM within an overarching world view and Jamaica's place in it. For clarity, Mr. Speaker, we in the Opposition have always believed and continue to believe that a properly functioning CARICOM is indispensable though not sufficient, to integrate Jamaica's economy into the wider global economy.

Mr. Speaker, one important consequence of this ill-advised decision is the fact that the three-year moratorium in the Agreement intended to give CARICOM countries a head-start in implementing this Agreement comes to an end early next year.

A MEMBER: How that is relevant to…

Mr. HYLTON: What has been made of this moratorium? Is the Administration satisfied with the implementation of the EPA? How ready will the Administration be…?

(Heckling)

Mr. MULLINGS: Mr. Speaker, Mr. Speaker, on a point of order, Mr. Speaker, we are struggling in this House to find the relevance. If the Member wants to give a view of CARICOM he is free to do so but not in this House and on this matter, with respect.

(Heckling)

Mr. KELLIER: Mr. Speaker, the Member is still on his feet.

(Heckling)

The SPEAKER: Mr. Hylton, the Member has raised, and so have I, the whole question of the relevance. Try and engage the motion, Mr. Hylton.

(Heckling)

Mr. KELLIER: Mr**.** Speaker.

The SPEAKER: Okay, Mr. Kellier.

Mr. KELLIER: Mr. Speaker, in all fairness, the Member is trying to make a point to connect his argument and he may take a little going around to make it.

(Heckling)

The SPEAKER: No, no, no, he is not!

Mr. KELLIER: But he is making…

The SPEAKER: He has to do so quickly.

Mr. KELLIER: That's in their opinion.

The SPEAKER: No, no!

Mr. KELLIER: It is their opinion.

The SPEAKER: No, no!

Mr. KELLIER: He is making a point directly connected to the Resolution that is raised.

The SPEAKER: No, Mr. Kellier.

(Heckling)

Mr. KELLIER: They may think otherwise, the Member should be allowed to speak.

(Heckling)

The SPEAKER: No. no, Mr. Kellier, in the Speaker's opinion he is really on a tangent.

(Heckling)

Dr. BAUGH: Point of order, Mr. Speaker.

(Heckling)

The SPEAKER: He is really at a tangent. Yes.

Dr. BAUGH: Mr. Speaker, I've been listening to the presenter, apart from being totally irrelevant to the issue on the Table he is misleading the House. He is talking about the policies of this Administration when we have fully discussed it in the Sectoral Debate, I presented the policies here. He did not take part in the debate and now he seeks to take this issue and convert it into a sectoral debate. It is totally irrelevant.

The SPEAKER: Yes, Mr. Hylton you are really getting outside of the motion.

(Applause)

Mr. HYLTON: Please, Mr. Speaker…

The SPEAKER: And you only have two minutes more.

A MEMBER: Wrap it up.

(Cross talks)

Mr. HYLTON: Mr. Speaker, the Government has signed off on what it will do in a Letter of Intent to the IMF. We don't know how. The Opposition stands ready, in Jamaica's interest, to contribute to our foreign affairs and foreign trade strategy but we must conclude…

Mr. WARMINGTON: Mr. Speaker, on a Point of Order, Mr. Speaker…

(Heckling)

Opposition MEMBER: What's the Point of Order?

(Heckling)

The SPEAKER: Mr. Warmington.

Mr. WARMINGTON: A Point of Order, Mr. Speaker…

(Heckling)

The SPEAKER: Mr. Warmington, please take your seat, take your seat.

Mr. WARMINGTON: I need to be heard. A Point of Order.

The SPEAKER: Yes.

Mr. WARMINGTON: Will you please yield?

The SPEAKER: What is your Point of Order?

Mr. WARMINGTON: I draw your attention to section 32 (11) of the Standing Order that a Member is not supposed to be reading his speech…

(Applause)

The SPEAKER: He is making reference.

Mr. WARMINGTON: What I want to know, you allowed the Member from South East St. Ann to read, are you saying that you are allowing…

The SPEAKER: She did not, she did not continue. You left the House and did not see that she did not continue.

Mr. WARMINGTON: Are you allowing everybody – are you saying that everyone can read their speech inside here?

The SPEAKER: Mr. Warmington…

Mr. WARMINGTON: Are you saying that we can all read the speech or did you allow the latitude to her?

(Heckling)

Opposition MEMBER: Sit down!

The SPEAKER: Mr. Warmington, Mr. Warmington…

(Cross talks)

Mr. Warmington, you left the House and Miss Hanna did not read her speech at the end.

(Heckling)

He is making reference – you can make reference to notes.

Mr. WARMINGTON: But he is reading. But, Mr. Speaker, he is reading, that's why I

draw your attention because he is reading. So I'm asking you if you are allowing all the Members so to read?

The SPEAKER: Okay.

Mr. Hylton...

Mr. MULLINGS: Mr. Speaker, Mr. Speaker...

The SPEAKER: Mr. Hylton, you have two more minutes.

(Heckling)

Mr. MULLINGS: Mr. Speaker.

The SPEAKER: Yes.

Mr. MULLINGS: Mr. Speaker, with respect, you ruled, Mr. Speaker, on the question of relevance.

The SPEAKER: I know, Mr. Mullings, I had spoken already on the question of relevance.

Mr. MULLINGS: But the Member is not just…

The SPEAKER: I am saying…

(Heckling)

Mr. MULLINGS: The Member is, therefore, flouting the Speaker's ruling, the Member is a learned member of the Bar, he knows the point of relevance, it is germane and the Standing Orders are unequivocally clear.

The SPEAKER: Okay, Mr. Mullings. Mr. Hylton, you have two more minutes but, please, keep it relevant.

(*Sotto voce* comments)

Mr. HYLTON: Mr. Speaker…

Mr. BUCHANAN: (Inaudible comment) ...you are not in the Cabinet.

Mr. WARMINGTON: Oh, shut up bushman!

(Heckling)

Mr. HYLTON: Mr. Speaker, this reflects adequately for me a problem of the lack of understanding between the foreign policy and the foreign economic relations. And the point was being made about - because the economic policy cannot simply be the domestic economic policy arrangements and I have sought to articulate to the link between the foreign economic policy and the domestic economic policy to the obvious lack of interest or understanding on the part of the Parliament. But I say this, Mr. Speaker, I say this, perhaps it is clearer, Mr. Speaker, when we say it, that had it not been for economic policy arrangements like PetroCaribe, maybe they will understand more effectively PetroCaribe and its role in our domestic economic policy arrangement and maybe that is the point at which we need to focus attention, that unless we have an effective economic policy and strategy some of the agreements that have been put in place which have greatly assisted our economy will be lost to us because of our, simply of a lack of appreciation and understanding of the *nexus* between our foreign economic policy and our domestic policy. And I think it is to be regretted and I have listened and I think shame on a number of the Members who simply refuse to understand…

Mr. MULLINGS: Mr. Speaker, Mr. Speaker…

(Heckling)

Mr. HYLTON: …that the domestic economic policy…

The SPEAKER: Okay, Mr. Hylton, thank you.

(The Speaker gavels/Heckling)

Mr. HYLTON: …the domestic economic policy…

The SPEAKER: Okay, Mr. Hylton, thank you, thank you.

(Applause)

(Cross talks)

The SPEAKER: Mr. Shaw.

(Inaudible comment by Mr. Robertson)

Mr. HYLTON: You will be dealt with; you will be dealt with soon.

(Inaudible comment by Mr. Robertson)

Mr. HYLTON: No man you murdering – the murders you've been committing out there, the murders you've been committing out there. No, you want to switch Abby Labby Lane but we know exactly what you're up to, we know exactly what you are up to.

(Inaudible comment continues by Mr. Robertson)

Mr. HYLTON: We know exactly what you are up to.

(Cross talks by Mr. Robertson)

The SPEAKER: Could you allow Mr. Shaw to speak, please! Allow Mr. Shaw, please. Mr. Robertson, please! Mr. Warmington.

(Inaudible comment by Mr. Warmington)

Mr. SHAW: Okay, all right.

Mr. PICKERSGILL: Wrap up, five minutes, wrap up!

Mr. SHAW: Mr. Speaker, I would like to thank the members for their presentations and I just want to use the opportunity of this…

(Cross talks)

Okay, we want to get out of here, okay. I want to use the opportunity of closing this debate, Mr. Speaker, to first of all answer a few questions that were asked by the Opposition spokesman on Finance and to make a few pertinent remarks of necessity relating to the Debt Exchange programme as well as the issue of growth was raised several times. I want to make a brief comment on that as well as the issue of debt, where two Members mentioned the growth in the debt to GDP ratio between the period of this Government taking power to what pertains now and what the projections are, going forward. I want to just comment on these few items before I close the debate, Mr. Speaker.

Let me say first of all that the Opposition spokesman on Finance wanted to know about the question of arrears that is accumulated in the system, what is the present level of arrears over what period, that is something I will have to get the details on. But to indicate to you that we are very serious about our commitment to deal with the arrears because for any number of reasons the most significant one being, it's untidy. It's untidy to - and in fact, it's also against the rules and regulations where it's explicitly stated in the law that government must not run up arrears beyond, I think it's 30 days, Mr. Speaker; and what we have been doing is for far too long been running up arrears 60 days and 90 days and in excess of that. So it's better that we in fact, throttle, put a hold on the commitment to certain expenditure and tighten things up and then overtime, streamline things in such a way that we are able to keep our arrears under control.

The Opposition spokesman also mentioned the question of Bank of Jamaica advances, and I want to indicate that, that has been dealt with in a very comprehensive statement issued by the Governor of the Bank of Jamaica. It has also been dealt with by us and we have indicated that - and we anticipated that going through the process of this debt exchange both in the period prior to, because it was exacerbated also by the delays in the IMF programme as well as the debt exchange, the two issues, the two events when combined led to a situation that was

anticipated that we would have to seek temporary - short term accommodation from the Central Bank; and that we had given information up, I think to the end of December, I had prepared to provide information to the end of January but certainly I know that in January we have sought accommodation. And as you might be aware we went to the market with two months instruments which were fairly well taken up and so we have been able to pay back the Bank of Jamaica much of what we took up in January.

But the objective is, that, between April and no later than September it was our intention to make sure that whatever advances have been provided from the Bank of Jamaica, will be settled within that timeframe.

Now, let me also say, Mr. Speaker that the former Minister raised the issue of arrears in the refund of taxes that were withheld from the pension funds. And it is fair to note, Mr. Speaker, that that is a - the former Minister is well aware that that is a legacy that he left us and it's not a legacy that we have been able to deal with as expeditiously as we would have liked.

The truth is that when we took power in 2007, Mr. Speaker, we had built up arrears in withholding tax on interest that were due to be paid back of some $12 Billion. And since that time we have been trying to be current, but you had this overhang of in the region of $12 Billion to $14 Billion that has been there since that time.

It is our intention to deal with it. The specific form that we plan to use, we have not finalized it yet. As a Cabinet, we have to make certain presentations to the Cabinet, discuss it with the International Monetary Fund. They are aware of it because we are not hiding anything from any quarter, it's a time for total transparency, put everything on the top of the table, Mr. Speaker, and we deal with it from there. It has been suggested by some of the banks, for instance, that we should consider issuing securities for the backlog, and that would be an item for consideration. If that is to be done, obviously it has implications for the very stock of debt of which we are so concerned.

But then, if we were to consider that, it would have to be, Mr. Speaker, on the basis of a relatively modest and special interest rate that would be…

(*Sotto voce* comment by Dr. Davies) (Laughter)

Mr. SHAW: That's right, that would be considered in the low single digit area and that would be one possible consideration that we can look at.

But, Mr. Speaker, before I speak to the Debt Exchange, let me take an approach here globally. You know, the former Minister said we should look at recalibrating, whether we shouldn't be - to use his words - recalibrate. Well, I'll use his word in this way. What we are doing now is recalibrating. We are changing the approach. What we are doing is a fundamental point of departure in how we are going to govern the country going forward.

(Applause by Government Members)

Recalibration is starting now. We are making very, very serious and fundamental decisions that we have admitted is affecting everyone. It's affecting my drear Member from St. Catherine, the Public Sector workers of which you were so passionate. And in your dissertation you failed to take note of the Prime Minister's observation that the overall

increase of compensation to the public sector has been 50% since 2007. And we can't talk as if money is just on trees all around the place we can just pluck it and just hand out something more without recognizing the difficulties that we face.

We can't play around with the numbers, Mr. Speaker. When the Member from Central Manchester is saying that when you project the figures in the terms of total debt-servicing cost, that you are obscuring the real information, I'm not sure about the point he's making. Because he was not able to say that I have brought inaccurate information to the House.

The information is accurate and I deal here in bottom lines. And the bottom line, Mr. Speaker, is that for the past 10 years, starting in 1999/2000, we have been seeing a situation where the total cost to service the debt of interest and amortization - yes we know, each year, the configuration of the percentage might vary depending on the maturity profile of what we are handling, but the total debt servicing cost has exceeded our total revenue and grants, and that is unsustainable and it just can't work. And I think that is the basic and the fundamental point that we have to make there.

We have also said - when Prime Minister and I spoke with the trustees at the Conference Centre last week, when we spoke to them last week, we realized, we felt the tension in the room, but when we explained everything, Mr. Speaker, I saw a level of understanding unfolding and emerging in that room. And I want to indicate how grateful we are because of that level of understanding and maturity that's being demonstrated.

(Applause by government Members)

We know that pensioners, we know, Mr. Speaker, that pensioners are going to have difficulty as a result, we know that. But this is a time when there is going to be difficulty all around, all around, difficulties are being faced, because…

Can you imagine we have found ourselves in a situation, Mr. Speaker, where, on the one side some Members of the Opposition are speaking about the need for growth in the economy, with which we agree, and on the other hand, we are bemoaning the fact that pensioners are going to have to take a cut in the interest income. We have backed ourselves in a corner in this country to the point that, instead of our pensioners being able to rely on the incremental productive capacity of the country, we as a people, we are now becoming almost hooked on a high interest rate policy.

The PRIME MINISTER: And it's coming out of the public funds.

Mr. SHAW: And coming out of public funds. How is it that the country is going to be able to find itself in a competitive position going forward, so that the little man, the small business man will be able, ultimately, the end game is for him to be able to go to the bank and get money at a reasonable interest rate to go and do business.

So, it is a point of departure that it had to come if we are serious about recalibrating the economy, changing the approach to give ourselves breathing room to go forward.

(Applause by Government Members)

And so, and so, Mr. Speaker, this debt exchange - I don't quite understand the position of the Opposition because, on one hand you hear support and then on another hand you hear things like a breach of trust…eeh?

(*Sotto voce* comment by Government Member)

…yes, default, breach of trust. So that, maybe you are not - you are really giving some support with one hand and then you take the other hand and pull back the support.

(*Sotto voce* comments by Dr. Phillips)

(*Sotto voce* comment by Government Member)

Mr. SHAW: Precisely. So, what we need, what we need here – let me put it this way. Let me put it this way. Let me put it this way, Mr. Speaker. Let me put it this way. As of today, all of the institutional investors in the country, everyone of them, virtually everyone, have come voluntarily, 100% acceptance of the debt exchange.

(Applause by Government Members)

One Hundred per cent (100%) have come on the debt exchange. And I want to - in fact, I want to read into the record, the issue as it stands now, Mr. Speaker.

> *"The submission period for the Jamaica Debt Exchange officially expired at 1:00 p.m. today, officially expired.*
>
> *The Government has received an overwhelmingly positive response to the offer...*

(Applause by Government Members)

> *...with substantially all institutional investors supporting the transaction."*

Mr. Speaker, the success of the Jamaica Debt Exchange reflects our ability to come together as a community at this…

(Applause by Government Members)

…game changing moment in Jamaica's history.

The Ministry of Finance and the Public Service is in the process of aggregating the submissions they are there now because they have been working through the day like the Bank of Jamaica and up at my Ministry, Mr. Speaker - and expects to release the preliminary results on schedule tomorrow in terms of exactly where we are. The Ministry has received several requests, however – and the Member from Central Manchester is aware of it - from retail brokers to extend the submission deadline to allow them additional time to continue to work with their retail clients.

And, Mr. Speaker, let me indicate at this point, that when we announced today as a deadline, it was really to get the indication, whether in writing or just a formal indication, yes, we'll participate, and then, over the period from tomorrow to the 16th of February is when the physical process of the exchange will take place.

But what has happened, Mr. Speaker, is that the institutional investors have been so pretty much fired up to just get it over with, that they didn't just come with a letter, they came with the bonds, so they have actually started the exchange process early.

(Applause by Government Members)

And because they started the exchange process itself early, Mr. Speaker, that in itself slowed down the process, and that is why we, therefore, are obliged to extend the deadline as per the request of the retail people.

Let me say that the retail clients, they constitute, Mr. Speaker, a large number, many of whom are small individual investors. Some of them come to us as individuals, others come through the brokers but basically they are the retail client.

Accordingly, Mr. Speaker, the deadline for submission has been extended and a new

date will be announced tomorrow, a new deadline date, following a preliminary assessment this evening of the results that is being done right now.

Mr. Speaker, the success of the Jamaica Debt Exchange is a critical component of Jamaica's economic programme, and is a prior action under the IMF Standby arrangement. The Ministry of Finance will submit to the IMF the preliminary results of the Jamaica Debt Exchange for circulation to the IMF Executive Board in advance of the Board meeting to consider Jamaica's Standby arrangement. The IMF has advised that this meeting is expected to take place on Wednesday, February 3, instead of the originally announced date of January 27, which would have been tomorrow. So, all in all, Mr. Speaker, the extension that we are giving, we are not talking about weeks of extension, we are talking about literally about days of extension, so that those who remain, can come in and so we can complete the process.

And it is against that background of the overwhelming response that I am asking the Opposition to reconsider its position and to give us the unequivocal support for this Jamaica Debt Exchange programme.

(Applause by Government Members)

Now, Mr. Speaker, I just want to mention, just want to mention that two of the speakers from the Opposition pointed out the issue of the growth of the stock of debt since the Jamaica Labour Party Government has been in power. And, I am not going to, I am not going to spend, I am not going to spend a lot of time on the issue, except to say that as old time people would sey*; 'what gone bad a mawning caan cum good a evening'*, okay. Because once you are on the track of high debt cost - indeed, a lot of the issues that are being dealt with in this debt exchange were not incurred, these high interest rate issues of 28%, were not incurred by our administration. They were incurred in earlier times, but the debt exchange is dealing with all of them now.

But the truth is that the nature of the debt is such that exponential growth in it is inevitable unless you deal with it in a firm and conclusive way. And one of the reasons, Mr. Speaker, that it is inevitable is that we are aware and we have heard about a number of entities that are distressed public sector entities for which we have to be taking into account - The Leader of the Opposition mentioned that in 2014 the stock of debt is supposed to reach as high as $1.7 Trillion and the question to ask is, why? And one of the answers, Mr. Speaker, is that in the house-cleaning process, in the cleaning-up process, we are going to have to take onboard a lot of obligations from these distressed Public Sector entities.

Government MEMBER: Legacy.

Mr. SHAW: Legacy issues. I mentioned some of the big elephants in the living room, here, Mr. Speaker; Air Jamaica. Air Jamaica, just for the divestment process itself, we are going to have to find $27 Billion in the next budget.

(*Sotto voce* remarks)

Mr. SHAW: Jamaica, $27 Billion in the April period, in that first quarter, to settle the bill for the divestment of Air Jamaica. Now, that is only a part of the story. The Prime Minister has told the full story already. The full story of Air Jamaica, which our debt accommodates, is over $100 Billion, Mr. Speaker. Add to that, the Sugar Company of

Jamaica, which we have had to assume $16 Billion in debts, the Clarendon Alumina Production of which we are aware, over the past two years, despite my best efforts to set a budget and to stick by it, $176 Million had to be paid out in production cost, which was not anticipated when the former Minister entered into an agreement of a forward sale of alumina, and we now have to be paying Alcoa because the cost of production - what we are getting for it from Glencore, in terms of the contract, is lower than the actual cost of production.

And when Alcoa sends to us for their money, Mr. Speaker, if we don't hurry up and draw the check from wherever it is to come from, you hear about problems of potential reputational damage to the Government of Jamaica for not settling our obligations. So what we have had to do is find US$176 Million cash to pay out to them. There is another $14 Million waiting to be paid now and, of course, we have another $369 Million in debt to PetroCaribe, a $200 Million bond on the global Bond market that in the budget we have to service the interest cost on that bond as we speak, right now. The total obligation to CAP is US$545 Million, legacy. The National Road Operating and Constructing Company, the debt to Government so far is US$442 Million. Cricket World Cup, this must be the legacy that they were talking about, the legacy from Cricket World Cup…

(*Sotto voce* remarks by some Members)

Mr. SHAW: Yes, it is. Yes, the legacy, Mr. Speaker, where we are now owing Ashtrom, the contractor for Sabina Park, $1.4 Billion, that is to be paid to Ashtrom for overrun on the Sabina Park project. That's legacy. The Central Waste Water Treatment Plant, $251.8 Million, Phil Construction Company…

(*Sotto voce* remarks by Mr. Pickersgill)

Mr. SHAW: You should know about that one. As the Prime Minister said they made a demand for US$38 Million and as of now, through the arbitration proceedings that took place, there is a bill settled for US$16 Million.

Government MEMBERS: Legacy!

Mr. SHAW: Legacy! And I mentioned before, Mr. Speaker, the legacy of the $12 Billion withholding tax on interest that we had to hug up. When these are added together, Mr. Speaker, this alone, most of it which is not even on the budget yet, is J$207 Billion and that, in the cleaning up process, will have to be taken account in the stock of debt. So when we come and we talk, we talk about the projections for the growth in the stock of debt, let us take note of the exercise that we have to be involved in. We have to be continually taking onboard, obligations that were not.

(*Sotto voce* remarks by Members)

Mr. SHAW: Remember, there are others, Mr. Speaker, there are others that are lurking in the crevices and corners, and the Member from East Central St. Andrew, himself, should be more than familiar with the legacy of decisions that he took in respect of the Millwood Transport, the National Transport Co-operative Society, who has taken the Government to the Privy Council in London and has won a case against the Government of Jamaica, which would lead to further payment of Billions of Jamaican Dollars. The initial figures, we were told, were anywhere between $4 and $9 Billion, is what we are told is the settlement, Mr. Speaker. So, Mr. Speaker, let

me say, Mr. Speaker, that when we talk about the game-changing moment that we are involved in, we are very serious.

Next week Tuesday, we are tabling in Parliament, Mr. Speaker, two pieces of legislation having to do with a new paradigm, a paradigm shift in fiscal responsibility. They relate to fiscal responsibility laws, we are going to amend together, all of us going to do it, we are going to amend the Financial Administration and Audit Act and the Public Bodies Management and Accountability Act. The FAA Act, Mr. Speaker, is going to be amended to ensure that we establish a fiscal responsibility framework. The proposed amendment seeks to correct shortcomings identified in the existing fiscal policy and administrative systems relating, in particular, to the control of expenditure, reporting of financial performance, accountability, transparency and the oversight of macro-economic fiscal policies and programmes. Among the things that this Bill will seek to do is to impose a duty on the Minister responsible for Finance to table in Parliament at the end of each of financial year a fiscal policy paper containing, among other things, a macroeconomic framework providing an overview of the state of the economy and assessing the prospects for growth; a fiscal responsibility statement articulating the principles of fiscal responsibility to which the Minister will adhere in the management of public finances; a fiscal management strategy setting out the fiscal targets and enunciating the plans and policies; imposing on the Auditor General a duty to review the fiscal policy paper and report to Parliament thereon, making it clear that the authority to receive loans and grants for and on behalf of the government vests solely in the Minister responsible for Finance and that the Minister has the final authority to approve the estimates of revenue and expenditure before they are tabled, authorizing the Minister responsible for Finance to withdraw, suspend or impose conditions on any expenditure authorized under a warrant issue pursuant to section 117 of the Constitution if the exigencies of the financial situation warrants it.

The Public Bodies Management and Accountability Act is the second aspect, which is very important, Mr. Speaker, because that is how you now rope in the selected public sector entities. A certain former Minister has told me that he did not necessarily agree with some of the expenditure committed by at least one of those Public Sector bodies, but he said he could do nothing about it. Well, we are going to impose in law the requirement (Applause) that public bodies are going to be not only accountable to the Minister of Finance, the public bodies are going to be accountable to Parliament as well, Mr. Speaker. (Applause) So this Act, when this law is passed, it will prohibit public bodies from taking steps to enter into negotiations to borrow money by way of the issue of bonds without prior approval of the Minister. For corporate plans of public bodies and any subsequent modification of such corporate plans to be submitted to the Minister for endorsement and laid before the House of Representatives and the Senate for approval. (Applause) Transparency and accountability, requiring the Minister to cause to be prepared and laid before the House of Representatives and the Senate for approval, before the end of

each financial year, estimates of revenue and expenditure in respect of all public bodies, including a summary of their corporate plan. (Applause)

The SPEAKER: (Gavels) House Leader, the Minister's time for speaking has expired.

Mr. HOLNESS: I will now move, Mr. Speaker, that the Member's time be extended sufficient to complete his presentation.

The SPEAKER: The motion before the House is for the Member's time to be extended sufficient to allow him to complete his presentation.

Put to the House and agreed to.

The SPEAKER: Minister Shaw.

Mr. SHAW: Thank you, Mr. Speaker. Obliging public bodies to supply to the Financial Secretary such information as the Financial Secretary may require as to their financial operations. This Bill seeks to give effect to that decision and is a companion measure to the Bill to which I referred earlier. Mr. Speaker, these represent material commitments to fiscal responsibility, Mr. Speaker, and they are going to be honoured.

Mr. Speaker, let me just say before I come down, there have been concerns expressed about inflation, there have been concerns expressed about the whole question of the exchange rate stability, and I want to comment on those two things before I wrap up my presentation.

First of all, let me say, as the Prime Minister touched on inflation already and I won't speak very long on that, except to say that we remain committed to seeking to keep inflation under control. It is in fact that in this fiscal year we anticipate a spike in part because of the tax measures that were put in place. It is anticipated that, starting in the next fiscal year, we will begin to see a downward trajectory where in fact it is projected, the inflation rate is projected at between 7½% to 9% or 9½% as the range for inflation for the next year; and thereafter it is anticipated in the medium term, in the 6% to 7% region.

Let me indicate also that in relation to the price of oil - and the former Minister mentioned whether that was factored into our consideration and the answer is, yes, it was factored into the consideration. And as a matter of fact, in my monitoring meeting with the Bank of Jamaica this morning, they pointed out to me that for this fiscal year, the price that they had factored in for oil was $85, as of now it is $75, so they were erring on the conservative side in terms of their projection.

And I want to indicate that in this partnership of good governance that must emerge; we have to do the things that are necessary, Mr. Speaker that will, over time, help to bring the inflation rate down. One of them is the announcement by the Honourable Prime Minister that we are moving to liquid natural gas as one of the methods for generating electricity. And the Prime Minister has also made the country aware that by next month there will be the bidding process as to who will do the rollout of the floating ship to begin that process and laying the pipelines to the bauxite companies and to the Jamaica Public Service installation. But it has been estimated, Mr. Speaker, in the case of JPS, they will be using up to 400 megawatts of LNG in terms of production of electricity and it is estimated that LNG can lead to a 40% reduction in the cost of production of electricity. That will be part of the management of inflation going into the medium term. (Applause)

Let me indicate as well, for those who speak now have exchange rate stability.

Mr. PICKERSGILL: Turn around, turn around!

Mr. WARMINGTON: Oh, shut up man!

Mr. SHAW: And it is very important that - especially you, listen to me - in terms of the exchange rate, Mr. Speaker, let us understand - and I want to express here again, and how I know the debt exchange would work, you know, is the same way we approach the market and say together, we can work on keeping the dollar stable. And you are right when you say that part of the plan was the Bank of Jamaica's own intervention in terms of dealing with public sector entities, because just like how we plan to put in place the Central Treasury Management System so we can have a better control over government's resources, it is in the same way that we couldn't have renegade institutions including PETROJAM going out there, sending the dollar to God knows where, as a government entity, helping to put pressure on the exchange rate. So as a policy decision, it was a good one, but it is also buttressed by the support from the Cambio dealers and the banks and everybody who have cooperated.

As a result of that, Mr. Speaker, we have reached a point - and let me tell you this, let's understand where we're coming from between 1989 and 2007, the exchange rate depreciated by 1,260%...

Dr. TUFTON: What?

Mr. SHAW: …an average of 70% per year, depreciation of the exchange rate, that's where we are coming from.

Dr. TUFTON: My God!

Mr. SHAW: What has happened since we took power? From September 2007 to January 25…

A MEMBER: Yes.

Mr. SHAW: …it has depreciated by 22%.

A MEMBER: What!

Mr. SHAW: Twenty-two per cent (22%). Over the last year…

A MEMBER: Yes.

Mr. SHAW: …point to point, depreciation was 3.6%. (Applause)

A MEMBER: What!

Mr. SHAW: And in this fiscal year so far, the depreciation of the dollar is 0.9%, depreciation. (Applause)

A MEMBER: Hi, hi, alright! Very important.

Mr. SHAW: Very important. And what we need to do here is to hold on to it, preserve it, use the opportunity of the debt exchange and the IMF Agreement, and the World Bank and IDB and infusion of foreign exchange to keep it stable. (Applause)

What we don't want – from St. Mary, don't…

A MEMBER: Don't distract!

Mr. SHAW: No, I'm educating the former Minister, don't follow up. (Applause/Laughter)

I want to let the Opposition Spokesman on Finance know - he asked a question about NIR, Mr. Speaker, and said the NIR, he's worried that it gone down to a Billion Dollars. Now, as former Minister, he should know better, you know, because utterances that you make can cause misunderstanding in the market.

Mr. BUCHANAN: A now you realize that?

Mr. SHAW: Let me repeat that. Utterances and questions asked against a background of worrying about the status of the Net International Reserve, if it is misunderstood by the market, it could have deleterious consequences.

A MEMBER: God bless Ryan!

Mr. SHAW: Now, the former Minister is well aware, that the money that is coming in from the IMF as a Standby loan, is not a loan to the Government of Jamaica and, therefore, it cannot be put in the NIR.

A MEMBER: Exactly, cannot be put in the NIR, he knows that.

Mr. SHAW: It's an accounting method and you know that. But hold on, that's why in the gross reserve - and you did say you acknowledge the gross reserve - the gross reserve will be up from 12 to 16 weeks, so you see the benefits of it. But the NIR is going to show a lower level, because by the way, that's why we're going to the IMF in the first place, because we knew the NIR was gonna go down. (Applause) So I know that he didn't mean to make any mischief. (Laughter)

Dr. DAVIES: Exactly, you just emphasized it to score a point.

Mr. SHAW: So, Mr. Speaker, let me say just a couple quick words on growth before I come down. And the Member from St. Elizabeth had asked some questions…

MEMBERS: He's from Westmoreland, he used to be from St. James, his farm is in St. James…

Mr. SHAW: Boy, Mr. Speaker, them move round so much that a can't even keep up with them. (Laughter) But he mentioned, Mr. Speaker, - a looking for my notes here and a can't find the notes where a wrote…

(Inaudible comment by Dr. Davies)

Mr. SHAW: No, but he mentioned the former…

A MEMBER: He wants to know how will interest to the private… (Inaudible)

Mr. SHAW: Yes, he wants to know how will interest - that's right - here is the notes here – he wanted to know how the lower interest rates for those who borrowed. And you know, let me make the point on this. The endgame is not just lower cost to the budget, that's an achievement along the way. The endgame has to be lower cost for money to invest in the real goods and services producing sectors of the economy. (Applause) And so I say to you, Member form Westmoreland - formerly St. Elizabeth - that when interest rates go down, the banks are going to be obliged to reduce their spreads and go down as well.

Now let me elaborate on this point a little bit more, because the former Minister spoke about round two - what is to come in round two - and I want to answer that directly, because the same way when I said we could get cheap money from multilateral institutions, I was told we could not get it, we've gotten it. Well now there is an important message for us to send to we the people of Jamaica about round two.

A MEMBER: Yeah!

Mr. SHAW: Round two, as mentioned in the context where you mentioned it, former Minister, would suggest that - and I hope it was not a subliminal signal that renegades out there and rogue traders can start the process of seeking to bid up back the interest rate, because that's what they want. We on one ship here called Jamaica. We're gonna have to start talking turkey with one another.

A MEMBER: Yes.

Mr. SHAW: We're gonna have to say to them listen, we've brought down this average interest rate to 12%**,** not so you can - when the Government comes to borrow more money from you, as we will, because we will be keeping a vibrant capital market going, the intention here is not to kill the capital market, it's to bring it under control like the rest of the world.

A MEMBER: Hear, hear!

Mr. SHAW: And what we are saying is, we've got to change the culture of a high interest rate policy. (Applause) And therefore, it is part of the game changing moment that we are in, Mr. Speaker...

A MEMBER: Change course!

Mr. SHAW: …and we are saying to all of those people who lend money to the Government, we are saying to you, let us get used to lower interest rates in the economy and get used to lower interest rate on instruments - on money that you lend to the Government. And don't shake your head, don't shake your head, you know why? In answering you in shaking your head, I will say to the market out there, let us use this opportunity, Mr. Speaker… (Cross talks)…

Hold on, hold on! Let us use this opportunity, Mr. Speaker, to put our economy, including our financial market, on a sustainable path going forward. (Applause) Because if we don't do it...

Mr. CLARKE: Mr**.** Speaker, could I...?

MEMBERS: Oh No! No!

The SPEAKER: What's your point of order?

Mr. CLARKE: Could I ask the Minister to yield one moment?

The SPEAKER: Yes, go ahead.

Mr. CLARKE: What I was asking, in the situation with the Government and the banks, the Government was able by coercion or whatever kind of pressure...

(Inaudible comments)

Mr. CLARKE: Yes. I was asking what kind of volunteerism will apply to those of us who have borrowed at an interest rate of twenty-odd per cent and still have to be servicing by that?

A MEMBER: That soon go down.

Mr. SHAW: No, but bear in mind, that most of the loans that are loaned in the average commercial banking system are variable rate loans; so that if the overall trajectory of interest rate was going down, it means that your rate will go down as well.

(Applause/Cross talks)

A MEMBER: But yuh nah listen?

Mr. SHAW: But let me say this to you, let me just make the point here. We are not at a point where we are going to seek to instruct commercial banks what interest rate they can charge, but - and I know the former Minister will agree with me on this one - that we can, publicly, state to our commercial banking institutions, that in all of this exercise now, including debt exchange, including this paradigm shift, it's a time for them to look carefully at their costs…

A MEMBER: Yes

Mr. SHAW: ...and understand that we are going to expect them to bring their spreads down in line with internationally accepted standards of commercial banking. (Applause)

In Europe right now, a study is being done on precisely that subject of the vexing issue of the spreads and in their case, their spread is not six and seven and eight and nine and ten

per cent, they are studying spreads of two and three per cent down there, Okay. A word to the wise, we are going to expect the mission and the vision is lower overall interest rates to everybody…

A MEMBER: Including Roger.

Mr. SHAW: …not just to Government, but more importantly, as far as I'm concerned, lower interest rates to the private sector, very important.

(Applause/Inaudible comments)

(Inaudible comment by Dr. Davies)

Mr. SHAW: Because you had asked the question, too.

A MEMBER: Who ask question?

Mr. SHAW: When you said, what will be our financial position after all of this? That's our financial position. The financial position is precisely what I'm saying. We must, as a country, accept lower interest rates, there is no other way. (Cross talks) Because I don't want to make the point - finally on this - I want to make the point. We have to change the game, make it sustainable, because what we don't want 10 years from now is to have another enquiry into another financial sector collapse. We must talk turkey, we must be serious. Because one of the things we must understand, money on its own can't make money.

A MEMBER: Hear, hear!

Mr. SHAW: And a lot of our young Turks that operate as if that is so, it's not so. Money on its own cannot make money. Money on its own at high interest rates, only does what my good friend who is never after 7:00 is willing to sit down and listen to anybody, always rushing off - from Central Kingston - but money on its own, without productive base - you are talking about a transfer of wealth from the poor to the rich as we've been having. Money, Mr. Speaker, for us to create genuine wealth in our society, money must be matched with innovation, with productivity, with inventiveness, with earning things, producing things, creating things, putting people to work, earning foreign exchange and creating wealth in the country. That is how money works, that is how money works. (Applause/Cross talks)

And therefore, we cannot discuss the concept of growth in abstract terms, in a vacuum. If we're talking about growth, the fundamental aerial to have the base for growth include interest rates going down and the general environment being in an accommodative fashion so that people can go and produce and invest.

(Cross talks)

So let me just say, Mr. Speaker, that growth is coming, growth is coming. In the midst of these difficult times that we are going through now, you are going to see, a lot of public sector investments will be taking place and there will be private sector investments as well, major private sector investments are lined up for this year, some of them are based on the Casino Legislation which is about to be passed.

Dr. DAVIES: Legacy.

Mr. SHAW: Started from your time, yes legacy, but we are going to implement it. Major road repairs across the island, major water supplies, schemes - $20 Billion worth. Boy, yuh hard to satisfy eeh?

A MEMBER: Yes.

Mr. SHAW: Whole heap of housing, investment in housing, major investment in housing coming up. Unprecedented levels of public sector investments are lined up.

Let me just indicate as well, the Caymanas Economic Zone, and of course, you know about agriculture and tourism. But don't forget, the lower interest rate is the base for small businesses to be able to progress and...

(Applause/*Sotto voce* comments)

So, Mr. Speaker, as I wrap up, I ask the question, and I make the statement as I did in April, we are where we are, we are where we are. The medium term economic programme has been clearly and explicitly articulated by me as Minister and in the Letter of Intent. The Letter of Intent, in unprecedented fashion has been tabled in this Honourable House of Parliament.

(Applause)

The performance matrices with the other multilateral institutions will be tabled because we don't have any secret, we will table it as well.

(Applause)

A team of Private Sector and Union leaders as well as the Opposition, if they are so inclined, as the Prime Minister said, will be a part of a Monitoring Committee to track our performance on the new path of fiscal responsibility to which we are committed.

(Applause)

Mr. Speaker, together – we, together are embarked on a new frontier of good governance that is marked by fiscally responsible practices, transparency and accountability.

A MEMBER: Hear, hear!

Mr. SHAW: Mr. Speaker, it can no longer be business as usual. This is a defining moment. Was it **Jim Reeves** who said, *'this is the moment*!'

(Laughter/Cross talk)

Is only the Leader of the Opposition could get me to sing it for her.

(Laughter)

Mr. Speaker, it is a game-changing time for all of us. The time demands these responses and we are confident that working together, Mr. Speaker, all of us, everybody, in partnership, we will overcome the social and economic ills of the past and put our country on a firm path to job creation and prosperity.

(Applause)

Mr. Speaker, we have to seize this moment to shape a better future for ourselves and for our children's children. May God bless us all and may God bless **Jamaica, land we love**!

(Applause/Cross talk)

I beg to move for the adoption of the Resolution.

The SPEAKER: Members, Members, the Minister has asked, and it is now put to the House for the adoption of the Resolution as proposed by Minister Shaw, Number 11 on the Order Paper.

Put to the House and agreed to.

The SPEAKER: (Gavels) Motion approved. (Applause)

Mr. HOLNESS: Mr. Speaker, there can be no doubt that the Government has put forward a credible programme, a credible medium term economic programme.

MEMBERS: Hear, hear!

(Applause)

ADJOURNMENT

Mr. HOLNESS: Mr. Speaker, we have no further business to do today. I now, Mr. Speaker, move that the House do adjourn.

Dr. PHILLIPS: Mr. Speaker...

The SPEAKER: Dr. Phillips.

Dr. PHILLIPS: Mr. Speaker, I rise on the motion of adjournment. The night is long spent and I really want to proceed in the way that I had planned. But I really want to urge - I want to bring to the attention of the Minister of Water and Housing that there is a serious problem in sections of Lower St. Andrew with the supply of water. It is causing tremendous difficulty.

(*Sotto voce* comment)

Dr. PHILLIPS: Now, this is different because these areas have pipes but no water is coming through the pipes. And the people there don't have the storage capacity as might exist elsewhere. And it is coming to the point where people are forcibly going into places and taking out water. And it is the first time I hear of water being robbed in that sense. And I just want to request that some way be found - I mean the Water Commission has tried to respond, but to make available on a regular basis and regular can't mean once a week, water supplies to those communities in that area. Mr. Speaker, I don't want to delay the House, just to bring it to attention.

The SPEAKER: Dr. Chang, you want to respond, briefly?

Dr. CHANG: I am aware of the situation and I had discussion with the Water Commission. I will be taking some steps to introduce some short-term measures until we get a permanent solution.

The SPEAKER: Thank you, Dr. Chang.

(Applause)

The motion before the House is that this Honourable House do adjourn until...

Mr. HOLNESS: Mr. Speaker, the motion is that the House do adjourn to a date to be fixed.

The SPEAKER: The motion before the House is that this Honourable House do adjourn to a date to be fixed.

Put to the House and agreed to.

The SPEAKER: This Honourable House stands adjourned.

The House accordingly adjourned at 10.06 p.m.

THE HONOURABLE HOUSE OF REPRESENTATIVES

SESSION 2009 – 2010

TUESDAY, February 9, 2010

PURSUANT to Notice of Adjournment the Honourable House of Representatives resumed its sitting at Gordon House, Kingston at 2.20 p.m.

PRESENT

THE SPEAKER

HON. DELROY HAWMIN CHUCK, (JLP), St. Andrew, North Eastern.

MRS. MARISA COLLEEN DALRYMPLE-PHILIBERT, (JLP), Trelawny, Southern, Deputy Speaker.

MEMBERS OF THE CABINET

THE HONOURABLES:

ANDREW MICHAEL HOLNESS, (JLP), St. Andrew, West Central, Minister of Education, Leader of Government Business and Electoral Matters.

EDMUND CURTIS BARTLETT, (JLP), St. James, East Central, Minister of Tourism.

DR. CHRISTOPHER CHARLES TUFTON, (JLP), St. Elizabeth, South Western, Minister of Agriculture.

JAMES RUDOLPH EDWARD ROBERTSON, (JLP), St. Thomas, Western, Minister of Mining and Energy.

MINISTERS OF STATE

THE HONOURABLES:

WILLIAM JAMES CHARLES HUTCHINSON, (JLP), St. Elizabeth, North Western, Minister of State in the Ministry of Agriculture.

CLIFFORD EVERALD ERROL WARMINGTON, (JLP), St. Catherine, South Western, Minister of State in the Ministry of Water and Housing.

NEVILLE ANDREW GALLIMORE, (JLP), St. Andrew, West Rural, Minister of State in the Ministry of Labour and Social Security and Deputy Leader.

LAURENCE GEORGE BRODERICK, (JLP), Clarendon, Northern, Minister of State in the Ministry of Mining, Energy and Telecommunications.

ROBERT ST. AUBYN MONTAGUE, (JLP), St. Mary, Western, Minister of State in the Office of the Prime Minister.

MICHAEL ANTHONY STERN, (JLP), Clarendon, North Western, Minister of State in the Ministry of Industry and Commerce.

OTHER MEMBERS

MR. NOEL GEORGE DELANO ARSCOTT, (PNP), Clarendon, South Western.

DR. ST. AUBYN BARTLETT, (JLP), St. Andrew, Eastern.

MR. LUTHER BARTLEY MONTEITH BUCHANAN, (PNP), Westmoreland, South Eastern.

MR. PETER MURCOTT BUNTING, (PNP), Manchester, Central.

MR. ROGER HAROLD CLIFFORD CLARKE, (PNP), Westmoreland, Central.

DR. OMAR LLOYD DAVIES, (PNP), St. Andrew, Southern.

MR. COLIN ALFRED A. FAGAN, (PNP), St. Catherine, South Eastern.

DR. MORAIS VALENTINE GUY, (PNP), St. Mary, Central.

MS. LISA RENE SHANTI HANNA, (PNP), St. Ann, South Eastern.

MR. IAN DAVE HAYLES, (PNP), Hanover, Western.

MRS. MAXINE ANTOINETTE HENRY-WILSON, (PNP), St. Andrew, South Eastern.

MR. JOSEPH URIAH HIBBERT, (JLP), St. Andrew, East Rural.

MR. FITZ ARTHUR JACKSON, (PNP), St. Catherine, Southern.

MR. DERRICK FLAVIUS KELLIER, (PNP), St. James, Southern.

MR. DESMOND GREGORY MAIR, (JLP), St. Catherine, North Eastern.

DR. KENNETH WYKEHAM MCNEILL, (PNP), Westmoreland, Western.

MRS. NATALIE GAYE NEITA-HEADLEY, (PNP), St. Catherine, East Central.

MR. PHILLIP FEANNY PAULWELL, (PNP), Kingston Eastern and Port Royal.

MR. TARN ANDREW PERALTO, (JLP), St. Mary, South Eastern.

DR. DONALD GLADSTONE RHODD, (PNP), Portland, Eastern.

MR. DERRICK CHARLES SMITH, CD, (JLP), St. Andrew, North Western.

REV. RONALD GEORGE THWAITES, (PNP), Kingston, Central.

Mr. FRANKLYN ROBERT WITTER, (JLP), St. Elizabeth, South Eastern.

PRAYERS

Prayers were offered by Reverend Ronald Thwaites.

The Honourable House resumed its sitting at 2.20 p.m.

The SPEAKER: This Honourable House now resumes its sitting.

CALL OF THE ROLL

(See Listing)

The SPEAKER: Members, this evening, would like to welcome, I think, six (6) students from the University of Technology Students Union sitting with us in the Gallery. Welcome to the sitting of Parliament. (Applause)

(HON PEARNEL PATROE CHARLES, CD, (JLP), Clarendon, North Central, Minister of Labour and Social Security, entered and took his seat.)

Members, also you will see a memorandum on your desk in relation to the observance of Standing Orders. May I just say that a number of Members have expressed the view that we should revisit the Standing Orders. A Report from Standing Orders Committee was in fact sent to the House but that matter has not been debated. And just to inform Members of the House, for Standing Orders to meet again, a Member of the House would have to move a motion in order for Standing Orders to meet to review and to look at any matter. So that it can either be done today or tomorrow, for Standing Orders to review any of the orders. So just bear that in mind and discuss it with the House Leader or the Leader of Opposition Business so that that matter can be dealt with, any matter in relation to Standing Orders, but in particular in relation to the memorandum that I have sent to every Member.

(HON. ORETTE BRUCE GOLDING, (JLP), Kingston, Western, Prime Minister, Minister of Planning, Development and Defence, entered and took his seat.)

Mr. HOLNESS: Mr. Speaker, before you proceed to Statements, we take note of the

memorandum that you have circulated and would want to assure you, Mr. Speaker, that we on this side, and I will probably take the liberty to suggest on that side as well, that we will be doing, as Members ought to do, regulate ourselves in the House relative to the Standing Orders provided.

(HON. OLIVIA ATAVIA GRANGE, (JLP), St. Catherine, Central, Minister of Youth, Sports and Culture, entered and took her seat.)

We agree, Mr. Speaker, that Standing Order 32.11 regarding Members reading their presentations that that is not in keeping with the spirit of Parliament, but given that there may be technical data and information that need to be dealt with within Parliament, that we may have to clarify this rule and make special provision for certain circumstances. So tomorrow at the next sitting, Mr. Speaker, we will seek to move a motion to have this matter be referred to the Standing Orders Committee.

(MR. CLIVE ARTHUR MULLINGS, (JLP), St. James, West Central, entered and took his seat.)

PASSING OF PROF. REX NETTLEFORD

On another matter, Mr. Speaker, Members may want to take note or make tribute of the passing of our beloved PROFESSOR REX NETTLEFORD.

(HON. DARYL WESLEY PHILLIP VAZ, (JLP), Portland, Western, Minister without Portfolio in the Office of the Prime Minister, Information and Telecommunication entered and took his seat.)

Mr. WARMINGTON: Beloved!

(MOST HON. PORTIA LUCRETIA SIMPSON MILLER, (PNP), St. Andrew, South Western, Leader of the Opposition, entered and took her seat.)

Mr. HOLNESS: We will accommodate such tributes at the sitting next week, next week Tuesday the 16th, where special provisions have been made to accommodate such tributes. It should be noted that it is not a special sitting of the House, it is a regular sitting of the House but we will suspend the sitting temporarily to allow certain persons to make an address to the House in honour of the life of the HONOURABLE REX NETTLEFORD.

Thank you, Mr. Speaker.

(DR. FENTON RUDYARD FERGUSON, (PNP), St. Thomas, Eastern, entered and took his seat.)

The SPEAKER: Thank you, House Leader. Yes, Mr. Kellier.

Mr. KELLIER: Mr. Speaker, the memorandum speaks for itself and the Opposition is in full support of the timely reminder. And of course, we look forward to the meeting of the Standing Orders Committee, as soon as the motion is moved by the House Leader, to allow us to deal with these matters. And there are others I am sure, Mr. Speaker, that the House Committee will have to look into in respect of the good order of the House. So it will not be a matter for only 32.1 but I think we should encompass the full gamut of matters relating to the conduct of the House and other real problems at the meeting.

(MRS. SHARON MERLE HAY-WEBSTER, (PNP), St. Catherine, South Central, entered and took her seat.)

The SPEAKER: Now may I just say Leader of Opposition Business and to all Members: In relation to the conduct of the House, be it is obvious that the Speaker has

been extremely tolerant. And even now the Speaker is speaking and look at Members not listening. And if you just look at the Member who is not listening...

Opposition MEMBER: And he is a Minister. He is on his Blackberry

(MR. ANTHONY GEORGE HYLTON, (PNP), St. Andrew, Western, entered and took his seat.)

The SPEAKER: And he is one of the persons in this Parliament who breaches the conduct of Parliament so regularly.

(Cross talk)

Opposition MEMBER: Shame, shame!

The SPEAKER: What I am saying to Members, please, please, this Speaker has been very tolerant. And I will never forget what a certain Member, to be frank Mr. Clarke, who said to me, before you make any ruling remember how you used to behave down here. And in all sincerity, this Speaker doesn't want to impose a penalty that calls a person's position into question. But in all sincerity, there are some Members in this House who go on and disrupt persons who are on their feet in a manner which is not only insensitive but outright rude.

(MR. OTHNEIL DAMION ST. ELMO LAWRENCE, (JLP), St. Ann, North Western, entered and took his seat.)

Mrs. NEITA-HEADLEY: True.

The SPEAKER: And why I issued this memorandum it is a final warning to Members, that if this disruption continues I can have no alternative but firstly to ask you to leave for the rest of the sitting and...

A MEMBER: And if he does not?

The SPEAKER: Well if he doesn't leave, the sitting is suspended. The Marshal will remove you...

Mr. HOLNESS: Mr. Speaker, every Member inside here, I want to assure you, recognise the fact that we are all on display, and that we take it very seriously when you make the move you have done, Mr. Speaker, to place your concerns in writing to us. I assure you, Mr. Speaker, that all Members on this side, and as I said I will take the liberty for the Members on that side as well, will appreciate the seriousness of what you have placed in writing to us and adjust our behaviour relative to the Standing Orders.

A MEMBER: I hope so.

The SPEAKER: I might say, House Leader, the Members whom I am speaking to on the Government side are here; one or two Members on the opposition side are not here who normally interrupt. All I am asking is for people to look at Standing Orders 42, 43, because the Speaker will have no alternative but to rule and to enforce the powers available to him. (Applause) Having said that...

ANNOUNCEMENTS.

The Clerk laid on the Table of the House a copy of the following:

- **Ministry Paper No. 11**
  Cabinet agenda issues 8th and 10th of January, 2010
- **Ministry Paper No. 12**
  Cabinet agenda issues January, 2010
- **Ministry Paper No. 13**
  reporting status for Statutory agencies and Government-owned companies
- Report of the Public Administration and Appropriations Committee of the House of Representatives on its deliberations on the Jamaica Urban Transit Company

- Trade Board Limited
  Annual Report and audited Financial Statements for the financial year 2007/2008
- **Certified Appropriations Accounts**
  Department of Correctional Services 2006/2007, 2008/2009
  Taxpayer Appeals Department 2008/2009
- Ministry of Finance and Public Service 2007/2008
  Ministry of Education 2004/2005 and 2006/2007
- Ministry of Industry and Tourism 2005/06
- The Firearms, (Firearms Licence Duty) Order, 2010 under The Firearms Act
- The Travel Tax (Amendment) Regulations, 2010 under The Travel Tax Act

Rev. THWAITES: Mr. Speaker…

The SPEAKER: Yes, Mr. Thwaites.

Rev. THWAITES: Mr. Speaker, is this the appropriate time to ask a question in relation to what has been laid on the Table of the House?

A MEMBER: No!

The SPEAKER: You may now, Rev. Thwaites.

Rev. THWAITES: Having regard to the reporting status for Statutory agencies, **Ministry Paper No. 13**, will there be a statement or an indication of how the unsatisfactory state of reporting indicated here will be corrected; and will the Minister responsible consider the suggestion that until reports are up to date, unless there are extenuating circumstances, the agencies in that situation should receive no allocation from the upcoming budget.

The SPEAKER: This is a matter I know, Rev. Thwaites that you have been pursuing for some time. I don't know if the House Leader has any comment. But, Rev. Thwaites the question - or the comment you have made we'll ask the House Leader to bear that in mind and get back to us by tomorrow - when we sit tomorrow in relation to the comments you have made.

Rev. THWAITES: Yes, Mr. Speaker, and could you consider, bearing in mind that the canons of fiscal responsibility, particularly appropriate in these times, and the weight of many of these corporations on national expenditure, that there should be a particular way and form for comments to be made on these matters that are laid before us and usually overpassed?

The SPEAKER: Yes. I can only say, Reverend Thwaites that we will ask the House Leader to have a look at the Paper, that's Ministry Paper Number 13 and respond perhaps later today or tomorrow.

Mr. HOLNESS: Mr. Speaker, I did not hear the Ministry Paper but now I know which Ministry Paper it is.

The SPEAKER: You are now looking at it.

Mr. HOLNESS: Yes. I will respond to the Member tomorrow.

The SPEAKER: Tomorrow.

Mr. HOLNESS: Yes, Mr. Speaker.

The SPEAKER: Thank you, House Leader.

REPORTS FROM COMMITTEES

Dr. McNEILL: Mr. Speaker, I beg to lay on the Table of the House a copy of the Report

of the Public Administration and Appropriations Committee of the House of Representatives on its deliberations on the Jamaica Urban Transit Company.

The SPEAKER: Thank you, Dr. McNeill.

NOTICES OF MOTIONS GIVEN ORALLY

The SPEAKER: Yes, Mr. Mair.

Mr. MAIR: Mr. Speaker, I beg to give notice that at the next meeting of the House I will move:

> Whereas our country is presently experiencing the full effects of the global financial crisis;
>
> And Whereas the Government has implemented a comprehensive programme to restructure our economy so as to ensure that the country is put on a path of firm economic growth;
>
> And Whereas this process will require great levels of sacrifice from all levels of society;
>
> Be it Resolved that the Government advise this Honourable House of the effects this transition period will have on our country and what measures it will implement to protect the poorest of our society.

The SPEAKER: Mr. Buchanan.

Mr. BUCHANAN: Mr. Speaker, I wish to move the following resolution:

> Whereas rural water has incomplete projects and monies outstanding to contractors in many parishes over several months;
>
> And Whereas communities in these parishes are suffering from deplorable road conditions and continue to experience severe water problems as *a* result of incomplete projects;
>
> And Whereas these situations worsen with weather conditions;
>
> Be it Resolved that the incomplete projects be completed and outstanding monies owed to the contractors be paid;
>
> And Be it Further Resolved that rural water does not enter upon the reference of new contracts until the incomplete projects are settled in all respects.

(Laughter by Opposition Members)

The SPEAKER: Dr. McNeill.

Dr. McNEILL: Mr. Speaker, I beg to give notice that at the next meeting of the House I will move

> Be it Resolved that the Report of the Public Administration and Appropriations Committee of the House of Representatives on its deliberations on the Jamaica Urban Transit Company which was laid on the Table of the House on the 9th of February, 2010, be approved.

The SPEAKER: House Leader.

Mr. HOLNESS: Thank you, Mr. Speaker. I rise on behalf of the Minister of Finance. Mr. Speaker, I beg to give notice that at the next meeting of the House I will move to introduce and have read a first time a Bill entitled;

> AN ACT Further to Amend the Financial Administration and Audit Act;

Bill entitled..

AN ACT to Amend the Public Bodies Management and Accountability Act.

Mr. Speaker, I further beg to give notice that at the next meeting of the House I will move - this is on behalf again, Mr. Speaker, of the Minister of Finance.

Whereas pursuant to subsection (6) of section 44 of the Firearms Act the Minister may make orders providing for the revocation, increase, reduction or alteration of any duty payable under subsection (1) of that section;

And Whereas under subsection (7) of that section the orders are subject to affirmative resolution of the House of Representatives;

And Whereas under the above provisions the Minister make the Firearms Licence (Duties) Order 2010 on the 9th of February, 2010;

And Whereas it is desirable that the Firearms Order 2010 be affirmed;

Now Therefore Be it Resolved by this Honourable House that the Firearms Order, 2010, which was laid on the Table of the House on the 9th day of February, 2010, be affirmed.

We continue, Mr. Speaker, with the second resolution.

Whereas pursuant to subsection (1) of Section 3 of the Travel Tax (herein referred to as the Act), there shall be paid by each traveller on each occasion on which the traveller leaves Jamaica for any place outside Jamaica, a tax to be called the Travel Tax of such sums as may from time to time be prescribed;

And Whereas it is provided by subsection (2) of section 10 of the Act that Regulations made pursuant to subsection (1) of section 3 of the Act in relation to a travel tax shall be subject to affirmative resolution of the House of Representatives;

And Whereas the Minister by Paragraph 1 of Regulation 11 of the Travel Tax Regulation 1963, prescribe the sum so payable as travel tax;

And Whereas under the provisions the Minister made the Travel Tax (Amendment) Regulations 2010 on February 9, 2010;

And Whereas it is desirable that the Travel Tax (Amendment) Regulations 2010 be affirmed;

Now Therefore, Be it Resolved by this Honourable House that the Travel Tax (Amendment) Regulations 2010 made under the Travel Tax Act which were laid on the Table of the House on the 9th day of February 2010, be affirmed

The SPEAKER: Thank you, House Leader.

QUESTIONS & ANSWERS TO QUESTIONS

The SPEAKER: House Leader. Okay, hold it. Mrs. Maxine Henry-Wilson.

Mrs. HENRY-WILSON: Yes, Mr. Speaker. I beg to indicate that at the expiry of 21 days, I intend to ask the following questions of the Minister of Education:

1. Can the Minister inform the House of the status of the Strategic Policy and Plan for the Tertiary Sector in Jamaica and the schedule for laying and debating it in the House?
2. Can the Minister also indicate whether this document will be presented in the public domain for the purposes of public education and consultation?

3. Will the Minister explain to the House the implications and likely impact of the conditionality contained in Jamaica's Memorandum of Economic and financial Policies with the IMF which states: "A nominal freeze will also be implemented on tuition subsidies for Tertiary education at the level of Financial Year 2009/2010 Budget, while a system of means testing will be introduced Subsidies on external school examination fees will be reduced by improving the incentive structure eg. providing reimbursement based on results".

Also, at the expiration of 21 days, Mrs. Maxine Henry-Wilson will ask the Minister of Education the following questions:

1. Can the Minister confirm the veracity of a recent news report which quotes him as having indicated that there will be a review of the 'appropriateness' of the CSEC examination?
2. Can he explain the criteria for determining 'appropriateness' and the considerations which will inform such a review?
3. Can he further indicate whether this review is being done within the existing institutional arrangements in CARICOM viz COHSOD and whether he is aware of other reviews which led to the introduction of the CCSLC?
4. What is the process of review and the consultations which will be undertaken and the anticipated actions based on the outcomes?

The SPEAKER: Mrs. Neita-Headley.

Mrs. NEITA-HEADLEY: Mr. Speaker, at the expiration of 21 days I wish to ask the Minister of Finance and the Public Service the following questions:

1. Is there a new contract in place with the new Governor of the Bank of Jamaica? If the answer is yes, will the Minister provide details of same?
2. Is the salary component of the new Governor's contract different from the former Governor? If yes, kindly indicate the deference.
3. Are there special arrangements for his family in Barbados and at what cost to the Jamaican Government?
4. Will the Minister provide details regarding the facilitation of the new Governor’s travel arrangement since.
5. What are the current arrangements for housing accommodation for the new Governor and related costs?

The SPEAKER: Thank you. House Leader, the answers.

Mr. HOLNESS: Mr. Speaker, we have these questions that are due for answer today. There are two questions, Mr. Speaker, which were posed by a Member on this side, the Member, Mr. Speaker, is reconsidering those questions and he may move a resolution at the next sitting to withdraw those questions. So, Mr. Speaker, there are six (6) questions then which we will have to have answers ready for. The Minister of Finance has three (3) of those questions. The Minister of Finance is not here at the moment, Mr. Speaker. The Minister of Youth and Culture has a question on the Order Paper which is due for answer. The Minister gave me the commitment that those questions

will be answered in the sitting next week. The Minister of Health gave a similar commitment. So, in short, Mr. Speaker, we would not have answers ready for this sitting.

The SPEAKER: Thank you, House Leader.

PRESENTATION OF BILLS WITHOUT LEAVE OF THE HOUSE FIRST OBTAINED

The SPEAKER: House Leader.

Mr. HOLNESS: Thank you, Mr. Speaker.

Once again, on behalf of the Minister of Finance, Mr. Speaker, I now move to introduce and have read a fast time a Bill shortly entitled:

The Industrial and Provident Societies Act 2010.

Bill shortly entitled: The Industrial and Provident Societies (Amendment) Act, 2010,

read a first time.

Mr. HOLNESS: Mr. Speaker, I beg to give notice of second reading of the Bill.

PUBLIC BUSINESS

The SPEAKER: House Leader.

Mr. HOLNESS: Thank you, Mr. Speaker. At Public Business today we will continue debate on the **Green Paper** on the National Workplace Policy on HIV AIDS. We will then, Mr. Speaker, take the Report on the Joint Select Committee on Flexi-Work Arrangements. That will be done by the Minister of Labour and Social Security. And the Minister of Finance will move the Report on the Credit Reporting Bill.

The SPEAKER: Very well.

Mr. WARMINGTON: Mr. Speaker.

The SPEAKER: Yes, Mr. Warmington.

Mr. WARMINGTON: I wish to draw your attention to the practices of visitors to this House. I drew your attention a while ago to a member of the Press who was reading the *Observer* in the Gallery. You indicated to them to stop and they continue reading the *Observe*r in the Gallery of the House. There ought to be some respect shown to this House by visitors or members of the Press. And you need to set the rules in this House just as you gave this memorandum as it relates to Members.

Mr. PERALTO: It applies to everybody.

The SPEAKER: Thank you, Mr. Warmington. I think it's fair to say that members of the Press and persons in the Gallery, it's not normal for you to, firstly, even the cellphones no Member of Parliament inside the House when you see them hiding and listening to the cellphone it's wrong. In the same way you too cannot be listening or conversing in the Gallery. And that goes, too, for Press. You can't be conversing on the cellphone in the Press Gallery or for that matter reading a newspaper in the Press Gallery. So when it is pointed out to me as Mr. Warmington has quite rightly done, I ask members of the Press, please observe the decorum of Parliament.

Thank you, Mr. Warmington. Mr. Charles. (Mr. Kellier rises) Sorry, Mr. Kellier. Oh, Mr. Charles had opened...Mr. Kellier, you are going to be first response? Mr. Kellier, we are now dealing with the Report on the … and you will be the first response. (*Response, if any, inaudible*) Very well. Mr. Kellier.

(HON. AUDLEY FITZ ALBERT SHAW, (JLP), Manchester, North Eastern, Minister of Finance, entered and took his seat.)

Mr. KELLIER: Thank you, Mr. Speaker.

Mr. Speaker, I rise to give support to the National Workplace Policy on HIV/AIDS, the Joint Select Committee's Report which was brought to the House by the Minister of Labour and Social Security. I wish to join the Minister, Mr. Speaker, in thanking the persons and agencies who contributed to the deliberations during the Committee's discussions. The workers' representatives in respect of the Jamaica Confederation of Trade Unions, the National HIV/STI programme within the Ministry of Health, the Jamaican Bar Association, the Child Development Agency, the Jamaica Guidance Counsellors' Association in Education, MR. AINSLEY REID, the Insurance Association of Jamaica, the Independent Council for Human Rights and the Lawyers' Christian Fellowship.

Mr. Speaker, as stated in the 2002-2006 Strategic Plan on HIV/AIDS/STI, it established under the then Minister of Health, HONOURABLE JOHN JUNOR, a Foundation for guidelines legislation to promote a number of issues, five of them, namely: to promote the health of the population, individual responsibility for health and practices of healthy lifestyles, to protect the rights of persons infected and affected by HIV/AIDS, reduce HIV/AIDS-related stigma and discrimination, create an enabling environment for improved access to prevention, knowledge, skills, treatment and support and to mitigate the socio-economic impact of the epidemic.

As we all are fully aware, Mr. Speaker, the HIV/AIDS has become a generalized epidemic in Jamaica that affects the health and wellbeing of large numbers of people from all the different social classes and occupational groups. However, it is not only a health problem, it is a developmental issue that really affects the social, cultural, political and economic fabric of the nation.

We in Jamaica, Mr. Speaker, have been a signatory to several international and regional conventions and declarations, including that from the United Nations General Assembly special sessions on HIV/AIDS, the Conventions of the Rights of the Child, and the ILO Code of Practice on HIV and the world of work. And as is also well-known, the country participated in various regional and international initiatives, such as the Caribbean Regional Strategic Plan of Action on HIV/AIDS, the Pan Caribbean Partnership against HIV, the Coalition to fight AIDS, the Nassau Declaration on Health 2001, the Charter of Civil Society for the Caribbean Community and the Platform for Action on HIV/AIDS and the World of Work 2002 in the Caribbean sub-region.

The ILO, Mr. Speaker, set out ten (10) principles on HIV/AIDS and the World of Work which are critical for us to embrace in order that the policy that we approve are in keeping with the discretions and the agreements of that convention. The recognition that HIV/AIDS is a workplace issue and should be treated like any other serious illness or condition in the workplace. This is necessary because it affects the workforce but also because the workplace is a part of the local community and it has a wider role to play in the struggle to limit the spread and the effects of the epidemic.

The **second one** is the non-discrimination: In the spirit of decent work and respect for human rights and dignity of persons infected or affected by HIV/AIDS, there should be no

discrimination against workers on the basis of real or perceived HIV status. I think that is part of the base of what formed the discussion during the Committee's deliberations over the past couple of months. Discrimination and stigmatization of people living with AIDS inhibits efforts aimed at promoting the HIV/AIDS prevention.

The **third one** set out by the ILO was gender equality. It says the gender dimension of HIV/AIDS should be recognized. Women are most likely to become infected and are most often in an adverse way affected by the HIV/AIDS epidemic than men, due to biological, social, cultural and economy reasons.

The **fourth one** has to do with healthy work environment. And it says the work environment should be healthy and safe so far as is practicable for all concerned parties in order to prevent the transmission of HIV in accordance with the provision of the Occupational Safety and Health Convention, 1981, Section No. 155. A healthy work environment, Mr. Speaker, facilitates optimal, physical and mental health in relation to work and adaptation of work to the capabilities of workers in light of their state of physical and mental health. It speaks also about the social dialogue, the non-screening for purposes of exclusion from employment of workers. It says "HIV screening should not be required of job applicants or persons in employment". As you know that is something that has been violated time and time again, where persons are asked to take tests as to determine what is their status before they are given employment in business places, and that is one of the things that the ILO has spoken out against.

On the issue of confidentiality, it says that there is no justification for asking applicants or workers to disclose HIV-related personal information, nor should workers be obliged to reveal such personal information about other workers as well. Access to personal day relating to a worker's HIV status should be bound by the rules of confidentiality....

Mrs. NEITA-HEADLEY: Yes.

Mr. KELLIER: …which is consistent with the ILO Code of Practice and the protection of workers personal data, 1997. And, of course, Mr. Speaker, it speaks about care and support, the whole business of prevention and the continuation of employment relationships.

The Committee deliberated for a number of weeks. We had several meetings, the Joint Select Committee that is. And the recommendations which the Minister of Labour and Social Security presented to the House are recommendations that we all support. However, Mr. Speaker, it would be important for me to indicate that in respect of the public education programme, that that is going to be critical to the success of this programme. And No. 4 under the recommendations says that a targeted public education programme should be undertaken to educate the public about HIV/AIDS and the Workplace Policy on HIV/AIDS and care should be taken to ensure that this does not lead to persons becoming more lax in their behaviour. So it is not to be felt by the public that because the practice, the discrimination that is attached to this matter and the stigma will be dealt with, it means that persons can now be free to do as they like when it comes to the business of taking care of their health in this matter.

And No. 2 that says that HIV workplace policy should be appended to the regulations, the HIV regulations, to replace under the Occupation Safety and Health Bill, and we are proposing, Mr. Speaker, that the Minister should take all necessary steps to have the Occupational Safety and Health Bill brought to the stage where it can be presented in this House for discussion because it is also a critical part of the whole business of protecting workers and their rights at the workplace.

So all in all, Mr. Speaker, the Opposition is install support of this policy. As I said, it is one that started on our watch and once again has been in gestation for some time. It is a very progressive policy that we promulgated, and I want to thank the Minister for carrying it through, along with the Members of the Committee, and the Opposition wishes to give its support to this matter. (Applause)

The SPEAKER: Thank you, Mr. Kellier.

Dr. Ferguson.

Dr. FERGUSON: Thank you very much, Mr. Speaker,

Mr. Speaker, I too, as a Member of that Committee, would want to express support for the Policy Report that's before this Honourable House. I want to congratulate the Committee and the Chairman for the work that they have done in committee and the support from the Parliament, for those persons who made presentations, so ably noted by the Member from South St. James as it relates to broadbased participation in this policy formulation.

I believe it is also important, Mr. Speaker, to thank the millions of Health and also the Ministry of Labour and Social Security, the staff, for the input they have given to this Committee during its deliberations. We want to say thanks also to the HIV/STI programme led by Dr. Kevin Harvey and, before him, Dr. Peter Figueroa, for the tremendous work that they have done in the area of HIV/AIDS, and the Opposition, and as a member of this Committee, we note the progress.

I believe, Mr. Speaker, that due congratulation must also be given to former MINISTER JOHN JUNOR, who in May 2005 tabled the National Policy on HIV/AIDS. That policy had four (4) broad objectives -

- the prevention of new HIV infection, treatment, care and support for persons living and affected by HIV/AIDS
- mitigation of social, economic impact of HIV/AIDS,
- ensuring a supportive policy, regulatory and legislative environment.

And this is where the Report before this Honourable House this afternoon, Mr. Speaker, comes into play under (4) –

- which speaks to regulation.

Mr. Speaker, this Policy represents progressive policy... (Applause)

A MEMBER: Hear, hear!

Dr. FERGUSON: ...the evolution of which is rooted in good governance, transparency, accountability, a multi-sectoral approach and partnership with equity and the promotion of the protection of human rights.

This policy Mr. Speaker, further supports the ten (10) principles of HIV/AIDS and or the world of the work suggested by the ILO, again so ably noted by the Member from South St. James.

Mr. Speaker, it is important that this policy that we speak about and the Report

today, that it be enshrined into law, because, Mr. Speaker, there is the need for regulations under the Occupational Safety and Health Act that will make a difference in how we treat this situation, this epidemic, and this problem that beset our country.

I want also, Mr. Speaker, to congratulate those ministries and agencies that have been proactive and have gone ahead to put in place policies related to HIV/AIDS at the workplace... (Applause) - the Ministry of Agriculture, the Ministry of Health, the Ministry of Water and Housing. They have gone ahead in ensuring - I think the Office of the Prime Minister also - gone ahead in ensnaring that even before this becomes part of the regulation, that they had started a process.

I want to also congratulate the way the policy was formulated, the Tripartite Committee that had to do with Government ministries as the Ministry of Labour, Social Security, the Ministry of Health, the Jamaica Employers Federation and the workers from the Jamaica Confederation of Trade Unions. l believe, Mr. Speaker, that when you take that into account and all the groups that made presentation to our Committee, again noted by the speaker from St. James, it's very clear that this policy was not just thrust upon us but that there was broadbased participation from all over Jamaica.

(Applause)

Mr. Speaker, our Committee and the Members of the Committee were better informed coming out of these deliberations. And I believe, Mr. Speaker, the Chairman of that Committee and the Members of that Committee will agree with me that there were statistics that came out during those deliberations that is worthy of repetition in terms of those statistics.

The Report of the AIDS/STI Committee for 2008 showed that 69 per cent of AIDS cases continue to be in the age group 20 to 49. Mr. Speaker, I repeat, 69 per cent of the cases of AIDS continue to be in the age group 20 to 49. Over 90 per cent of persons who tested HIV positive, Mr. Speaker, were infected through sexual transmission. Further, Mr. Speaker, it is important to note on a positive note that in 2002 the mother to child transmission for AIDS was in the region of 25 per cent in 2002.

The Report of 2008 reflects that the mother to child transmission is now less than ten per cent (10%), and this is due, Mr. Speaker to the introduction of the antiretroviral drugs. And we want to thank the global funds and the Government of Jamaica for the concerted effort in responding to this epidemic.

(Applause)

Mr. Speaker, without being controversial, I believe that there is an aspect of the statistics that is of moment. The HIV/AIDS is both generalized and concentrated. Higher prevalence rates are found in groups considered most at groups risk and vulnerable. Mr. Speaker, in the Report of 2008, sex workers represented nine per cent (9%) but most alarming, Mr. Speaker, men who have sex with men represents 31.8 per cent, which translated one in three. And this information is not given for any controversial debate, it is information coming out of the Report; and we will look to see in the 2009 Report whether the trend continues. Three point eight per cent –

3.6 per cent of persons with STIs were estimated to be HIV positive in 2008; 5 per cent crack/cocaine; 3.3 per cent prison inmates. So you can see from the statistics, Mr. Speaker, that there is cause for alarm as it relates to men who have sex with men.

The recommendations are strongly supported by myself and members of the committee. Mr. Speaker, I believe that of moment to me personally, will be the development of the framework that will deal with breaches of this policy; because, Mr. Speaker, it cannot be good just to have regulations but there are no framework document that speaks to what happens if an employer or whoever breaches this policy and so we look forward to that as part of the overall regulation.

We look forward, Mr. Speaker, to the public education campaign because again, the Parliament and the Members of Parliament on that Committee, we were certainly enlightened. Myself having had some measure of medical training was further enlightened by my participation on that Committee and, therefore, I believe that every Member of Parliament ought to have the benefit of those reports that came to this Committee and the benefit of the information as it relates to HIV/AIDS. And so the public education campaign, Mr. Speaker, I look forward with great anticipation in our schools, our churches our public events so that Jamaica can be better informed about this epidemic.

Once again, Chairman, I congratulate you on the ably way in which you carried your committee and the Opposition strongly supports this policy.

May I thank you.

The SPEAKER: Thank you Dr. Ferguson. (Applause)

Dr. Chang.

Dr. CHANG: Thank you, Mr. Speaker.

As a member of the Committee I would just like to make a few brief comments on the policy document. I wish to extend my own commendation to the efforts of the Chairman, the team that worked and the supporting team that assisted the Committee.

HIV/AIDS Human Immune Virus which results in AIDS, Acquired Immune Deficiency Syndrome, it's a fairly recent and modern disorder. The fact, however, is that the time between the infection of the virus and acquisition of the disease tend to be fairly prolonged, sometimes as much as three years and sometimes even of longer periods. The result of that is, of course, a level of uncertainty and fear. Initially to that when it was initially diagnosed, there was a lack of treatment and a lack of understanding of the disease process and anything that results in fatality and is not grounded in scientific fact that creates fear and that in fact led to the initial level of - a high level of stigmatization and in fact discrimination.

In addition to that in the early stages many of the early cases diagnosed related to individuals which were largely not confined but a significant number were associated with the homosexual community. That further compounded the tendency to discriminate in our communities. It therefore has taken us some time to get to this stage and I think the proposal laid out and the legislative framework laid out here is progressive and reflects very good governance in one sense. I would have liked to have seen some change

individually but certainly, what is laid out here offers an excellent framework for the development of the HIV/AIDS workplace policy and the kind of legislation required to govern this kind of disease.

One of the benefits, of course, of the entire emergence of this particular disorder is that greater focus was brought to bear on public health disease, especially disease submitted by infectious disease, whether by contact or vector-borne diseases, which was a critical part of the modern disease pattern. For many years the surgical and chronic medical disease, of course, or the exciting and the one that draws the kind of funding that is required to find cures and to provide the kind of health service required. Public health as sort of been in the background, although this country has a very strong history and maybe that's why we have been able to get to this stage as quickly as we had. Indeed the work of people like PETER FIGUEROA, the late BARRY WINT, and more intently the young officer in charge of the disease programme, reflects a tradition and a cadre of public health personnel that is comparatively the best in the world and in fact, they are some of the best you can find anywhere.

(Applause)

Historically that has led effective control of several vector-borne disease like malaria, the work of DR. JOHNSON and others are known throughout the fraternity of medicine today. In fact, we have had important research focused on HIV in recent times and appropriately so. We now have a much better understanding and therefore the kind of preventative measures required are now well known and well established and the quality of public education can ensure there is much more effective control of the disease. In addition to that, of course, the money poured into the clinical research, given the profile of disease especially in the developed countries, has resulted in medication that can ensure control, and in fact those who might have seen, patients with - the treatment of the current triple therapy is quite dramatic.

And, therefore, there is good cause to view HIV infection almost like any other chronic disorder. And in fact this was one of my own concerns that we should begin to view it in that context, but it is my view that this piece of legislation and this policy will lay the framework for any kind of disorder that is of a similar nature and the fact is that in the modern world we are going to see more and more chronic illnesses and many of them relating to viral conditions. So that, what we are doing today is historic, it's forward looking and it's progressive, an important part of our own legislative process. It may be in a sense reflects our own - the roots of a democracy rooted in what was essentially the workers struggle for their rights and for fair treatment, and therefore, it's a piece of legislation, it has bipartisan support, that again is a reflection of the maturing of a democracy and deserves the support of every individual in this House.

I comment on the issue of - we had a little difference on the question of how we treat - the question of whether we should have compulsory testing or not called so much compulsory as - at the workplace or uninformed testing, so to speak. My own view is that some element could have been preserved but I support the final decision. My reason for doing this and again I say, HIV infection can now be seen as almost a regular disorder and the same way you may test for

diabetes, or for colour deficiency in a pilot or hypertension which is a routine testing for certain individuals, it may become necessary to begin to test individuals for infectious conditions that we can control. I think that is something that may eventually come because once we can control it in the way we can, there is no need for discrimination anywhere and therefore we should have the legislative framework in place to protect the individual and in fact reach the point where barring the residual minority, society accepts the individual for who they are and not for what virus they may carry. I think that's the stage we need to reach and that was my reason why I admitted that we could maybe have some compulsory testing in certain work situations, where there are issues as well of the kind of work they may be doing.

Confidentiality, yes. Once a person if he goes to the workplace and declare their condition it should remain confidential just like it should remain confidential that you have any other condition really at a medical level. There are certain situation where, if the individual wishes to make it known because you may have an open policy, and I suspect institutions should be allowed to have that policy, where people begin to know who are affected just as some institutions carry out what they might call wellness activity for obesity, for hypertensive patients, they have exercise hours, they have lifestyle discussions, it may be necessary to begin to do all this as it relates to a disorder of this sort.

But the policy as outlined is a far - it has taken us a far way down the road towards openness. It is better than certainly what exists, and it is better than what exists in many other countries. And I think it lays the foundation for the development of this kind of legislation, and certainly to ensure the rights of those who might be infected with the HIV virus, and hopefully assist in preventing deterioration to Acquired Immune Deficiency Syndrome, as well as to lead to better control, in terms of preventing others from getting infected.

That really is the basis of this Policy. We have to take out the emotion. There is still some emotion out there. We are aware of the society we are in. But individuals - and it is now clear that it's not the majority or heterosexual couples, although a large number still come from a homosexual background, and there are other means of acquiring them. It's also a fact that there are other strains of retrovirus that is causing other infectious diseases. And the more we take time to study, and the more open we are with this particular kind of condition, the more effective we will be at controlling the emergence of this kind of infectious disease.

So I too want to again reiterate my appreciation to the team that did this. I didn't have as much time to attend all the sittings 1 should have done. But we had excellent presentations, I had a chance to read them, and we had excellent support from the various participants, as well as the supporting technical team.

I lend my really unequivocal support to this particular document today, and to the forthcoming legislation that will emerge from this particular Policy. (Applause)

The SPEAKER: Thank you, Dr. Horace Chang.

Mr. Charles - Miss Grange.

Miss GRANGE: Mr. Speaker, first I want to commend the Minister and the stakeholders

for the work they have done to develop the National Workplace Policy on HIV/AIDS. And I must say I am very happy to have the opportunity to make comments as well, as I consider this very timely. Because this week we observe "*Safer Sex Week*", under the theme, and I quote: *"Smart Women always Buy, Carry and use Condoms.*" So it's not only about *"Pinch, leave an inch and roll*," but smart women know what to do. Smart women know what to do.

Mr. Speaker, in 2006 it was estimated that in the Caribbean, half a million people were estimated to be living with HIV/AIDS, and that it was the leading cause of death among adults between the ages of 15 to 44. In Jamaica, approximately 27,000 men and women were living with HIV up to December 2008, accounting for an adult prevalence rate of about 1.6 per cent.

So, Mr. Speaker, it is against this background that I wish to highlight some of the systemic and cultural issues with which we are grappling, and which need to be addressed within and outside of the workplace.

Mr. Speaker, HIV/AIDS is a gender issue; it affects our women and it affects our men, young and old. In essence, it affects the very fabric of our family structure.

In this context, it is important for us to have an understanding of the unequal socio-economic, political and cultural factors and the differential impact that HIV/AIDS have on men and on women.

There are sex-based differences in infection rates, as well as profound difference in the underlying causes and consequences of HIV/AIDS infections in women and men; and this reflects a difference in biology, sexual behaviour, social attitudes and precious economic power and vulnerabilities.

This speaks to the need, Mr. Speaker, for gender analysis of the issue. Research shows that adolescent females in the age group 10 to 19, have nearly three times higher risk of HIV infection. Young women in the 15 to 24 age group are also more likely to contract HIV/AIDS because of various contributing factors.

For example:

1. there is a big cultural difference in attitudes towards men's and women's sexuality before or outside of marriage;
2. promiscuity in men is often condoned and encouraged, while it is frowned upon in women;
3. women are often less able to negotiate safe sex due to economic dependence and fear of violence, and therefore more likely to contract HIV infection than men;
4. sexually transmitted infections, (STIs), in women, are less noticed and often go undiagnosed due to their biological make up and therefore, women and men have a greater risk of acquiring HIV in the presence of sexually transmitted infection;
5. women and girls tend to bear the burden of caring for sick family members and often have less care and support when they themselves are infected.

Taking gender into account, therefore, will help to successfully address the HIV/AIDS pandemic when designing policy. This will promote the development of options to accommodate sex and gender differences. A gender analysis, Mr. Speaker, will not only

highlight cultural and economic differences, but how rigid gender socialization affects the responsibilities of women and men, as well as the deficits in gender-related data and information.

So Mr. Speaker, this is why it is imperative that gender not only be mentioned in the glossary of terms, but also that gender be mainstreamed in the development and implementation of the National Workplace Policy on HIV/AIDS. (Mr. Hylton applauds)

In addition, gender analysis requires the systemic collection of sex disaggregated statistics, which is vital, very vital for monitoring and evaluating gender differential outcomes.

Mr. Speaker, I am happy to know that the National Workplace Policy on HIV/AIDS is in keeping with the National HIV/STI Programme, working with the National AIDS Committee, as well as with the ILO Code of Practice on HIV/AIDS.

But in addition, this approach could be straightened by the inclusion of other relevant international treaties and Convention to which our Government is committed. And those Conventions - I am going to just list them:

1. Millennium Development Goals, the MDGS.

Goal Six - Target Seven speaks to the importance of sustainable development and cites targets pertaining to healthcare and HIV/AIDS. It requires that states halt and reverse the spread of HIV/AIDS by 2015, especially in light of the prevalence among the working-age adults of 15 to 49.

2. The Convention on the Elimination of all forms of Discrimination against Women, (CEDAW).

The Convention on the Elimination on all forms of Discrimination against Women, in its definition states that there should be no discrimination on the basis of sex. In Article 12 it stipulates that government is required to institute measures to eliminate discrimination against women in healthcare, and to provide equal access to healthcare service, including treatment for HIV/AIDS.

3. The Willem De Paro Convention, the Inter-American Convention on the Prevention, Punishment and Eradication of Violence against Women.

And violence against women, Mr. Speaker, is understood as any act or conduct based on gender, which causes death or physical, or sexual or psychological harm or suffering to women, whether in the public or private sphere.

Then I also want to highlight the Beijing Platform for Action. The Beijing Platform for Action, 1995, urges governments to undertake gender-sensitive initiatives that address HIV/AIDS as part of the strategic objective.

So, Mr. Speaker, I must use this opportunity to applaud the National AIDS Committee, as this week they seek to continue to sensitize and educate the public at large about HIV/AIDS, through various fora, campaigns and initiatives.

We recognise that as a Government, efforts to effectively address the HIV/AIDS pandemic must be dealt with on all forms. As such, we acknowledge the importance of a National Policy such as this, to specifically treat with the workplace environment in delivering education, training and sensitization to employees at all level.

Wrapping up. The National HIV/AIDS Policy is significant and will provide the

framework for action to address stigma and discrimination of employees in their working environment, as well as to address the general management of HIV/AIDS guidelines, principles and practices in the workplace.

In conclusion, Mr. Speaker, the implementation of this Policy will indeed set in place appropriate intervention to create a healthy work environment, to foster social dialogue, to enhance confidentiality, to ensure the continuation of employment, and to promote prevention, care and support. Indeed, Mr. Speaker, this will also advance gender equality and promote sustainable development and the competitiveness of the national economy.

As the Minister with responsibility for Women Affairs and Gender Issues, I welcome this very important National Work-place Policy on HIV/AIDS. And I want to congratulate the Committee for putting this forward and making its recommendations.

Thank you. (Applause)

The SPEAKER: Thank you, Minister Grange.

Minister Charles.

Mr. CHARLES: Mr. Speaker, I want to say special congratulation to the Members of the House who sat with the Members of the Upper House and were able to bring the report back here. I want to say thanks to the Press for their support in assisting to educate the nation about this very serious illness.

But you know, Mr. Speaker, I don't believe that this matter is being taken seriously enough. Not enough of us have seen or recognize how many families have been destroyed by this illness right across the region, the world. Many, many young minds have been destroyed. At the workplace workers have been psychologically destroyed even because of a rumour inside the workplace. And I want to call on the leaders of industries to let us reinforce the educational process at the workplace to assist workers.

Mr. Speaker, the drafting of the National HIV and AIDS Workplace Policy has been spearheaded by the Occupational Safety and Health Department of the Ministry of Labour in conjunction with the tripartite partners; and I want to say a special congratulation to the team at the Ministry of Labour and in other areas. And I, at this time have to also recognise the contribution from the Ministry of Health.

On the 2nd of July 2008, a motion was moved by the Minister of Labour and Social Security in this Honourable House, a Special Select Committee was set up to deliberate on it. Mr. Speaker, we had several meetings - six (6) sittings in fact - and we had contributions from many, many quarters. But I want to particularly emphasize the Jamaica Confederation of Trade Unions, the National HIV/STI Programme within the Ministry of Health, the Jamaica Bar Association, the Child Development Agency, the Jamaica Association of Guidance Counsellors in Education - in high schools in particular – the Jamaica AIDS Support, the Insurance Association of Jamaica, the Independent Jamaica Council of Human Rights and the Lawyers Christian Fellowship. Mr. Speaker, they made great contribution towards what we have brought back here.

Much of the discussions, Mr. Speaker, concern the question as to whether it is appropriate to single out HIV/AIDS for special treatment in a policy document. And my colleague Minister of Housing, strongly

pointed out at that committee that there are many other diseases, viruses that are nearly as dangerous, we have not been emphasizing them and we need to look at how we are going to manage them.

Mr. Speaker, the policy does not support mandatory screening for employment purposes. 'The rationale for this is that to do so would be to put persons at risk of discrimination at the workplace and if you screen today you could get it tomorrow, you'd have to continue screening nearly every day, so we do not support that.

In ensuing discussion at the Joint Select Committee it was agreed that the committee would emphasize certain aspects of the educational part of it rather than going for sanctions. But, Mr. Speaker, the Jamaica Confederation of Trade Unions raised the issue of the policy failure to make provisions and enforcement mechanisms including penalties, in order to have legal sanctions in this policy. However, it is to be noted that the policy is intended to set guidelines as to the best practices in dealing with HIV/AIDS at the workplace.

It must not be overlooked, Mr. Speaker, that if it becomes necessary for the protection of workers and people in general, that this Minister will make recommendation to the Government for serious sanction to be placed in a way appropriately guided by the legal authorities, because there are some very careless people who just don't care how they destroy others. At this time we are not going that route, we are enforcing education rather than going for sanctions.

The Ministry of Labour intends to treat its response to HIV as part of the parcel of legislation dealing with health and safety issues at the workplace under the proposed Occupational Health and Safety Act. The proposal at this stage is for a regulation concerning HIV/AIDS to be appended to the Occupational Safety and Health Bill as a regulation, supported by appropriate sanctions to provide redress and for issues such as discrimination and breaches of confidentiality.

Mr. Speaker, the important issue of addressing HIV/AIDS epidemic at the workplace is critical for the advancement of our country in the 21st Century. As such, this Honourable House is invited to consider this Report, the Report of the Joint Select Committee with a view of accepting its recommendation and approving in principle, the National HIV/AIDS Workplace Policy for implementation at the workplace.

Thank you, Mr. Speaker. (Applause)

The SPEAKER: Thank you very much Minister Charles.

Members, before you is the Resolution Order No. 6 - No. 6 on your Order Paper for approval of the report of the Joint Select Committee Green Paper Number 2, 2008 on National Workplace Policy on HIV/AIDS.

Put to the House and agreed to.

The SPEAKER: The Resolution is approved. Mr. Charles, you are on your feet again.

Mr. CHARLES: The Minister would like to go first.

The SPEAKER: Very well.

Mr. HOLNESS: Mr. Speaker, the Minister of Finance...

The SPEAKER: Will go before, okay very well.

Mr. HOLNESS: ...will go before. We will have to give the Member who just spoke…

The SPEAKER: I thought as much, yes.

Minister Shaw.

Mr. SHAW: Thank you, Mr. Speaker.

Mr. Speaker, the matter before us is the Credit Reporting Bill which has been tabled in this Honourable House and which was the subject of deliberations at the level of the Joint Select Committee and a Report has been tabled in Parliament. And, Mr. Speaker, as part of the effort to reform the financial sector with the support of the World Bank, it was agreed that the Government would embark on drafting legislation to facilitate the establishment of a credit reporting system.

The major banking institutions, building societies and credit unions had also put forward a proposal that the Government should facilitate the establishment of a privately owned Credit Registry, by putting in the appropriate regulatory framework. Consequently, the first draft of the Credit Reporting Bill was prepared from as early in 2002, it's something that has been quite some time intake making. The Credit Reporting Bill seeks to enact legislation for the sharing of information between specified bodies, the licensing and supervision of a Credit Bureau and other connected matters.

Given the problems of poor credit decisions and the high levels of non-performing loans which plagued the financial sector during the time of the financial sector crisis, it is believed that a system that will provide better credit information will be beneficial to financial institutions in their loan decision-making process.

Other benefits to be derived by the establishment of the system include the management of the information by the Credit Bureau that will facilitate the improvement of credit risk management by financial institutions. The regulatory authority will ensure that the Bureau handles the data in a manner that will guarantee privacy of consumer data.

A system of accurate and complete credit reporting will provide a new type of reputation collateral that will decrease moral hazard and adverse selection in the credit market. The use of a Credit Registry to provide a credit history on borrowers, will not only allow better credit assessment, but will also facilitate greater access to credit to a wider segment of the population.

In addition to improving accessibility to credit, credit information will also allow creditors to better manage risk and improve pricing of loans, if information is accurate and complete. Financial institutions should therefore be able to improve their assessment of the risk associated with each loan and apply the appropriate price level which ought to result in the lowering of interest rates. This is of particular importance to small and medium enterprises.

Mr. Speaker, after consultations with major stakeholders and several redrafts the Bill was approved by the Legislation Committee and then by Cabinet for tabling in the Houses of Parliament. Subsequently, Cabinet by decision Number 508 dated 11/02/08, among other things, stipulated that regulations must be tabled along with the Bill and recommended that the Bill be considered by a select committee of Parliament.

I should indicate before going further, Mr. Speaker, that the regulations will be tabled next week. They have not been tabled with the Report, because as a result of a substantial number of amendments that have been made

at Committee Stage, we are now going over the regulations to make sure that the regulations in fact are consistent with the amendments that have been proposed to the Bill.

Mr. Speaker the Joint Select Committee held six (6) meetings over the past year and heard submissions from the Consumer Affairs Commission, the Ministry of Industry, Investment and Commerce, MR. CARLTON STEWART former President of the National Consumers League, the Jamaica Bankers Association. The Committee received technical expertise from the Bank of Jamaica, the Financial Services Commission, the Ministry of Finance and the Public Service, the Attorney General's Chambers, the Legal Reform Department and the Office of the Parliamentary Counsel.

Based on the deliberations, the following amendments are recommended with the aim to improve the efficiency of the credit reporting regime and the utility of the legislation governing that regime.

And before I go to the flashlights of the amendments that have been proposed, Mr. Speaker, I think it would be very appropriate that I thank the Members of the Committee for the very hard and diligent work that was put into the considered amendments that have been proposed. The membership of course, includes: the HONOURABLE CARL SAMUDA, MR. CLIVE MULLINGS, MRS. MARISSA DALRYMPLE PHILIBERT, DR. OMAR DAVIES, MR. PHILLIP PAULWELL, MR. PETER BUNTING, Senator ...

Inaudible comment by a Member.

Mr. SHAW: It had SENATOR DON WEBHY, SENATOR THOMAS TAVARES-FINSON, SENATOR MARK GOLDING, SENATOR BASIL WAITE, SENATOR, the HONOURABLE MARLENE MALAHOO-FORTE and SENATOR DENNIS MEADOWS.

Mr. Speaker, by way of the main areas of recommendations for amendments, in Clause 3 under restriction and disclosure of credit information, Clause 3(1) of the Bill prohibits disclosure of credit information for monetary payment or reward except as provided in the legislation. It was recommended that this provision be modified to forbid disclosure of credit information as part of any business or undertaking whether or not it is carried out for reward. In other words, an employee of the Credit Bureau cannot arbitrarily take information and pass it out, whether for reward or not, it is strictly forbidden, it is an illegal act.

In Clause 4 on the limitation and licensing of Credit Bureau, Clause 4 (3)(a) of the Bill provides that a licence to operate a Credit Bureau shall not be granted unless the supervising authority is satisfied that the demand for credit information by persons who are authorized to receive it is not being satisfied by existing bureau. It was found that this is not the practice in other jurisdictions. The state of the market was not taken into account in the making of such decision, Mr. Speaker. It was therefore agreed that a monopoly on the provision of credit information should not be encouraged as competition would improve the quality of the services provided and help to control the cost imposed in connection with the provision of the service. It was therefore recommended, Mr. Speaker, that Clause 4 (3)(a) be deleted.

In Clause 6, relating to the suspension or revocation of licenses, an amendment to the Bill is recommended to empower the Minister

to delegate to a tribunal or other body the authority to take care of issues relating to the suspension of a licence and that the supervising authority be empowered to issue directions to correct breaches under Clause 6(1) without the Minister's involvement. Further, regarding the security of credit information where a bureau ceases operation, the authority should be empowered to seize and detain the relevant credit information.

In Clause 6(12) provision is made for the Minister to ensure that a copy of the reasons for his decision following a hearing is delivered to the person who requested the hearing and to the supervisory authority. There is an amendment to provide a timeframe within which the Minister should deliver the reasons for his decision and to stipulate that it should be communicated in writing within 45 days of the date of the determination. It is further recommended that the procedure for addressing breaches under Clause 6 be set out in a Schedule or in regulations rather than in the Act itself.

Clause 8, Mr. Speaker, refers to the credit information providers. An amendment to the list of credit information providers at Clause 8(2) has been made to include the Students Loan Bureau and the National Housing Trust as agencies that have been added to the list.

Clause 12, form and content of credit information. Clause 12(1)(c) of the Bill requires credit bureaus to ensure that all credit information in their possession, custody or control is stored in a repository in Jamaica. Given the need to ensure the security of the affected credit information, an amendment to Clause 12 is recommended to allow the Minister on the recommendation of the supervisory authority to give approval for credit information to be stored in another jurisdiction. Factors to be taken into consideration in making the decision could be provided for in the regulations.

Mr. Speaker, a number of amendments have been set out and have been tabled: amendments to Clause 1, Clause 2, Clause 3, Clause 4, Clause 5, Clause 6, Clause 7, Clause 8, Clause 9, Clause 10, 11, 12, 13,16, 17, 18, 19 and 20 and an insertion of a new Clause 22, Mr. Speaker, and in addition an insertion of the new Clauses 26 to 28, as well as the insertion of a new First Schedule dealing with the procedures for the suspension or the revocation of licenses.

Mr. Speaker, as I indicated to you, the regulations which have been promised to be tabled as a companion to the Bill are being fine tuned now to reflect the extensive amendments that have been agreed upon at the committee stage. And it is in these circumstances I want to once again indicate, Mr. Speaker, that - as I have said it's a long time in the making, from 2002. Many jurisdictions mature financial markets and business environment, credit bureau is a standard operating system and it's a long time in coming. It should have come a long time ago but better late than never. And I want to thank the Members on both sides for the diligent work that was put into it as well as the technocrats from the various government agencies and indeed the time that was taken by the various private sector entities who took the time to come and put their own input into this formulation. Against that background it is today a more perfect piece of legislation and I beg for the approval of the Credit Reporting Bill, 2010. (Applause)

The SPEAKER: Thank you, Minister Shaw. Dr. Davies.

Dr. DAVIES: Thank you very much, Mr. Speaker.

As the Minister indicated this Bill, and the drafting and preparation of this Bill, has had a long gestation but there are reasons for long deliberations because there are serious matters related to protection of privacy and the manner in which sensitive information concerning clients, consumers will be handled. In fact, the issue of the avoidance of abuse and the way in which we can, insofar as legislation can provide that protection, the way in which we can ensure that this piece of legislation both achieves the objective which we all seek, but at the same time would assure consumers and clients that the sensitive information would be protected. And those discussions ranged across a variety of the clauses.

One interesting clause related to the matter of where this information should be stored - and you will note, Mr. Speaker, the Minister made reference to the fact that the original Bill specified that this information would be stored in Jamaica. But there is an amendment which allows that the Minister on recommendation of the supervising authority would give approval for the credit information to be stored in another jurisdiction. And that amendment was put in, but after great deliberation, because one of the issues which arose, and it's related to another clause which speaks to the suspension or revocation of licence, what happens in an instance where the Minister or the supervising authority would have reason to speak to the suspension or revocation of a licence but the information, the data controlled by this Credit Bureau was located elsewhere, how then would we be certain of having access in terms of retrieval of that information? And therefore I think it was - I don't know how you put that in legislation, but I think it was something which should be used only under special circumstances, that flexibility offers the Minister whereby he could allow for storage to take place outside of Jamaica.

There is the other issue, Mr. Speaker, in terms of the - I made reference to it - suspension or revocation of a licence. And we deliberated that whether confidence in a credit bureau could be retrieved, if for whatever reason the Minister suspended a licence, that period between a final decision between suspension and restitution or revocation had better be minimized because you could undermine confidence in the Credit Bureau by that action on the part of the Minister to suspend the licence.

But, Mr. Speaker, we are not going to find a perfect piece of legislation. But there is something which there was general agreement to and I listened carefully and I thought the Minister would have mentioned it. We regard this piece of legislation as an important step, but a first step toward a more general issue of legislation related to data protection in which the rights of citizens or individuals would be totally protected. Even in instances above and beyond information on creditworthiness, there are many institutions collecting information about individuals and unless we put in place a specific legislation which limits the use of that information, you can have an invasion of privacy, which if not permitted by legislation - which is not prohibited by legislation. So I think it's an important step and I would wish the Minister - I think the committee suggested to the Minister that we

should initiate work immediately on the broader piece of legislation within which the Credit Reporting Bill would fit that of a legislation governing data protection, particularly as it relates to sensitive issues of individuals or customers.

Mr. Speaker, the Regulations Act, as you would know, that the legislation is important but the companion to this would be the Regulations Act; and it's imperative that we have some assurance that these regulations will be brought to Parliament. I recall an embarrassing situation where we passed legislation under a particular area and the regulations were not brought back to the House in time, and there was an issue which we then had to come back to the House seeking approval retroactively, in terms of steps which have been taken with the legislation but for which the regulations had not been approved. So I would urge the Minister that even although there is no objection to legislation as introduced, given the work of the committee, that all efforts be made to bring the regulations to Parliament.

That having been said, Mr. Speaker, the Opposition supports this piece of legislation. (Applause)

The SPEAKER: Thank you, Dr. Davies. Minister Samuda.

Mr. SAMUDA: Mr. Speaker, I wish to comment on the broader aspects of this Bill, not necessarily the question of confidentiality or other details as to how it will be managed, but rather on the more fundamental issue of what it means to business and the impact that it will have on securing the appropriate levels of collateral for loans that are offered by the banks.

You see, Mr. Speaker, it is obvious that whilst we seek to protect the integrity of the banking system through a process of ensuring that there is adequate collateral to support loans that are given, an inadequate system of determining the creditworthiness of a borrower has diluted the extent to which we can rely on the collateral that is offered, because many borrowers have used the same collateral to secure loans from various other institutions. What this will do is, it will guard against the likelihood of that occurring, and in so doing, offer a greater sense of protection into the financial community in the handling of loans.

The unfortunate aspect of all of this is that it will actually lead to - it ought to lead to a more efficient system and hopefully, will have an impact on the rates that are charged by the banks, because the rate is a function of the level of delinquency and the risk of the capital that is loaned. And if we offer by way of the credit bureaus, information that will improve the ability of the banks to secure a better rate of collection, then it means that they will suffer less loss. And we are hoping that as a result of this we will see a more competitive rate of interest, charged to those persons who borrow loans.

But regrettably, the commercial banks have not invested sufficiently in the monitoring mechanisms necessary to safeguard against delinquency, particularly in the area of small loans. In fact, it is fair to say that there is practically no monitoring that could be deemed adequate in the treatment of small loans. And this is one of the reasons, because they have failed to make the investment, this is one of the reasons why

there is a hesitancy by the commercial banks to engage in the small business loan sector. What has to happen is that there has to be a greater investment by the banks in those mechanisms that will improve their ability to collect on the loans that they give out. And in that respect the Government, through the agency - one of the agencies that fall under my ministry, JBDC, is now actively looking at establishing that monetary mechanism that can be used by the commercial banking community at a fee, so that it will enhance their ability to give out loans with greater certainty coupled with, of course, this piece of Legislation which we will benefit from quite considerably.

So, in fact it will have the effect of strengthening the foundation on which the entire financial community rests and at the same time, enable borrowers to be aware of the need to be more careful in the integrity of the project that is being sought to be financed. Because in the final analysis, Mr. Speaker, the banks and other lending institutions are not in the business of buying and selling property, or in the business of buying and selling assets, they are in the business of turning over capital for interest. And the real objective is to ensure that the project is viable and that the project will succeed.

So, the banks are not really there to really be preoccupied with the question of the failure of the project because having assessed the project, it is the strength of the project that will drive the sector. It is the strength of the project, coupled with this mechanism that will give greater comfort and assurance that not only is the project good but in the event of any difficulties that they may encounter, that there is a true collateral on which to draw. Because if five (5) people have the same collateral, obviously, there is no basis on which to determine that the collateral is adequate.

So, it is a game-changing piece of Legislation for the business community. It offers security to those who lend, and it keeps those who borrow more aware of the need to offer collateral that is based on the knowledge that others will know the extent to which they are exposed and not simply try to beat the system as so many have in the past.

And finally, Mr. Speaker, you know, there is a practice in the banking community where if you owe money to a lending institution and you go to another to secure a loan to consolidate all your debts so you will wipe out the loans that you owe to others and bring it in one house, under one institution, there is a reluctancy by the banks to do that. They will not allow you to borrow enough to remove your indebtedness to other institutions and thereby give you an opportunity to make a success of the loan that you are seeking.

It is this holistic approach that is lacking in the banking system of Jamaica. It is this sort of myopic view of the interest of the particular institution, and not the benefit that ought properly to accrue to someone who is borrowing for the purpose of making a success of a venture, given the fact that they have had other debts that if consolidated under one roof and recapitalized over a longer period, the chances of success will attend them in a much greater way than to have different loans having to be serviced simultaneously.

And until the banks begin to respect that principle of consolidation, that principle of capitalizing on debt in such a way that the borrower will have an easier passage over a longer period to make a success of their

venture, it will always be an impediment to business, both fledgling and developed business that have gotten themselves into some difficulty.

It is hoped that with this piece of Legislation, the banks will have no further excuse to complain about the risk that attends a loan that is to be given because they don't have adequate credit information on a borrower. We certainly hope that it will be supported and we look forward to the use of this piece of Legislation by the banks to see to what extent it can contribute to them reducing their interest rates.

A MEMBER: Hear, hear!

(Applause)

The SPEAKER: Mr. Stern.

Mr. STERN: Mr. Speaker, one of our critical concerns is the collaterization of loans, especially for new firms and micro enterprise and SMEs that often lack significant fixed assets that could be used as collateral. And one alternative is the sharing of information or the establishment of credit bureau which this Bill is here to arrest, which would allow the creditors to exchange information about individuals and firms and past payment behaviour.

We have many payment agencies in Jamaica. It will allow them another income. It will allow them to employ more people. It will also help them to move some of their businesses, even overseas, because some of our people can access information beyond our waters. Lack of adequate information and the financial condition and creditworthiness of SMEs continues to be one of the principal obstacles to SMEs obtaining adequate financing.

And as a result many SMEs are forced to rely on self-financing, expensive, informal financing or personal family lending them money to do their business. Potential SMEs borrowers often have no financial track record and are unable to provide reliable information to financial institutions, even when they have creative ideas and they come up with good projects that could go somewhere, but they have nowhere to turn. And therefore, many of these ideas and creative methods go to waste.

Many of the things that we produce in Jamaica that they say are samples would not have been sample ideas or sample products if people had the potential to use their credit-worthiness to get capital, to get the spring-board to pass on - to capitalize and bring about the reality of these products.

(Applause)

We have persons in Jamaica who are consultants in their own right, experiences that could be sold overseas. They cannot access any capital to put that into a reality whether it is a book - whether it is doing a project and then to sell that idea and make money, they cannot do it because they cannot go to the bank and put this proposal in. No one will accept creditworthiness as a means of capitalizing or giving the money to do the business. This will open up many doors that have been closed in Jamaica for many years, many doors that the American, the United States, Canada and most of those developing countries - young people come out of school and become millionaires by starting small and developing their talents and ideas...

(Applause)

...they will now have an opportunity to build on their creditworthiness and we will teach

people again about trust. We will teach people again that just like in the olden days you could go to the village shop and credit, credit from the village shop and pay your little bills, then you can go back to respecting credibility.

The problem is, Mr. Speaker, that we have not been practising to trust each other anymore. And when people don't have any means of getting capital they start to look ways of stealing capital. When people can access freely, capital and know how to get it through their creditworthiness, they will work to preserve it, they will work to protect their creditworthiness. And it is also a psychological - it will have a psychological impact on the society.

Over the years there have been calls for the establishment of the Credit Bureau. I believe this is the most appropriate thing in our history to do for this financial sector, and the changes that are being made in this financial sector, where more funds will be available to the public to spend because the Government won't be able to crowd out the smaller borrowers as we move forward. And the establishment of the Credit Bureau in Jamaica will allow our micro, small and finance companies to access information and provide credit to small players in the financial field.

With the absence of the Credit Bureau two initiatives were launched: In 2003, there was a Bill put forward and lobbied by the commercial banks and financial institutions in an effort to set up a credit bureau for the financial institution to all types and sizes. But the Bill was not passed into law as it was deemed to be contravened with the existing legislation. There was also another situation occurring in the past where lobbyists also called for the creation of specialist SME credit bureau to collect and provide information creditworthiness of small businesses. That didn't work either, Mr. Speaker.

Mr. Speaker, many attempts have been made in Jamaica for the titling of small properties to take place in Jamaica. That still cannot come forward in a meaningful way. And I think this one, this Credit Bureau Bill being put forward today, need our support because this is in real, opening of credit and capital for young people and for the small businesses to get an opportunity to move forward.

And the records, Mr. Speaker, and transaction behaviour would provide comprehensive information on SMEs and establishment - especially these SMEs that are accessing in financing from the banking sector for the first time, this will help them to grow and to employ more people, and reducing the risk, risk assessment would give small businesses cheaper financing. And that's a key point, Mr. Speaker, it will allow them now to be able to bargain for cheaper financing because of their track record.

And the most important thing I would like to come back to in summary, is the fact that our young people will now start to have an opportunity to walk in an institution, based on their creditworthiness and they can move forward with their ideas to help to build a better country, Jamaica, with their ideas.

Thank you again, Mr. Speaker.

(Applause)

The SPEAKER: Thank you, Minister Stern. House Leader.

Mr. HOLNESS: Thank you, Mr. Speaker. I want to take the opportunity, Mr. Speaker, to make a brief contribution to this

most important piece of legislation. Indeed, in my opinion, this is one of the most important pieces of legislation to have come through this House.

Mr. Speaker, for too long, the traditional perspective on finance in Jamaica rested wholly and solely on the ability of the persons seeking financing to come to the table with an asset. Once that is the basis on which credit is made available, then you would have excluded the persons who do not have tangible assets to bring to the table, to bring to bankers.

Mr. Speaker, there are many persons in Jamaica that for example own real estate, but they don't have a title to the piece of property they own, they can't take that to the bank to use as collateral.

Mr. Speaker, in the constituency 1 represent, there are many persons who have homes, but that side of Jamaica, Mr. Speaker, the value in real estate is so low that it could not be used to secure a loan. So, by tying credit to a physical asset, we automatically eliminate the poor from credit, which if you are really interested in pro poor policies, you would need to be able to empower the poor with credit.

Mr. Speaker, in recent times government policies have moved towards providing non-secured credit, that is, Mr. Speaker, to provide small loans that do not require collateral. The experience of this policy, Mr. Speaker, has been mixed, the default rates in many instances are high, as a result, the lenders charge extremely high interest rates to compensate for the high default rate.

In fact, Mr. Speaker, it is a built-in understood practice that, if you don't charge - if you don't have collateral, then you will have to compensate for the moral hazard problem and the adverse selection problem by charging a higher rate of interest. What that has done is to make businesses less profitable than they would be with a lower interest rate. But it also ensures that only certain types of business can come to the credit table, Mr. Speaker. In fact, only business that have high turnover and that are trade-oriented business usually can access that form of credit. So even, Mr. Speaker, by giving non collateral loans at high interest rates still does not solve the problem of making credit available to the poor and available to small businesses.

The challenge that any banker, any lender faces, Mr. Speaker, is the business of moral hazards. And the moral hazard comes in, Mr. Speaker, once the borrower gets the money he will act differently relative to the contact of the loan. And, therefore, for you to lend, you have to somehow, Mr. Speaker, share the risk with the lender and in sharing the risk with the lender, you have to ask for collateral. So the borrower, Mr. Speaker, is at risk of losing his asset if he does not comply with his contract. But as we said, Mr. Speaker, we eliminate the poor and we eliminate certain types of business to credit by virtue of requiring the security, the collateral.

But we need to do it, Mr. Speaker, because of this thing that the economists call asymmetric information. The lender does not know fully what the borrower is going to do. But the borrower knows fully well his capacitate to repay. What this Credit Reporting Bill will do, Mr. Speaker, is to create an institution that will remove the asymmetric information. In other words, Mr. Speaker, it will make information about the borrower's history available to the lender, the creditor, so that he can make a proper

assessment on the behaviour, the credit behaviour of the borrower. And that's fundamental, Mr. Speaker, for the markets to operate. Wherever, Mr. Speaker, markets don't have full information, we find that the pricing mechanism doesn't work. So the price of loans are usually very high, but once we start to make information available about borrowers, lenders can make a better assessment of the credit risks involved.

So, Mr. Speaker, creditors can now assess someone who may have no assets, a poor person, and assess the value in that business plan or the value in that idea, detaching the value of the Business Plan or the idea from the requirement of an asset.

Why we are so enthusiastic about this Bill, Mr. Speaker, is that more ideas will now come to market to be funded. It will not happen overnight, Mr. Speaker, because as I said, you have to change a culture of financing in the country? But once we have provided an institution that will create information, an institution, Mr. Speaker, that will remove the asymmetry that exists in the relationship between the creditor and the borrower, you will find lending institutions starting to be able to use a pricing mechanism accordingly.

So persons who are assessed as being higher risks by virtue of the information they have on the credit history, they can make credit available at a higher level of interest, which is the price of credit. For persons who have kept a very good credit rating over a period of time, the creditor would be able to make an assessment and charge a lower price, so thereby removing this business, Mr. Speaker, of the adverse selection, that is, giving somebody a loan who is a bad performer because now, you have information on the borrower so you can make a proper assessment. That's fundamental for the credit market, Mr. Speaker.

But my real interest in participating in this debate, Mr. Speaker, is that we are faced with increasing our financing available to the student loan. Right now we have to ask for guarantors. That is a means of sharing the risk of default of potential tertiary students trying to access financing.

What we would love to do, Mr. Speaker, is to remove the requirement for guarantors because the future credit performance of the students will eventually determine the credit rating that they get. (Applause by Government Members) So what this will enable us to do, Mr. Speaker, is to give loans but we know, Mr. Speaker that the rating that they get starts - for many of them - with their student loan, starts with their student loan. By removing this requirement for guarantors, we should be able, Mr. Speaker, to increase access to credit. (Applause by Government Members) So we are actively looking, Mr. Speaker, at how we can leverage this to support access to tertiary education in the long run.

Mr. Speaker, it is not contemplated in the Bill, but as legislation evolves around the area of sharing consumers information, there are credit bureaus in other jurisdictions that, Mr. Speaker, may very well now need to be considered, especially when it comes to Jamaica securing student loans made available to students going to the University. So a student who migrates and not pay the student loan here, Mr. Speaker, as the legislation evolves and we find that the markets begin to merge, you will find that students who got their student loans here migrate and don't remember to repay, that their credit ratings in

other jurisdictions may be also affected.

(Applause by Mrs. Hay-Webster)

Mr. HOLNESS: It's very important to understand, Mr. Speaker, that whilst you want to make it easier for persons to access loans, it must become extremely difficult for persons to default on their loans. (Applause) Once we have reached that stage in the market, Mr. Speaker, then interest rates will begin to fall.

But let's not take this as an overnight issue. Interest rates are - I would say - far more a function of the social and cultural perception of credit than it is the analysis of risk. And so, the Government will have to work very closely with the banks and other lenders to change that culture of high interest rates.

Mr. Speaker, may it please you. Thank you.

The SPEAKER: Mr. Shaw. Sorry, Mr. Shaw, Dr. Tufton would like a very short intervention.

Dr. TUFTON: Very short. Thank you very much, Mr. Speaker.

(*Sotto voce* comment by Mr. Shaw to Dr Tufton)(Laughter)

Dr. TUFTON: Mr. Speaker, I rise also to support what is before this Honourable House and in particular, to speak briefly to the agricultural sector, which is one of those sectors, Mr. Speaker, that is challenged and has been challenged for some time, based on the nature of the sector with accessing funds to finance agricultural investments.

Briefly, Mr. Speaker, this sector is profiled with significant numbers of small farmers, numbering approximately 75%, 76% of farm holdings. These farmers operate on one hectare or less. Many times, Mr. Speaker, they do not possess the traditional forms of collateral which is normally required by financial institutions to finance their investment activities. As a consequence, their efforts at expanding their activity, their economic activity in agriculture is undermined because of lack of appropriate access to funding to finance.

This legislation, Mr. Speaker, we hope, will allow an opportunity for the farming sector and particularly those farmers who have demonstrated a commitment to agriculture, a commitment to their vocation to be integrated into this net that allows their track record in a very formal way to determine their creditworthiness And this, we believe, is an extremely positive development for this particular sector.

The situation, Mr. Speaker, has been severe for those farmers. We try to respond late last year as a Government when we introduced a particular programme called the FARM Programme, acronym FARM, Financial Access for Responsible Members. And essentially, that programme is intended to identify using our efforts within the Extension Services of RADA, farmers who have a track record of performance, who have a commitment to agriculture and to producing, and linking those farmers to financial institutions and contractually linking them also to purchasers and distributors of agricultural produce.

Essentially what we did, Mr. Speaker, what we have done and what we continue to do is to bring the critical members of the value chain together and use moral suasion without any formal reporting structure to say to the lender and to the buyer, this farmer is a good bet based on what we know of this farmer within the RADA network. What this piece of

legislation I hope, will allow - and it certainly creates an opportunity for that - is for us to integrate these individuals, into a structure that allows that type of analysis to be more formalized and create an opportunity for those critical players in the productive sector. And from that perspective, Mr. Speaker, we believe it is absolutely critical.

There is one final thing I'd like to say, Mr. Speaker, and that is the thrust by the Government currently towards this debt management strategy which will see development or expansion or profits being determined more by real productive activity as opposed to the trading of Government paper. I think, as we have said here before, this is a pioneering move. This is a giant leap. We are at a cross roads. And what will result ultimately, we hope on this side, is that financial institutions, bankers, lenders of capital will begin to reconsider their capacity and their effort and their focus towards providing resourceful investment prospects as an important means of getting their returns on their monies that they are lending and their depositors' resources. And Institutions such as this, obviously, will become critical in that mix. So it will in effect, Mr. Speaker, aid the process of investment promotion, an investment that will create jobs as opposed to investments that move paper around and transfer wealth from one segment to another segment of the population.

So, Mr. Speaker, from the agricultural sector's perspective, this is a very positive development. And I look forward to working with my colleagues on both sides and the various stakeholders, both from the primary producers level all the way through to the value-added producers, to use this facility to integrate agriculture as a part of the mainstream of the productive base of the economy.

Thank you very much. (Applause)

The SPEAKER: Thank you, Mr. Tufton. Mr. Shaw.

Mr. SHAW: Thank you very much, Mr. Speaker, I really want to thank all of the Members, the Opposition spokesman on finance and all of the Members on this side who have contributed. It is very clear, Mr. Speaker, that there is a recognition of the linkage between the Credit Reporting legislation and the widening of access to credit. And I'm very happy of the repetition of the need for lower interest rates in the economy because that is an essential part, not just, Mr. Speaker, of Government policy. It is essentially an essential part of what is required in a market economy. It's what is required if we are going to dig ourselves out of debt. And the only way we can dig ourselves out of debt in the country is to earn our way out of our debt. Is to have our people productively deployed so that we can earn our way out of our debt. And the truth is, Mr. Speaker, is that this becomes part of the legislative scheme that is required in order for us to start that process. I think it was the former Central Bank Governor of Barbados who I've heard speaking about the concept of deploying capital in a productive way. And he made the point that any country that fails to deploy capital in a productive way is destined to poverty. We are finding out in our country that moving around money at high interest rates don't achieve the objective of creating wealth.

Mr. PERALTO: No, not at all.

Mr. SHAW: Because money on its own, moving around at high interest rates.....

Government paper, Mr. Speaker, what it does, is simply transfer money from one set of people to another. We know of the famous statement of the transfer of wealth from the poor to the rich. But if we don't put together the foundation to allow money to be a part of the process where money is linked to human productivity, money, Mr. Speaker, is linked to inventiveness, money is linked to innovation and creation and is therefore ultimately linked to job creation, to initiative, to enterprise and to foreign exchange earning. And that is the basis of it.

And, Mr. Speaker, I really want to emphasize as part of this background, this landscape that we are going through now, it's a very significant time in the history of our country that we are going through now. The debt exchange that we recently announced, Mr. Speaker, as of now has achieved a anticipation rate of almost ninety-eight per cent (98%), in excess of ninety-seven per cent (97%), heading for ninety-eight per cent (98%) about a week away from the formal date for the completion of the debt exchange, Mr. Speaker. Against that background we have seen of course, we have the IMF Agreement that has been approved by the Executive Board last. Against that background, yesterday the IMF discharged their first obligation under the Letter of Intent where United States $640 Million has been lodged with the Bank of Jamaica. Which has now put the gross reserves at the Bank of Jamaica in excess of US$2.2 Billion or just under 17 weeks of imports - representing 17 weeks, Mr. Speaker, of imports. But more importantly, the Bank of Jamaica has today, carried out a further reduction in interest rates, Mr. Speaker, down now on the 30-day instrument down to ten per cent (10%). (Applause)

And I want to say, Mr. Speaker, that that interest rate represents the lowest Treasury Bill rate since the Bank of Jamaica has been recording repo rates, the lowest since 1994, 16 years ago. (Applause) Mr. Speaker, the point is, this is something that all of us in Jamaica must be pleased it. All of the participants in the debt exchange who have come forward to support it, this was and is part, in fact the most significant objective is not so much the savings on the fiscal accounts, Mr. Speaker, the end game, the most significant objective is to deliver lower interest rates so that we can get production going in the country. (Applause) That is the end game. It is going to have to happen. It's going to have to happen. The Member from Central Kingston doesn't appear very confident.

(Inaudible comments by a Government Member)

But this is a process. It's a process. And the Minister and House Leader is correct. A cultural change is required. And that cultural change that is required, Mr. Speaker, is a change all around. It's not just a change in those who would borrow and pay one per cent per week in terms which facilitate only buying and selling.

The SPEAKER: But, Minister, stick to the Bill nuh, stick to the Bill.

Mr. SHAW: Yes. No, no, with respect, Mr. Speaker, the precedent and latitude was set already but I have to put the thing in context.

Government MEMBER: You have to broaden it.

Mr. SHAW: We have to put the thing in context because, Mr. Speaker, the cultural

change that is required is not just the guy borrowing money to buy and sell and pay one per cent per week in micro enterprises. The cultural change that is required also is a change that is required among the lending institutions. The spreads will have to narrow. Also, Mr. Speaker, we have taken note of the fact that certain charges, bank charges appear to be going in the wrong direction. Bank charges also have to be brought under control. (Applause) Bank charges must be brought under control. (Applause) Spreads have to narrow because where we are going, Mr. Speaker, is we are going in the direction of where the rest of the world is, going irretrievably towards single-digit interest rates. That has to be our common and mutual commitment.

And so, Mr. Speaker, the point is that a good credit history becomes a part of the scheme of collateral. That's what it does. For the small business person, for the person in agriculture and for people who have ideas and want to go and be productive and do something that is productive.

Let me just say in respect of the point raised by the Opposition spokesman on finance that that indeed there is the need for the broader issue of the protection of privacy of data. And that is something that I give the commitment that we are going to as a next step begin to look at how we can put in place data protection laws that can - because it is certainly something that is very important. And it's an area that without laws and without proper management and regulations it can be open to abuse. We see that kind of abuse that takes place virtually on a daily basis even as we speak. So that is something that we give the undertaking that we are going to begin to look into.

Mr. Speaker, on that basis I point out once again that what has been tabled as an attachment to the Report is a very comprehensive list of amendments, which I will ask at the appropriate stage that we take in approving this Bill.

The SPEAKER: Thank you, Minister Shaw.

Members, the resolution before you is that:

> Be it Resolved that the Report of the Joint Select Committee and the Bill shortly entitled, The Credit Reporting Bill which was laid on the Table of the House on the 8th day of December, 2009, be approved.
>
> Number Seven on the Order Paper.

Put to the House and agreed to.

The SPEAKER: The House will now resolve itself into a Committee of the whole House to consider the Credit Reporting Bill clause by clause.

COMMIITEE STAGE

The CHAIRMAN: Members, as the Minister pointed out there are several amendments attached to the Report so as we go through clause by clause, we can pick them up and we can discuss them as we go along. So, we now start with Clause 1. It's an editorial change. The figure 2008 should be substituted...

Mr. SHAW: Should be 2010. Yes!

The CHAIRMAN: Should be 2010. So can we note that immediately, please. So, Clause 1, 2010 instead of 2008.

Clause 1 as amended put and agreed to.

The CHAIRMAN: Clause 2, here again. Minister, just make the point, please.

Mr. SHAW: In the definition of supervising authority, delete the words: *entity designated as such* and substitute therefor the words: '*Bank of Jamaica or such other entity as may be designated.*

The amendment put to the Committee and agreed to.

Clause 2 as amended put to the Committee and agreed to.

The CHAIRMAN: Clause 3. Minister.

Mr. SHAW: In subsection (1) insert *next*, after the word '*reward*', the words: '*or as part of any business or undertaking, whether for profit or otherwise.'*

The amendment put to the Committee and agreed to.

Clause 3 as amended put to the Committee and agreed to.

Clause 3, as amended, put and agreed to.

The CHAIRMAN: I put Clause 4.

Mr. SHAW: Mr. Speaker, in Clause 4 there are four (4) main amendments. In the first amendment in subsection (3), delete paragraph (a) and re-letter paragraphs (b) to (d) as paragraphs (a) to (c).

The CHAIRMAN: As detailed in the attached report?

Mr. SHAW: Yes, as detailed. Yes. So will you take the details of Clause 4 as stated in there in the...

The CHAIRMAN: Okay, I need to put each amendment to Clause 4, Members.

Amendments 1, 2, 3 and 4 put and agreed to.

The CHAIRMAN: Under Clause 4, Members, there is an amendment where we substitute subsection (7) for the following new subsection under subsection 7.

Put to the Committee and agreed to.

The CHAIRMAN: Clause 4 as amended put and agreed to.

The CHAIRMAN: I now put Clause 5?

Mr. SHAW: Mr. Speaker, in subsection (2) delete the words "*supervising authority"* and substitute therefor the words "*Accountant General"*

The CHAIRMAN: Members, I put the amendment. Those in favor?

Put to the Committee and agreed to.

The CHAIRMAN: Clause 5 as amended put and agreed to.

The CHAIRMAN: Clause 6 Minister?

Mr. SHAW: Mr. Chairman, Clause 6, delete the clause and substitute a new clause on the revocation, suspension, or cancellation of licenses.

The CHAIRMAN: I put the amendment, the substitution of Clause 6 with a new Clause 6.

Put to the Committee and agreed to.

The CHAIRMAN: Clause 6 as amended put and agreed to.

The CHAIRMAN: I put Clause 7.

Mr. SHAW: Mr. Chairman, in Clause 7 there are six (6) amendments that are listed here.

The CHAIRMAN: Now amendments (1) and (2) are really....

Mr. SHAW: Re-formatting.

The CHAIRMAN: Yes. So now I put amendment (3).

Amendment (3) put and agreed to.

The CHAIRMAN: Now, kindly note, Members, in amendment (3)(a)(11) where the word - before "*deliver*" we should put "*and shall for that purpose*".

I put now amendments (3), (4), (5) and (6).

Put to the Committee and agreed to.

The CHAIRMAN: Clause 7 as amended put and agreed to.

The CHAIRMAN: Clause 8.

Mr. SHAW: Mr. Speaker, Clause 8 has five (5) amendments.

Amendments 1, 2 and 3 put and agreed to.

The CHAIRMAN: Number (4) is merely a substitution of the subsection. So I put amendment (5).

Sorry, Reverend Thwaites, you have a question?

(*Sotto voce* comments by Rev. Thwaites)

The CHAIRMAN: It's what is in the - there attached to the Report.

(*Sotto voce* comments made by Rev. Thwaites)

The CHAIRMAN: I did.

Amendment 5 put and agreed to.

Clause 8 as amended put and agreed to.

The CHAIRMAN: Clause 9.

Mr. SHAW: Mr. Chairman, Clause 9 has an insertion as subsection (5).

The CHAIRMAN: Now, Members, Clause 9, there is an additional subsection (5), which is an amendment to Clause 9.

Amendment to Clause 9 put and agreed to.

Clause 9 as amended put and agreed to.

The CHAIRMAN: Clause 10.

Mr. SHAW: Mr. Chairman, Clause 10 has four (4) amendments as set out in the document.

Amendments 1, 2, 3 and 4 of Clause 10 put and agreed to.

Clause 10 as amended put and agreed to.

The CHAIRMAN: Clause 11.

Mr. SHAW: Mr. Chairman, Clause 11 has three (3) amendments as set out.

The CHAIRMAN: Now, I think amendments (1) and (2) are typographical, so we will go straight.

Amendment (3), insert in subsection (10) in lieu of the old subsection 10 - a new subsection, sorry. I put amendment (3). That is the substitution, the new subsection (10). I put that.

Amendment (3) put and agreed to.

Clause 11 as amended and added put and agreed to.

The CHAIRMAN: I now put Clause 12.

Mr. SHAW: Clause 12, Mr. Chairman, has two (2) amendments as set out here.

Amendments 1 and 2 to Clause 12 put and agreed to.

Clause 12 as amended put and agreed to.

The CHAIRMAN: I put Clause 13.

Mr. SHAW: Clause 13, Mr. Chairman, has four (4) amendments as set out.

Amendments 1, 2, 3 and 4 put and agreed to.

The CHAIRMAN: In Clause 4, just to note, Members that we are inserting a new subsection (5), so I will just put it.

The new subsection (5) put and agreed to.

Clause 13 as amended put and agreed to.

Clauses 14 and 15 put and agreed to.

The CHAIRMAN: I now put Clause 16.

Mr. SHAW: Mr. Chairman, in Clause 16 in subsection (a)...

The CHAIRMAN: Four.

Mr. SHAW: I am sorry, in subsection (4) there are amendments to (a) and (b).

The CHAIRMAN: One is an editorial.

Amendments and corrections in clause 16 put and agreed to.

Clause 16 as amended and corrected put and agreed to.

The CHAIRMAN: Clause 17.

Mr. SHAW: Clause 17, Mr. Chairman, in subsection (2)(a) delete the words

"*supervising authority"* and substitute therefor the words "*credit information provider who furnish the information*".

Amendments to Clause 17 put and agreed to.

Clause 17 as amended put and agreed to.

The CHAIRMAN: Clause 18.

Mr. SHAW: Clause 18 in subsection (1)...

The CHAIRMAN: May l just say Clause 18 is an editorial amendment.

Mr. SHAW: Yes.

Clause 18 put and agreed to.

The CHAIRMAN: I put Clause 19.

Mr. SHAW: Mr. Chairman, delete paragraph (f) and substitute the new paragraph as stated.

The CHAIRMAN: I put the amendments as proposed by the Minister?

Amendments to Clause 19 put and agreed to.

Clause 19 as amended put and agreed to.

The CHAIRMAN: I put Clause 20.

Mr. SHAW: In Clause 20...

The CHAIRMAN: A fairly inconsequential....

Mr. SHAW: Yes.

Clause 20 put and agreed to.

Clause 21 put and agreed to.

The CHAIRMAN: Minister, 22.

Mr. SHAW: Mr. Chairman, you are to renumber Clauses 22 and 23 as Clauses 26 and 27 and insert the following as Clauses 22 to 25, which relate to the functions of supervising authority under this Act, "*special audit, or examination of credit bureau, amalgamation and transfer, and the vesting of assets on sale of credit bureau".*

The CHAIRMAN: Very well. Members, please just note. We are now putting the new Clause 22 as attached to the Report.

New Clause 22 as attached to the Report put and agreed to.

The CHAIRMAN: I now also put the new Clause 23.

The new Clause 23 put and agreed to.

The CHAIRMAN: I now put Clause 24. Now, Members, the old 22 is now 24. We have put 22 and 23 already, so could I put the new 24, Clause 24 which is attached to the Report.

The new Clause 24 put and agreed to.

The CHAIRMAN: I also put Clause 25, which is a new clause.

Clause 25 put and agreed to.

The CHAIRMAN: Now, Members, I now put Clause....

Mr. SHAW: Mr. Chairman, we need now to insert new Clauses 26 to 28....

The CHAIRMAN: Very well. I now put....

Mr. SHAW: ...which relate to indemnity, power of Minister to amend penalties by order, amendments to other Acts.

The CHAIRMAN: Hold a second, Minister. We have gone to 25 already. Now, Minister, we now put Clause 26 which was the original 22....

Mr. SHAW: Yes.

The CHAIRMAN: ...as renumbered.

Clause 26 as renumbered put and agreed to.

The CHAIRMAN: I now put Clause 27 as renumbered, which was the original 23.

Clause 27 put and agreed to.

New Clause 28, attached to Report, put and agreed to.

New Clause 29 put and agreed to.

New Clause 30 put and agreed to.

New First Schedule put and agreed to.

Second Schedule as remembered put and agreed to.

Third Schedule as renumbered put and agreed to.

Mr. KELLIER: Hold on, hold on! You are travelling a little bit too fast.

The CHAIRMAN: No, if you notice...

Mr. KELLIER: The First Schedule?

The CHAIRMAN: Is a new First Schedule.

Mr. KELLIER: Yes.

The CHAIRMAN: So the First Schedule that was there....

Mr. SHAW: The Second, Third and Fourth would remain.

Mr. KELLIER: "Procedure for a suspension or revocation of licenses".

The CHAIRMAN: Right. So the First Schedule now that was on your original document becomes the Second Schedule.

Mr. SHAW: But the Second, Third and Fourth remain.

The CHAIRMAN: Right. So we are renumbering those Schedules.

So I now put the Third, the Fourth Schedule as renumbered, original Third Schedule.

The Fourth Schedule as renumbered put and agreed to.

Mr. SHAW: A new Fifth Schedule.

The CHAIRMAN: The Fifth Schedule…

Mr. SHAW: Delete the Fifth Schedule as renumbered and substitute therefor the following Fifth Schedule.

The CHAIRMAN: Fine. So I put the amendment as renumbered, in other words, the old Fifth Schedule is deleted and a new Fifth Schedule is there.

Motion put to the House and agreed to.

The Fifth Schedule as amended put and agreed to.

The Title and Enacting Clause put and agreed to.

The CHAIRMAN: The question is that I do report the Bill as having passed Committee Stage with forty-two (42) amendments.

Motion put to the House and agreed to.

RESUMPTION

The SPEAKER: I do report the Bill as having passed Committee Stage with forty-two (42) amendments.

Minister.

Mr. SHAW: Mr. Speaker, before I move for the third reading I wish to just advise the House that the regulations will be tabled before the end of this month. I give you that undertaking, the regulations.

I beg to move for third reading of the Bill, Mr. Speaker.

The SPEAKER: The question is that the Bill be read a third time.

Motion put to the House and agreed to.

Bill entitled:

"AN ACT to Provide for the sharing of credit information between specified bodies, the licensing of credit bureau and for connected matters"

read a third time and passed.

(Applause)

The SPEAKER: Mr. Charles, are you ready?

Minister Charles.

FLEXI WORK ARRANGEMENT

Mr. CHARLES: Thank you, Mr. Speaker.

Mr. Speaker, the **Green Paper** and the

proposals for the introduction of the Flexible Work Arrangement was tabled in this Honourable House in the year 2001. The House first referred the **Green Paper** to a Joint Select Committee in that same year for consideration and for a Report to be prepared which would make recommendation to the Honourable House regarding the implementation of a flexible work arrangement in Jamaica. A total of five meetings were held by a previous Joint Select Committee commencing from January 2002. This current Joint Select Committee was convened in the year 2008. Mr. Speaker, I'm pleased to announce that we have made considerable progress in our deliberations and have completed these deliberations and we have now brought to the House for implementation a flexible work arrangement for Jamaica.

Mr. Speaker, as early as 1994 it was recognized that the labour market reform was essential if Jamaica is to become a force to be reckoned with in our global market place. Consequently, in 1995 a Labour Reform Committee led by Professor George Eaton was commissioned to examine the Jamaica labour market in an effort to identify weaknesses and recommend strategies for reform.

The Eaton Report of March 1995 made ten recommendations for the reform of the labour market. The implementation for flexible work hours was one of the crucial recommendations. This recommendation resulted in numerous consultations which culminated in the drafting of the Green Paper.

The current global recession has made it even more imperative for Jamaica to embark on a much needed reform at this time. Numerous persons have been made redundant as companies struggle to stay afloat in this time of economic instability. An implemented flexible working arrangement policy could have gone a far way in alleviating the challenges faced by both employers and workers at this time.

Mr. Speaker, the Green Paper made several proposals for the introduction of flexible work arrangements. The major proposals are the incorporation of all seven (7) days as normal work days. And I want to explain this because it has been causing some uneasiness among some of our church leaders.

At present, Saturdays and Sundays in many of our institutions are recognized as premium work days. When we say we wish to make them normal work days what we mean is that you'll get normal pay for Saturday and Sunday, if Saturday and Sunday become a part of your five (5) days. So when we hear of people saying, oh, we are wicked to turn the Sabbath into a normal work day we want you to know that you are misinformed, that's not what the Committee means, that’s not the way we are going.

The work day will consist of a maximum of ten to 12 hours. And here again, Mr. Speaker, we want to make it clear that we are not preventing workers and management from negotiating a time of work, but the Committee wishes to recommend that workers be not asked to or pushed to work beyond 12 hours and we are taking a look at their body resistance. The work week to consist of 40 hours. Again, there are some industries, and I'll point this out at a later stage, that a 40 hour would cause some problem particularly in agriculture. These are our recommendations

but workers and management have a right to sit down around the bargaining table and have such discussions.

The existing collective labour agreement would continue to completion. Amendment to the existing laws and regulations should be undertaken to prevent some of the problems we have humbugging the system by law. Mr. Speaker, the concept of flexible work hours is characterized by a variable work schedule. The traditional 9:00 a.m. to 5:00 p.m. work day is replaced by variations in the starting and ending time of work day: the number of hours worked each day; the number of days worked each week and the days of the week on which the employee works.

It must be pointed out that flexibility takes many forms such as part-time work with benefits. This offers the worker the flexibility of working part-time hours while still being able to access benefits such as group life insurance, prorated vacation leave and sick leave.

Telecommuting: this encompasses the worker working from a site other than central workplace such as workers working from home. Many workers, Mr. Speaker, don't have to remove their pajamas anymore; they can stay at home and their work transmitted to them by computer and they do their work and send it back to the workplace without leaving their home.

Job sharing: several part-time employees share one full-time job and the full-time salary is divided according to hours. And, Mr. Speaker, I am particularly reminded of a group of teachers that I saw on the television some months ago, I think seven teachers working in a school and whatever the pay bill is per week, let us say $20,000, they were informed that with an increase in pay the employer would be unable to keep all seven on the job and so two will be made redundant. And I was very impressed when all seven (7) teachers announced that they will give up any increase and even take a reduction in pay to make all seven (7) teachers remain at the school to take care of the children. Very, very impressed, I think we should give them a round of applause.

(Applause)

A compressed work week...

Mr. SAMUDA: Was the JTA aware of this?

(Laughter)

Mr. CHARLES: The worker can choose to undertake the traditional 40-hour work week over a shorter span of days. For example, the worker can decide to complete his 40-hour work week over a span of four (4) days instead of a five-day-work-week. This is referred to as the four/ten schedule. The worker would then have three (3) days off to take care of family, other business and other development.

Mr. Speaker, flexibility and the freedom to negotiate are key features of the flexible work arrangements. The worker would have to be free to negotiate his or her hours of work and days of work with the employer, as this would constitute a variation of their current employment contact which cannot be done unilaterally.

Mr. Speaker, flexible work arrangements are not new to the Jamaican labour force and labour landscape. This type of work can be evidenced in several sectors of Jamaica such as the night and shift work in health, transportation, security, communication, tourism, hospitality, manufacturing and

mining sectors. However, there are several legislative provisions which must be amended to facilitate the wholesale implementation of flexible work arrangement by all sectors within the economy.

In their current form these legislation contain provisions which are contrary to the principle of flexible work arrangement. Some of the legislation are the Holidays (Public General) Act, The Holiday with Pay Order, The Town and Community Act, The Apprenticeship (Motor Mechanic Trade) Order, The Food Storage and Prevention of Infestation Regulations and The Shop and Office Regulation, Minimum Wage Order and the Women (Employment) Act. Mr. Speaker, the Joint Select Committee appreciates the importance of these, of such issues which we are asked to consider.

The current Committee held a total of five (5) meetings in the Parliamentary Session 2008/2009, 2009/2010. The Committee had to grapple with a number of issues and keenly listened to and considered oral and written submissions from several interested parties. Submissions were made by the West Indies Union of Seventh-Day Adventists, the Concerned Church Leader group, the Jamaica Employers Federation, the Jamaica Chamber of Commerce, the Bureau of Women Affairs and MR. MARTIN HENRY, a citizen and a *Gleaner* columnist who made a very valuable presentation. The Committee also reviewed the opinions of organizations such as the Jamaica Confederation of Trade Unions, the Private Sector Organization of Jamaica, the Jamaica Hotel and Tourist Association, the Jamaica Manufacturers Association and the Association of Women's Organizations of Jamaica.

During the course of deliberations some Church organizations expressed several concerns in relation to the implementation of flexible work arrangement. Some of the concerns were, Mr. Speaker: flexible work arrangement would have a negative impact on family life, an anticipated increase in child neglect and juvenile delinquency may take place; that there would be no protected days of worship or corporate day of worship. The spiritual wellbeing of the nation would be negatively impacted; persons might be treated less favourably because they wish to exercise their right to worship on a day of their choice; the worker's right to worship and freedom of religion should be protected.

The Jamaica Employers Federation, Jamaica Manufacturers Association, the Private Sector Organization of Jamaica and the Jamaica Chamber of Commerce were of the view that flexible work arrangements already existed in several sectors in Jamaica and that its full application would be beneficial to the country.

The Bureau of Women's Affairs was not opposed to the introduction of flexible work arrangements. The group believed that it could enhance the work life, balanced by providing the workforce with more scope to obtain their preferred working time over their lifetime as their circumstances change.

Mr. Speaker, the Bureau further recommended...

The DEPUTY SPEAKER: Minister, if you glance up you will see that Mr. Speaker isn't here anymore, it's Madam Speaker who is sitting here. (Laughter)

A MEMBER: A much more pleasant sight.

Mr. CHARLES: Madam Speaker, I must

confess that I was being bothered by the perfume, so I knew something was changed there. (Laughter) Thank you, Madam Speaker.

Madam Speaker, the Bureau further recommended that flexible work arrangement should be considered in light of the changing role of women and men, and the need to balance work with family life.

The Association of Women's Organization of Jamaica was of the opinion that the Women (Employment) Act of 1942 should be repealed. They have stated that this Act is discriminatory, as it prohibits the employment of women at night, except in prescribed circumstances. I think that many of our women are unaware that it is illegal for them to be working at nights, at this time, before the amendment comes on. (Laughter) And even Members of Parliament are not aware that the law now prohibits women to work at nights.

Mr. Speaker, the Committee took careful note of the views expressed by all interested parties. However, Madam Speaker, contrary to the views expressed by some Church organizations, the Committee is of the view that flexible work arrangement can have a positive impact on family life.

Madam Speaker, workers would be free to organise their working hours in the manner which best accommodates their family responsibilities. Workers could also negotiate with their employers to complete their 40-hour, working over a reduced period, thus leaving more time for family responsibility.

Madam Speaker, flexible work arrangement can also have a positive impact on the financing of the family in this time of economic hardship. The worker is free to have more than one job, and to work for more than one employer, and to work on an hourly basis and do better, share jobs.

Mr. MONTAGUE: Yes.

Mr. CHARLES: Workers would be able to choose to work for more than one hour, different hours...

Mr. MONTAGUE: At different times.

Mr. CHARLES: ....different times, different days. They are free to do that, working out with their employers.

Mr. MONTAGUE: Good move, Pearnel.

Mr. CHARLES: Madam Speaker, the JSC carefully considered the concern raised by some of the groups that persons may be victimized or treated less favourably because they seek to exercise their right to worship on the day of their choice.

And let me make it absolutely clear. It must be pointed out that the freedom of worship is a fundamental right which is entrenched in Chapter 3, section 21 of the Constitution of Jamaica.

Mr. MONTAGUE: Hear! Hear!

Mr. CHARLES: The supreme law offers recourse to persons who are denied this fundamental right.

Mr. MONTAGUE: Hear! Hear! (Applauds)

Mr. CHARLES: There is no higher protection than that which obtains in the Constitution of Jamaica.

Mr. MONTAGUE: Yes! Yes!

Mr. CHARLES: And the Ministry of Labour - at least under my watch...

Mr. MONTAGUE: And Andrew.

Mr. CHARLES: ...and my colleague, Minister Gallimore...

Mr. MONTAGUE: Yes. Bright boy.

Mr. CHARLES: ...we intend to ask our

colleagues in the Ministry to watch, to be a watch for the workers around Jamaica, to make sure that there is no problem with their worship hours.

Mr. Speaker, it must be further recognized that not all religious groups in Jamaica worship on Saturday or Sunday. So flexible work arrangements will provide enhanced opportunity for workers affiliated to all religious groups, and worship on whatever day of their choice. (Applause)

Let me explain what I mean by that. Madam Speaker, more people worship on Saturdays and on Sundays, but there are some people who would like their day off on Friday, or on Thursday, because of their religion. And I think they would have the similar access to negotiating that with the employer, as the Adventist or the Sunday man would have. (Applause)

Mr. MONTAGUE: Progress! Progress! Very good.

Mr. CHARLES: This Honourable House should also note that there are several advantages of a flexible work arrangement. These include increased productivity and cost effectiveness within companies. And this country cries out for productivity. We are embarrassed that we are at the bottom of the ladder, particularly when we are compared with some of our neighbours.

I must note that a few days ago we hit the world at the top, by loading 164 20-foot containers per hour on the *Antwerp* ship that came into our country. The highest productivity ever in Jamaica. (Applause) So there is a change. I want to congratulate those workers at the port.

Mr. MONTAGUE: God bless them! Good leadership!

Mr. CHARLES: And I think that MICHAEL MANLEY and HUGH SHEARER, who led the charge for a change on the port, as trade unionists, would be very proud of them wherever they are today. (Applause)

Mr. MONTAGUE: Big up HUGH LAWSON! (Laughter)

Mr. CHARLES: Madam Speaker, more attractive investment climate will come, as a result of flexible work week; increased employment, more time for family and personal interest, and a reduction of absenteeism.

Let me tell you what I mean by that. There are some parents who want to take their children to school at 8:00 o'clock, but their employers expect them to come to work at 7:00. And so, to take your child to school at 8:00, you have a problem. And so they may also have - as l have been reminded at times by my colleague who is in charge of the disabled and senior citizens in the Ministry, that you want to spend some time with them, you even want to go home sometimes in the day to see how things are going. All of these things now can be worked out, Madam Speaker. When you have a flexible work week, I give you two hours and I can put it back. And so we can leave home at 7:00, drop the children at 8:00, and go to work at 8:30, and make up back the time.

Increased productivity and cost effectiveness within companies will be realized. More attractive investment climate will be exhibited and increase in employment, as I said earlier. More time for family and personal interest; increase in taxes as a result of more employment; more people working, the State will get some more money and can keep the street lights on longer. Less

transportation and meal cost per week as a result of possible reduced work week. Less traffic congestion during the usual peak hours. More efficient use of capital resource; workers will be able to coordinate work hours with school hours and other parental responsibilities. Wider service to customers, due to varied opening hours, and more business days and changeable work hours will not be lost due to employee taking care of personal business during work hours.

(Applause)

Madam Speaker, the Joint Select Committee concluded its deliberation on the 21st of January, 2010, and is now presenting to Parliament its Report, with the following recommendations:

- There should be no set 8 hour or 10-hour work day, but there should be a cap of 12 hours in a day, so that a person is not pushed to work beyond a maximum 12 hours, in the interest of his body. We feel that that is balancing for the soul, for the body, for the strength, the muscles.
- The normal work week should consist of 40 hours, and all seven days of the week should be possible working days - and I have explained that earlier. It is therefore incumbent on the employer and the employee to negotiate a work week that is no more than 40 hours, except on special occasions where the particular industry calls for it.

However, it is recognized that in certain industries it may, as I said, be possible for them to work that out, and the agricultural industry was one that was put on the table.

- Overtime should trip in after 40 hours. And again, the employer and the employee are free to discuss and work that out.
- If persons were denied the right to worship, the law should protect them. The law would also protect workers from being unjustifiably dismissed because of their religion.
- Employers and employees should work out a position of compromise and understanding at the workplace, that would take into consideration the right of the employee to a day of rest.

And I want to point out that a rest day and a day of rest are two different things, a rest day and a day of rest. A day of rest is your religious day, a rest day is your vacation or your - one from being tired.

- The law should be amended to legitimize women working at nights.
- The Ministry of labor and Social Security should be formally requested to supervise and monitor complaints in respect of the flexible work arrangements.
- The process should be commenced to amend restrictive clause in several pieces of legislation to accommodate flexible work arrangement. A public education programme on flexible work arrangement should be implemented.

Madam Speaker, today this Honourable House stands on the threshold of change, one that was started years ago and recognized particularly by the trade unionists and those in the trade union profession who came here. Some have passed since, and some will praise it wherever they are today.

This House is being asked to make a

decision which will give Jamaica Labour Market the ability to effectively compete in a changing world economy. This Honourable House is therefore invited to consider the Select Committee, with a view of accepting its recommendations and approving in principle, the implementation of a flexible work arrangement for Jamaica.

Thank you, Madam Speaker. (Applause)

MEMBERS: Hear, hear, well done! There be no other business...

Mr. JACKSON: Madam Speaker...

A MEMBER: This is the rest day.

Mr. JACKSON: ... I must first indicate that the Chairman of the Committee has done a very comprehensive, and may I say, even exhaustive representation of the deliberations that have been made in the Committee and the subsequent recommendations emerged.

Madam Speaker, this is a good legislation. It's good in many ways. It is one - this Report before you comes with the unanimous support of Members of both sides of the aisle.

A MEMBER: Hear, hear!

Mr. JACKSON: It's a legislation that was in the making many years ago. In fact, the first chairman was the former MP for South West St. Elizabeth, Mr. Buchanan, and many subsequent other chairmen including MINISTER BUCHANAN, HORACE DALLEY and others and many members who are no longer members of this Chamber.

But, Madam Speaker, why I say it's a good legislation because it involves extensive consultation with various stakeholders throughout the Jamaican society. (Applause) The workers organizations in the trade unions, the religious groupings - representing both Sunday and Saturday worshippers - employers group such as the Jamaica Chamber of Commerce, the Employers Federation and others. So today, we can say we have a piece of legislation here, that is going to reflect the expressed thinking and I can say contentions of the Jamaican people.

A couple things I want to underscore, Madam Speaker. There was much said about depriving religious privileges, Sunday worshippers as against Saturday worshippers, but I think what is the beautiful thing about this piece of legislation - this set of recommendation, is that it puts all religious grouping on the same footing and it's a matter of which group you belong to and when you choose to worship. You can worship on that selected day without the law seeming to discriminate against your group. And as the Chairman indicated, not only on Saturday and Sunday that people might choose to worship, but any day of the week - Fridays - and so it is very democratic.

(The Speaker returns to his seat at 5:37 p.m.)

Mr. Speaker, at this time in our country where employment is in high demand - and as a Member of Parliament I can speak to that - my number one, number two, number three, number four, member five challenge as a Member of Parliament is employment. And this piece of legislation - this set of recommendations enable employers to exercise greater flexibility in the workforce that they engage, which will allow for more people to participate in the employment of any particular entity. And so I want to say this as a very progressive movement that allows for participation of more people.

And, as the Chairman indicated, Mr.

Speaker, depending on one's own disposition and that of the industry that one is involved in or the employer entity, your work week can be compacted and allow for greater time of leisure. In fact, it came to our attention that persons can now have very long week-ends. Can you imagine you can work from Monday to Thursday and finish your work week? You can have your weekend starting from Thursday afternoon and from Wednesday.

But bear in mind - because an important point to make here, Mr. Speaker, I want to underscore, the recommendations here, while it has a cap of 12 hours, it doesn't mean that an employee can't work beyond 12 hours, right, if you want to go into the overtime then you can, if it is a negotiated arrangement. And in fact there are some industries that we identify that you might even need to go over that period, but it must be not by coercion, but by mutual agreement between employee and employer. So in a nutshell, Mr. Speaker, it allows for greater room for cooperation between employees and employers.

My concern. however, Mr. Speaker, and the current Minister of Labour has assured the Committee that the Ministry will be very vigilant to ensure that in the transitional period, now and in the medium term, employers don't interpret these provisions as an opportunity to coerce employees into particular work arrangement. The Minister made the point and the Chairman made the point that it is provision for negotiation and agreement, but not for coercion by those who have the greater amount of power which is the employers.

And we would want to be assured that the Ministry of Labour plays a very proactive role in investigating complaints, because I have no doubt that where trade unions exist in an industry, they will provide leadership role in ensuring that employers don't use their extra power to force employees into some particular arrangement that they might not be so disposed to.

And we have also been assured at committee level, Mr. Speaker, that in a medium term - I think we had discussed two or three year time or so - the Ministry will table a report to the Parliament so that we can have a sense of how these sets of recommendations are actually transpiring in the workplace. Because the truth is, it is one thing for us to sit here and agree on a set of arrangements, what transpires out there in the work environment may be a different situation and as lawmakers we want to ensure that those with the least power are protected from those who have superior authority. (Applause)

Mr. Speaker, as I said, this piece of legislation was long in coming. Indeed it would have been good if we could have gotten here earlier, but the process and the period allows for great level of participation, deliberation and compromise and in the end understanding (Applause) And where there is understanding there is greater opportunity for cooperation and compliance.

So, Mr. Speaker, the recommendations before you meet with my blessing and support and I invite all my colleagues in this House, to give unswerving support so that it can become a reality sooner than later.

Thank you. (Applause)

Mr. HOLNESS: Mr. Speaker, with your leave the House would suspend further debate on this matter and we will continue next week with the debate.

ADJOURNMENT

Mr. HOLNESS: Mr. Speaker, it's not proposed to do any further business, but before I move the motion for adjournment I'd like to advise Members that for the rest of this parliamentary year, we will be sitting on Tuesdays and Wednesdays.

The SPEAKER: Including tomorrow?

Mr. HOLNESS: Including tomorrow, except for Ash Wednesday.

(Inaudible comments by Members)

Mr. HOLNESS: Except for Ash Wednesday.

Mr. SHAW: The only Wednesdays you guys can have is another... (Inaudible) (laughter)

Mr. HOLNESS: Mr. Speaker, you will notice today, that we had a very businesslike session that your memorandum to us is working. (Applause)

Mr. Speaker, the member from Central Kingston earlier in the sitting had raised the matter of Ministry Paper Number 13 and enquired of the action that the Government would take. I would want to inform the Member that this matter will be brought to Cabinet and the Cabinet will have a discussion on it and return to the House to inform you of the actions that we will take.

Mr. Speaker, I now move that...

The SPEAKER: Yes, Mr. Kellier.

Mr. KELLIER: Mr. Speaker, I'd just like to get from the House Leader, as we tidy up these matters, the business of the Tax Committee that should be put in place. I believe the names are with him for some time now and the...

The SPEAKER: Could you - I know you have brought...

Mr. KELLIER: He had given us an undertaking on these arrangements before...

The SPEAKER: Right, you had brought this up before, Mr. Kellier.

Mr. KELLIER: ...so we'd like to know that by the next sitting, if it is at all possible, that the Minister could put the Committee forward so we can just lock in on those matters.

The SPEAKER: Notice has been given, right?

Mr. HOLNESS: Mr. Speaker, it is one of the rare undertakings that I have given which I've not yet fulfilled. But I guarantee you, Mr. Speaker, that it will be dealt with next... We received your names, we understand your anxiety, but we will address it in due course.

Mr. Speaker, I now move that the House adjourns its business until tomorrow, the 10th of February, when we will continue our sittings.

The SPEAKER: Members, the motion before the House is that this Honourable House do adjourn until Wednesday, the 10th of February, at 2:00 p.m.

Put to the House and agreed to.

The SPEAKER: (Gavels) This Honourable House stands adjourned.

The House was adjourned accordingly at approximately 5:47 p.m.

WEDNESDAY, February 10, 2010

PURSUANT to Notice of Adjournment the Honourable House of Representatives resumed its sitting at Gordon House, Kingston at 2.16 p.m.

PRESENT

THE SPEAKER

HON. DELROY HAWMIN CHUCK, (JLP), St. Andrew, North Eastern.

MRS. MARISA COLLEEN DALRYMPLE-PHILIBERT, (JLP), Trelawny, Southern, Deputy Speaker.

MEMBERS OF THE CABINET

THE HONOURABLES:

ANDREW MICHAEL HOLNESS, (JLP), St. Andrew, West Central, Minister of Education, Leader of Government Business and Electoral Matters.

ORETTE BRUCE GOLDING, (JLP), Kingston, Western, Prime Minister, Minister of Planning, Development and Defence.

DR. HORACE ANTHONY CHANG, (JLP), St. James, North Western, Minister of Water and Housing.

DR. CHRISTOPHER CHARLES TUFTON, (JLP), St. Elizabeth, South Western, Minister of Agriculture.

MINISTERS OF STATE

THE HONOURABLES:

DARYL WESLEY PHILLIP VAZ, (JLP), Portland, Western, Minister without Portfolio in the Office of the Prime Minister, Information and Telecommunication.

CLIFFORD EVERALD ERROL WARMINGTON, (JLP), St. Catherine, South Western, Minister of State in the Ministry of Water and Housing.

NEVILLE ANDREW GALLIMORE, (JLP), St. Andrew, West Rural, Minister of State in the Ministry of Labour and Social Security and Deputy Leader.

ROBERT ST. AUBYN MONTAGUE, (JLP), St. Mary, Western, Minister of State in the Office of the Prime Minister.

OTHER MEMBERS

MR. LUTHER BARTLEY MONTEITH BUCHANAN, (PNP), Westmoreland, South Eastern.

MR. PETER MURCOTT BUNTING, (PNP), Manchester, Central.

MR. ROGER HAROLD CLIFFORD CLARKE, (PNP), Westmoreland, Central.

MR. COLIN ALFRED A. FAGAN, (PNP), St. Catherine, South Eastern.

DR. MORAIS VALENTINE GUY, (PNP), St. Mary, Central.

DR. ESMOND VERNAL PATRICK HARRIS, (PNP), Trelawny, North.

MR. JOSEPH URIAH HIBBERT, (JLP), St. Andrew, East Rural.

MR. ANTHONY GEORGE HYLTON, (PNP), St. Andrew, Western.

MR. FITZ ARTHUR JACKSON, (PNP), St. Catherine, Southern.

MR. OTHNEIL DAMION ST. ELMO LAWRENCE, (JLP), St. Ann, North Western.

MR. DESMOND GREGORY MAIR, (JLP), St. Catherine, North Eastern.

DR. KENNETH WYKEHAM MCNEILL, (PNP), Westmoreland, Western.

MR. CLIVE ARTHUR MULLINGS, (JLP), St. James, West Central.

MRS. NATALIE GAYE NEITA-HEADLEY, (PNP), St. Catherine, East Central.

MR. TARN ANDREW PERALTO, (JLP), St. Mary, South Eastern.

MR. ROBERT DIXON PICKERSGILL, (PNP), St. Catherine, North Western.

DR. DONALD GLADSTONE RHODD, (PNP), Portland, Eastern.

MR. DERRICK CHARLES SMITH, OD, (JLP), St. Andrew, North Western.

REV. RONALD GEORGE THWAITES, (PNP), Kingston, Central.

PRAYERS

Prayers were offered by Mr. Gregory Mair.

The Honourable House resumed its sitting at 2.16 p.m.

The SPEAKER: Please be seated.

This Honourable House now resumes its sitting.

CALL OF THE ROLL
(See Listing)

STATEMENTS BY MINISTERS

Mr. HOLNESS: Mr. Speaker, the Honourable Prime Minister has a Statement.

The SPEAKER: Prime Minister.

DIVESTMENT OF AIR JAMAICA

The PRIME MINISTER: Mr. Speaker, shortly after taking office the Government announced the decision to divest Air Jamaica. This decision was consistent with a commitment stated in our Manifesto as part of necessary measures to relive the taxpayers of the burden of loss-making state-owned enterprises that were not considered part of the core functions of government.

Since its inception in 1969, Air Jamaica has accummulated losses of over US$1.4 Billion or the equivalent of J$126 Billion. In the last three years alone it has incurred losses of US$337 Million or the equivalent of $31 Billion.

The economic programme that is required to put Jamaica in a position to achieve sustained growth, including the containment and ultimate reduction of our public debt, does not allow any continued absorption of these losses.

In pursuance of this decision, the Government established a Privatisation Committee headed by the HONOURABLE DENNIS LALOR, to oversee the divestment of Air Jamaica. The other members of the committee are MR. RICHARD BYLES, MR. COLLIN STEELE and MR. CHRISTOPHER BERRY. MR. DENNIS CHUNG was appointed Project Manager for the divestment

(HON. PEARNEL PATROE CHARLES, (JLP), Clarendon, North Central Minister of Labour and Social Security, entered and took his seat.)

(HON. OLIVIA ATAVIA GRANGE, (JLP), St. Catherine, Central, Minister of Youth, Sports and Culture, entered and took her seat.)

The Government engaged the services of the interim International Finance Corporation (IFC), which then engaged a group of premiere aviation consultants to advise on the divestment process.

(MOST HON. PORTIA LUCRETIA SIMPSON MILLER, (PNP), St. Andrew, South Westen, Leader of the Opposition, entered and took her seat.)

An invitation for expression of interest was issued in April of 2008, simultaneously the launch of the Air Jamaica privatisation website (airjamaicatransactions.org) which contained detailed information that potential interests would require. Seven companies responded. Of these four (4) were considered to have fulfilled the technical and financial criteria as stated in the published invitation.

(HON. RUDYARD CONRAD SPENCER, (JLP), Clarendon, South Eastern, Minister of Health and the Environment, entered and took his seat.)

In October 2008, an 87 page Information Memorandum was issued providing detailed information on, among other things:

- the divestment process and evaluation criteria
- Air Jamaica's organizational structure, its operations and financial performance
- information on Jamaica's economy and demographics
- the aviation market with particular reference to the Jamaican and Caribbean environment
- the applicable regulatory framework.

Two of the four (4) companies, Caribbean Airlines and Indigo Partners, visited Jamaica to conduct due diligence exercises and these were fully facilitated by the Air Jamaica authorities.

At the extended deadline for submission of firm offers which was June 30, 2009, two bids were received from Caribbean Airlines and Indigo Partners.

(HON. SHAHINE ELIZABETH ROBINSON, (JLP), St. Ann, North Eastern, Minister of State in the Office of the Prime Minister, entered and took her seat.)

These were evaluated against the stated criteria and scored under four (4) specific headings:

1. Probability of transaction completion
2. Requirement for ongoing Government of Jamaica support
3. The Financial outcome to the Government of Jamaica
4. The proposed business model.

On conclusion of the evaluation, Indigo Partners were evaluated as marginally superior to Caribbean Airlines. Based on these findings the Cabinet gave approval for the negotiations to be entered into with Indigo Partners. These negotiations continued for more than four (4) months but the parties were not able to reach a satisfactory agreement.

(HON. AUDLEY FITZ ALBERT SHAW, (JLP), Manchester, North Eastern, Minister of Finance and the Public Service, entered and took his seat.)

In November of last year, the decision was taken with the approval of the Cabinet, to terminate the negotiations and to enter into negotiations with the second ranked bidder, Caribbean Airlines. These negotiations are well advanced but have not yet been concluded.

(MR. MICHAEL ANTHONY STERN, (JLP), Clarendon, North Western, Minister of State in the Ministry of Commerce, Industry and Investment, entered and took his seat.)

A non-binding Letter of Intent has been signed with a target date for completion of

March 31, 2010.

In view of a confidentiality agreement between the two parties, which is a standard requirement in such negotiations and similar to that which existed with Indigo Partners, it is not possible to disclose at this time the details of the negotiations, or the terms that have already been agreed, or those that remain outstanding. Any agreement that may be arrived at will be subject to the approval of the Cabinet.

Caribbean Airlines was established in 2007 following the closure of BWIA which, like Air Jamaica, had accumulated huge losses. It is capitalized by the Government of Trinidad and Tobago and operates a fleet of 7 Boeing and 5 DHC-8-300 Dash aircraft flying to 13 destinations from its Port-of-spain hub.

In its fist year of operation Caribbean Airlines sustained a loss of US$117,000 that was in 2007. It recorded a profit of US$34 Million in 2008. It benefits from a preferential fuel price provided by the Trinidadian government, given its position as an oil producer. It operates with a much leaner structure than its predecessor, BWIA, employing less than 700 persons, compared to the 1,700 previously employed by BWIA. Air Jamaica, on the other hand, currently operates eight (8) Airbus aircraft flying to 13 destinations from Kingston and Montego Bay. In 2007 Air Jamaica employed 2,585 persons. Despite staff reductions that have helped to reduce its losses, its current staff-complement is 1,607.

(MRS. SHARON MERLE HAY-WEBSTER, (PNP), St. Catherine, South Central, entered and took her seat.)

Caribbean Airlines is seeking to expand its regional operation and there is the possibility that it will eventually merge with other regional airlines to become a truly regional carrier for the Caribbean. It is the stated intention of the Government of Trinidad and Tobago that it will conduct a public share offer and if the current negotiations are successful, the Jamaican government would insist that Jamaicans be given the opportunity to subscribe.

Mr. Speaker, the Jamaica Airline Pilots Association, (JALPA), has submitted a proposal to the Government to acquire Air Jamaica. I have met with the Association's representatives to discuss its proposal.

(DR. ST. AUBYN BARTLETT, (JLP), St. Andrew, Eastern, entered and took his seat.)

I queried why it had not submitted its proposal at the time when the international call for Expression of Interest was issued. Its representatives advised me that their understanding was that a prospective bidder would have to be prepared to assume Air Jamaica's liabilities.

I want to state, Mr. Speaker, that no such condition was stated in the invitation. Indeed, in the Information Memorandum it was stated clearly, and I want to quote what was in that Information Memorandum, it was stated clearly, and I quote: **"The Government is not averse to forgive or assume in full the GOJ-guaranteed debt currently owed the Air Jamaica"**

l have explained to JALPA that under the divestment procedures the negotiations with Indigo Partners having been terminated, the Government is obliged to enter into negotiations with the next ranked bidder, Caribbean Airlines. Indeed, in a response to the Air Jamaica staff dated February 1, the

Contractor General stated, and I want to quote from his letter, he says here:

1. "The OCG has been monitoring the Air Jamaica divestment process from as early as April 2008.
2. Based upon written representations which have been made to the OCG by the Government of Jamaica during the course of the reference monitoring process, the OCG is of the understanding that the GOJ has been negotiating with certain companies which submitted formal bids within a specified deadline, in response to the requirements of what was a competitive tender process.
3. The Information Memorandum or Tender Document which governs the referenced divestment process has expressed a stipulated tender submission deadline date of June 24, 2009.
4. The referenced Information Memorandum was authored by the GOJ. As such, the OCG has been monitoring the investment process for conformance with the documented rules, (for conformance with the documented rules) pursuant to the provisions which are contained in section 4 of the Contractor General Act. The rules are therefore not prescribed by the OCG.
5. Given the aforementioned, we must respectfully advise you that the concerns which we have raised in your letter to the OCG are best dealt with by the GOJ which has developed the Information Memorandum, conducted the evaluation of the eligible bidders and which is also responsible for the negotiating process leading up to the eventual divestment of Air Jamaica".

(MR. FRANKLYN ROBERT WITTER, (JLP), St. Elizabeth, South Eastern, entered and took his seat.)

In light of the foregoing, Mr. Speaker, it would not be appropriate for me to make any comments on the credibility or viability of JALPA's proposal. It is in order, however, for me to make the following general observations:

1. The extensive analyses of Air Jamaica's operations conducted by reputable and experienced consultants on behalf of the Privatization Committee as well as the evaluation conducted by both Indigo Partners and Caribbean Airlines, points to the unlikelihood that Air Jamaica, given the size of its current and potential operations, can be profitable as a stand-alone airline. Its overheads, even after rationalization, are too great and its most optimistic projected revenues too small to assure a profit.
2. Given Jamaica's Open Skies obligations and the ferocity of ever-increasing competition from low-cost carriers, Air Jamaica's dominance on its traditional routes will continue to be severely threatened and undermined.
3. The interest of the Government is not only to terminate the drain on the public purse, but to ensure adequate and sustained airlift on those routes that are required by the Jamaican travellers, the Jamaican diaspora and

the tourist industry.

The Government must therefore, have reason to be confident that the successor to Air Jamaica will be in a position to adequately maintain these routes, since under no condition can there be any recourse in the future to public funds to support its operations.

4. Free of all its debts which the Government will have to absorb, Air Jamaica's routes on which it carried 1.1 million passengers last year have a value which, in any privatization, must be treated as an asset and secured for the benefit of the people of Jamaica. We cannot be expected to assume all the debts and then give away the rest for free.

The Government understands, Mr. Speaker, the emotions that have been aroused in determining the future of Air Jamaica. All of us share the pride that those colourful airplanes evoke, whether we are seated in one of them or watching from the ground as they soar to their *wuthering heights*. But that pride has come at a huge cost, $126 Billion over the last 40 years; Thirty-one Billion Dollars over the last three years alone. And it has helped to deprive us of the pride we should have been able to have in seeing our children go to good schools and the sick go to good health facilities. Mr. Speaker, we have to get our priorities right.

The Government does not intend, because it will not be able to provide any financial support to Air Jamaica beyond this financial year which ends in March, the end of next month. Time is therefore, of immense essence. I will report to the House in due course on the outcome of the current negotiations with Caribbean Airlines.

I thank you, Mr. Speaker.

The SPEAKER: Thank you, Prime Minister. Mr. Bunting... permission granted.

(Applause)

Mr. BUNTING: Just a question of clarification for the Prime Minister. Prime Minister, it is clear that the country couldn't continue to sustain the losses that Jamaica has incurred over the last three years. And it has also been said that a condition of the IMF negotiations is that if the negotiations with Caribbean Airlines are not successful then we have to look at a closure. In the public domain it says that closure by the end of June. Now, your statements says there is no - the Government does not intend to provide financial support beyond the end of March. If the negotiations are unsuccessful, is it that this financing from the end of March to June, will be entirely now from the multi-lateral institutions to deal specifically with the cost of closure?

The PRIME MINISTER: We will be making a provision in the next Budget of some $27 Million to cover the exit cost, the cost of the Government exiting responsibilities for Air Jamaica. We are hopeful that before we get to the new financial year we will have secured an arrangement for the privatization. If not, the arrangements for its closure would be triggered by the 1st April, which means that notices - the necessary notices would be served and the fund which will be provided in the Budget will be dedicated to winding it up as quickly as possible.

I hope that we will be able to avert that. I don't want to express on a scale of one to ten my confidence level, but I am hopeful that we will be able to avoid that. In the negotiations

that have been conducted and which are on-going, we have been very careful to seek to ensure that the critical airlift routes, those that are critical to Jamaica are preserved. But if all of that fails, it is very clear that we are not going to be able to allow that burden to go beyond the $126 Billion that we have already incurred.

The SPEAKER: Mr. Clarke, then Mr. Thwaites.

Mr. CLARKE: Prime Minister, I would just like to find out, what are we really divesting when we say we are divesting Air Jamaica, what are the assets that we are divesting?

The PRIME MINISTER: The assets are made up of a number of things. I mentioned in my statement that the routes that they fly have value, particularly those routes that are profitable. They have a business value and that can be valued and that's part of the - part of what is being taken into account in the negotiations.

They have real estate. Indeed, and perhaps to further answer the question that the Member of Central Manchester had asked, Air Jamaica needs funding to continue even until a decision is made. I have effectively insulated the Ministry of Finance from them, and I have told them that they have to find other means of securing those funds.

They are now negotiating to sell the five (5) floors which they currently occupy on Harbour Street and the proceeds from that sale will be used to help to continue the operation for the next few months until a decision is made. But, apart from that, Member for Central Westmoreland, they do have spare parts that have value; they do have a maintenance facility that services not only Air Jamaica but other airlines, that has value. And I should also mention that in the negotiations, the name Air Jamaica, the brand Air Jamaica is not for sale. That is being retained by the Government of Jamaica.

Mr. CLARKE: Any planes... any planes at all?

The PRIME MINISTER: Of the eight (8) aircraft that they now occupy, we own two. Those two are now being disposed of in order to discharge obligations to the Internal Revenue Service of the United States, and I believe the Department of Agriculture.. Is that it...?

A MEMBER: Yes.

The PRIME MINISTER: We owe a lot of money. We have had to use diplomatic channels to avoid our planes being seized for nonpayment of fees that are owed to the Government of the United States, the IRS in particular. It is proposed to dispose of two of those eight (8) aircraft in order to discharge that obligation. The other six (6) aircrafts are on lease, one of them, I believe, is to be returned very shortly because I believe that the lease is up and we will seek to - on termination we will seek to dispose of the leases for the others.

It is possible that - again I may be trespassing where l don't want to go - it is possible that some of those leases may be continued even beyond privatization for a limited period of time, bearing in mind that Caribbean Airlines flies a Boeing fleet and it is a question as to whether or not they would be able to - if the negotiations are successful - whether they would be able to replace the airbus for the Jamaican operation, or whether they would be able to continue to use the air buses, at least for a while until they can

standardize the fleet. All of these things are negotiation matters. But that essentially is the position as it now stands.

A part of what we will absorb of course, in the transaction is going to be the current liabilities, whatever creditors are out there and whatever sums are outstanding. Those are included in the $27 Billion. Of the $27 Billion, it is estimated that US$25 Million - and 1 can't work out as quickly as I would like to, what that is in Jamaican dollars. But the redundancy payments that will have to be made, we estimate at US$25 Million and the balance of the provision that will be made in the 2010/11 Budget is to deal with some of the current liabilities, outstanding debts, not the long-term debt, the long-term debt we are going to have to take on board.

And can I just say one more thing, Mr. Speaker? Not all of this debt is already included in the public debt. Some of it is. About US$700 Million.

(Inaudible comments)

...is already in the public debt. The additional amount will have to be taken board. We have already indicated to the International Monetary Fund that it is not going to be possible to put those on the books at one time because it would put our ratios out of line with the target that we had agreed. And therefore, the intention is that over a number of years, to take more of it on the books. It is really a bookkeeping, tidying-up exercise, but given the fact that we have ratios that are going to be observed scrupulously, we have signalled them that we will need to work with them, a phasing out of the coming on board of that debt.

Mr. CLARKE: Prime Minister, when Air Jamaica was taken back there was a commitment from the former owners who were operating then, Mr. Stewart, that they would pay a certain amount of money, I don't remember what it was, whether US$25 Million or what, has all of that been paid?

The PRIME MINISTER: I don't know, I would need to research that. But I would have thought that you would have been able to enlighten the House yourself. I can't say. I don't know.

The SPEAKER: Mr. Thwaites then Mr. Jackson.

Rev. THWAITES: Mr. Speaker, can the Prime Minister indicate if Air Jamaica has any other debts which are not GOJ guaranteed?

The PRIME MINISTER: Those will be current liabilities to suppliers, to the chain of services on which they rely and those change from one day to the next. But the debts that they have which we could regard as long-term debts are essentially debts owed to PetroCaribe which implies a government's obligation, and also debts owed to commercial banks which have had to be guaranteed by the Government of Jamaica.

Rev. THWAITES: Mr. Speaker, the Prime Minister in his statement, indicates that the consultants said that Air Jamaica could not likely be profitable as standalone operation, given the size of its current and potential operations. Was there any view expressed as to the likely profitability of an airline where its routes were rationalized and it stopped flying on profitable routes?

The PRIME MINISTER: Yes, there was. Indeed, that informed the business plan that was adopted, both for 2008 but moreso for 2009. We have, as I am sure you are aware, we have discontinued a number of routes that

were significant, consistent loss-makers. Notwithstanding all of that - and that has contributed, in part, to the fact that for 2009, Air Jamaica recorded losses of 71... I think it is US$71.6 million. Part of what contributed to that reduction, however, was the lower oil prices that obtained for, certainly the first half of 2009. In the latter half of 2009 the oil prices started going back up. But it was a combination of rationalization of routes, reduction of staff by some five or six hundred and the lower fuel prices that obtained for a portion of last year.

Mr. Speaker, is the Prime Minister able to state what are the routes that are crucial to Jamaican travellers, the diaspora and the tourist industry, which the Government is insisting would have to be maintained in any sale?

The PRIME MINISTER: The critical routes as we see them are certainly, starting from the East: Toronto, New York, Fort Lauderdale, Baltimore, Washington. We also attach some importance to Philadelphia. There are some routes that have proven not to be viable. The Nassau route is not a good route. The Havana route his maintained reasonable load factors, but because the flights are so infrequent, and of course, if you were to make it more frequent, then you wouldn't have that load factor. There are certain fixed costs that you have to meet whether you fly three times a week or you fly three times a day. And, therefore, on a bottom-line basis the Havana route has not been particularly profitable. But the critical routes would be Toronto, New York, Philadelphia, Baltimore, Fort Lauderdale - hope I'm not leaving out any.

(Inaudible comments by Mr. Shaw) Essentially those five.

(HON EDWARD BARTLETT, (JLP), St. James, East Central, Minister of Tourism, entered and took his seat.)

Rev. THWAITES: Yes, Mr. Speaker. The Prime Minister indicates that there is a value to the airline over and beyond the debts that it has. Are we to understand that any purchaser of Air Jamaica would be required to either give equity in the new enterprise or to pay cash for that value? Is that part of the negotiations?

And finally, Mr. Speaker, the Prime Minister indicated elsewhere some time ago, that in the event that Caribbean Airlines' negotiations didn't materialize that he would be open to consider the local offer, that of the pilots, et al. Can he reaffirm and confirm that now?

The PRIME MINISTER: As an alternative to closure? Yes. But of course, it would be subject to the necessary evaluation of its proposal on which I would not want to say. As I indicated, I don't want to make any comment on it.

The SPEAKER: Mr. Jackson then Dr. McNeill.

Mr. JACKSON: Prime Minister, you in part answered the question regarding the Air Jamaica brand that would be retained by the Government of Jamaica. Even if there is a successful negotiation with Caribbean Airlines, is the Government averse to negotiating with any prospective interests such as the Pilots Association, the use of the brand to operate an Air Jamaica line or any other interest?

The PRIME MINISTER: The answer to that is no. It is interesting that the Member has asked that question because one of the considerations that any party would

have to take into account is that there is a certain attachment to Air Jamaica, particularly among the diaspora, and any investor may want to give serious consideration to taking advantage of that. Not eschewing that. The answer is yes, but it would have to be on a negotiated basis because the brand will remain the property of the people of Jamaica.

The SPEAKER: Dr. McNeill.

Dr. MCNEILL: Just briefly. Mr. Prime Minister, IFC was involved in the initial process to find, to select the companies. Are they involved in this part of the negotiations or is it solely in the hands of the divestment team?

The PRIME MINISTER: IFC is still on board. They do evaluation of bids. But all the bids have been evaluated so far. And therefore it is the negotiations itself which is essentially the Privatization committee. If we had reason to have to consider a separate bid, then they would be brought in. And I might mention that the cost of the IFC was substantially covered by a grant from the World Bank. The IFC, as you probably know, is a subsidiary of the World Bank. There are costs that we will have to pick up, but I think that the grant covers I think about two-thirds? (*Sotto voce* by Mr. Shaw) About two-thirds of the cost. We have to pick up the other one third.

The SPEAKER: Mr. Hylton

Mr. HYLTON: Thank you, Mr. Speaker. The Prime Minister mentioned that a consultantcy report was done and as part of that consultancy exercise, an examination of the aviation markets as it relates to both Jamaica and the Caribbean was undertaken. I would imagine that among other things, the business model and the routes, and the Prime Minister did acknowledge the value, the intrinsic - well, he didn't say the intrinsic value, in fact he said, the value of the routes now being flown. I want to ask the Prime Minister whether any consideration is being given to the network of routes that are themselves of intrinsic value as part of that discussion.

The PRIME MINISTER: It's a negotiating point. I don't know that it actually impacts the value because as we are now experiencing, because of the Open Skies Agreement, airlines can pack up overnight. As a matter of fact, a point that has been made in the negotiations is that at the time when the bid was made there was no knowledge that Jet Blue, for example, would have been as aggressive on some of those routes as they are now. So, the network possibilities are there.

We can't protect any investor from competition. Not from those countries with whom we have Open Skies Agreement and that's largely the US. But we are currently negotiating with China, we are negotiating with Singapore, we are negotiating with Spain, a similar Open Skies Agreement. We have just signed an Air Services agreement with Mexico. And therefore, I'm not sure that those can tweak the value, although they do represent an opportunity, but no more than that because you may very well find that those routes are not profitable because they are already adequately served by competing airlines.

The SPEAKER: Mr. Pickersgill.

Mr. PICKERSGILL: Mr. Prime Minister, I think you did indicate that whatever value accrues to Air Jamaica after you've paid the debts, the existing debts, that that would be reflected in shares in Caribbean Airlines? (*Sotto voce* comments)

The PRIME MINISTER: (Hesitates) I don't remember.

Mr. PICKERSGILL: No, think well and you will recall. (Inaudible comments by the Prime Minister) All right, well.

The PRIME MINISTER: No, in answer to a question from the Member from Central Kingston, he asked whether or not that value would be represented either in cash or in equity, to which my answer was yes.
(Laughter)

Mr. PICKEKSGILL: No...Mr. Prime Minister, I'm not going to push it. But, unequivocally, Mr. Prime Minister, I gather that you're saying if the negotiations are not concluded positively for the Government of Jamaica, you are not closing the door to other proposals? That's one of the questions. The other question is: I gather that of the eleven (11) routes about three or four will remain?

Mr. SHAW: Five!

Mr. PICKERSGILL: Five (5) will remain?

Mr. SHAW: Yes.

Mr. PICKEIKSGILL: And the brand will remain? (Inaudible comments) And you are saying...? (Inaudible comments) Eh? (Inaudible comments) (Mr. Pickersgill yields to the Prime Minister)

The PRIME MINISTER: No. It's not five (5) routes that would be loaned. It is five (5) destinations. Because when Air Jamaica says, for example, that it flies thirteen (13) routes, Montego Bay to New York is a different route from Kingston to New York.

Mr. PICKERSGILL: Hmm!

The PRIME MINISTER: And that's included in the thirteen (13). What I refer to as five (5) critical...

Mr. SHAW: Destinations.

The PRIME MINISTER: It's really five (5) destinations but some of those destinations may involve separate Jamaican airports.

Mr. PICKERSGILL: How many destinations would not be included?

The PRIME MINISTER: We're looking at five (5).

Mr. PICKERSGILL: No, how many will not be included?

The PRIME MINISTER: Every... Ones...I don't know why are you doing this to me you know, because I'm reluctant to go there. The Nassau route is not being countenanced. The Orlando route is not being countenanced. The Chicago route is not being countenanced. The Havana route is not being countenanced. Curacao is a direct flight or it's connected to one of those?

A Government MEMBER: Direct.

The PRIME MINISTER: Caracas as well.

Mr. PICKERSGILL: That's five.

The PRIME MINISTER: And part of the reason format I believe is that those are already part of the... (Inaudible) So there may be some sort of connectivity. But those routes are not on the table - are not part of the discussions at this time. Let me put it that way.

The SPEAKER: Dr. Guy. (Dr Guy rises to speak) Sorry, could you allow the Leader of the Opposition and then you, Doctor Guy.

Mrs. SIMPSON MILLER: Prime Minister, in your statement you indicated that a non-binding Letter of Intent was signed. Are you on a firm footing now that by March 31 you'll be able to have a binding agreement?

The PRIME MINISTER: I can't be absolutely sure. I spoke with the Honourable Dermis Lalor just before I came here. The outstanding issues are not beyond resolution.

And perhaps the House deserves to know, and notwithstanding the confidentiality agreement.

The question of the conversion of that value is an issue. My instructions to the negotiating team are very clear. In whatever form that conversion takes, it must be secured going forward. In other words, it must not be diminishable. And secondly, the Government must not be required to make any further investments. Again, I'm determined to insulate the Treasury from any obligation, whether it is to meet operating costs, or it is to meet expansion.

Given those negotiating instructions, the discussions now centre around what is the quantum that would be appropriate, given those restrictions that are being imposed for the protection of the Government of Jamaica. That's where the discussions are at the moment. So, can we complete it by the end of March? I'm hopeful. I think if there is to be any delay, it is likely to be a delay not so much in completing the negotiations but in the actual handing over, which could possibly require a month beyond the timeline that we had hoped for. That's information I have up to now.

The SPEAKER: Dr. Guy.

Dr. GUY: Thank you, Mr. Speaker. Prime Minister, you indicated, in response to the question from the Leader of the Opposition, some of the answers that I was seeking. But specifically in respect to the question asked by the Member from North Central St. Catherine regarding cash or equity and you alluded to the fact that you had made reference to it in the answer to the question from the Member from Kingston Central. My concern, however, is that if it is equity, wouldn't then the Government of Jamaica be liable for any future losses that Caribbean Airlines may accrue, or, if as you say, the instructions given would preclude that?

The PRIME MINISTER: No, that's what l spoke to a while ago. Whatever is the final decision, the Government of Jamaica is not to be exposed to any fiscal obligations, neither for losses incurred nor for additional capital requirements. Those are the very clear non-negotiable instructions I've given the privatization team.

NOTICES OF MOTIONS GIVEN ORALLY

The SPEAKER: Rev. Thwaites.

Rev. THWAITES: Mr. Speaker, I beg to give notice that at the next sitting of the House I will move the following motion:-

> Be it Resolved that this Honourable House debate the modalities by which a contributory pension scheme for all Private Sector workers can be instituted to replace the non-contributory scheme which currently applies.

QUESTIONS AND ANSWERS TO QUESTIONS

The SPEAKER: Mr. Mair.

Mr. MAIR: Mr. Speaker, I beg to give notice that I am withdrawing Questions 23 and 24 in my name on the Question Notice Paper.

The SPEAKER: Rev. Thwaites.

Rev. THWAITES: Mr. Speaker, I beg to give notice that at the expiry of twenty-one days I will ask the Honourable Prime Minister the following questions relating to the Ministry of Justice -

Question 1: Since the Government took office please itemize the use

of Private Attorneys to represent the State.

Question 2: Please name the firms/ individuals and the reasons for them to be employed other than the State Attorneys in each instance as well as the fees incurred and projected?

Question 3: Please set out the principles which are applied in respect of the use of Private Counsel by the Government.

The SPEAKER: House Leader.

Mr. HOLNESS: Mr. Speaker, there are eight (8) questions due for answer on the Question Paper. None of the answers are ready for presentation today, Mr. Speaker. We will, however, Mr. Speaker, be ready for answer at the next sitting of the House.

The SPEAKER: Very well.

PRESENTATION OF BILLS WITHOUT LEAVE OF THE HOUSE FIRST OBTAINED

The SPEAKER: Minister Shaw.

Mr. SHAW: Mr. Speaker, I now move to introduce and have read a first time a Bill shortly entitled - "*The Public Bodies Management and Accountability (Amendment) Act, 2010"*, and a Bill shortly entitled *"The Financial Administration and Audit (Amendment)(No 2) Act, 2010".*

A Bill entitled *"The Public Bodies Management and Accountability (Amendment) Act, 2010"* read a first time, and *"The Financial Administration Audit (Amendment) (No 2) Act, 2010"* read a first time.

The SPEAKER: Mr. Shaw.

Mr. SHAW: Mr. Speaker, I beg to give notice of second reading of the Bills.

PUBLIC BUSINESS

The SPEAKER: House Leader.

Mr. HOLNESS: Mr. Speaker, the Prime Minister will move the Cybercrimes Bill*, "AN ACT to provide for criminal sanctions for the misuse of computer systems or data",* as noted under Item 7 on the Order Paper. We will then have Private Member's Motion from the Member from Central Kingston on one of his numerous motions on the Order Paper.

(*Sotto voce* comment made by a Member)

Mr. HOLNESS: It's the motion on Air Jamaica. We are going to have the Prime Minister first. The Prime Minister will take this.

The SPEAKER: Prime Minister.

CYBERCRIMES ACT

The PRIME MINISTER: Mr. Speaker, the Cybercrimes Bill, as it is called, is a piece of legislation that is urgently needed.

The objectives of the legislation are to establish criminal offences and appropriate sanctions for using computer systems for specific purposes and with specific intent having to do with fraud, unauthorized access to information, programmes or data, or interference, modification or corruption of computer systems and programmes.

The legislation, Mr. Speaker, is really just catching up with innovation and technology because computer technology, the internet, is now an essential way of life. The world has progressed from the agrarian revolution to the industrial revolution; we are now in the information revolution and it is having a profound effect on the way people live and the way they do business, as was had by either the agrarian or industrial revolution. Computer technology, the use of internet facilities are

now the backbone of business, of communications, of public services but, Mr. Speaker, it's susceptible to abuse. It is vulnerable to malicious interference and it provides significant opportunity for fraud, billions of dollars. And I am talking United States dollars. Billions of dollars circle the globe every twenty-four hours through all sorts of computer generated means; wire transfers, all sorts of things.

More and more consumer expenditure is taking place through computer technology. In the United States alone, Mr. Speaker, the value of e-commerce, sales *via* the internet for 2009, was almost One Hundred Billion dollars in the United States alone. Regulatory systems, air traffic control are driven largely by computer technology. Intelligence security systems, similarly.

We are facing a serious problem now, a crime problem that involves identity theft. And we are particularly familiar, as the Member for West Central St. James will acknowledge, with the Lotto scam in Mo Bay involving identity theft, involving the use of computer technology. And it is not just the crime and the fraud that is committed; it is the murder to which it gives rise. There is a particular incident that is worthy of referring to. There is a company that employed, ICT company, employed large numbers of persons and their systems were being abused because information was being taken out to support the Lotto scam. The management identified one of their best supervisors, sent the supervisor abroad for special training, brought the supervisor back and the supervisor started cracking down on this scam. His home was attacked and four members of his family were killed; because he was tightening upon what was people's runnings. So that, it is not just the computer fraud itself that is a problem; it's the extent to which it feeds into far more serious crime.

Just two weeks ago in Ja Karta five (five) persons were arrested, because within a matter of thirty-six hours they had managed to siphon off Three point Two Million US Dollars because they broke into the computer system of some financial institution there. Some of it, Mr. Speaker, may not even be criminally intended, some of it may be just plain mischief, to spread virus, to create excitement and panic and to demonstrate that as powerful as these systems are somebody can compromise them.

And very often you find that this is being done by some of our brightest and our best, some of the youngsters who are just bright and flexing to demonstrate. But the fact of the matter is, it poses significant danger and damage to people's businesses, and so on.

Now tackling cyber crime, Mr. Speaker, is particularly complex because it allows for virtual anonymity. There is minimal risk, because you are committing the crime but it is hard for people to know where you are committing the crime from. It is what they call 'illusive scene of crime' that you can never - you may be here and you are committing the crime far away. I mean I got a call from my bank about two/three months ago to ask me if I have been making significant purchases with my credit card recently. I said no. They said, well, within the last two days we noticed that thousands of dollars, US dollars, of purchases were blade on your credit card. I said, well, I only use it when I travel and I haven't travelled for a long time. Well, they managed to shut it down. I got a new credit card. I was

reimbursed. I mean, it didn't cost me anything. But when they traced it, it was coming out of England. I hope they caught the person because they said that the card was used to buy a number of plane tickets. So I should hope that when the person who would have benefitted from that ticket presented the ticket I would hope that he would have been told that he is a person of interest. But the point I am making is that, all the way from England, and it is a credit card, Jamaican registered credit card. And, therefore, it poses significant challenges in terms of how it is to be tackled.

Technology has responded. Computer systems are constantly trying to devise ways of encrypting, of protecting their systems but it is always a question of keeping one step ahead of the prankster or one step ahead of the person who has criminal intent, because they are also working and they are also applying new systems and new methodology. But in tackling this you need legislative support. The criminal law as we have it, did not envisage this kind of crime and, therefore, the criminal law didn't provide for this kind of crime to allow for effective investigation, effective prosecution and successful conviction.

The other point I want to make, Mr. Speaker, is that this business of cyber crime and how we tackle it is an international issue. It's something that affect countries all over the globe and not only affects countries all over the globe, but requires countries all over the globe to cooperate together because much of it is transnational and, therefore, it requires just Law Enforcement agencies that are working together but it requires companion domestic legislation to ensure that we can provide the law enforcement support that tackling this matter requires.

Indeed, the European Union established some years ago, the Council of Europe Convention on Cyber Crime to which forty-three member countries of Europe have signed, fifteen non-European countries, including the US has signed, and we perhaps will need to consider why it is that we have not also committed ourselves to the convention. The UN in fact is right now, has on its agenda, seeking to make this an international convention that all countries would be invited to subscribe to.

The Bill, Mr. Speaker - and I hope Members have had a chance to look at it so that I don't have to sort of go through it clause by clause - but it seeks to do a number of things. It seeks to provide a broad definition of what a computer is, a broad definition of computer service, computer programme and data to make sure that we capture everything.

I myself raised some questions as to why some aspects of computer transmissions were not included. It was pointed out to me that the definitions were deliberately made so broad that even things that may not now exist but which may be introduced in the future, would be able to be captured once it had to do with this kind of electronic computation or transmission.

The penalties that we seek to impose for the various offences are stiff. In an RM Court $2 Million fine, maximum, or two years imprisonment; and if damage is done because of what you did, damage is done to the systems that you interfered with then it's $3 Million or three (3) years, and if it goes to a Circuit Court, circuit trial then the maximum imprisonment, Mr. Speaker, becomes seven (7) years.

The offences that we have sought to create again have tried to address the various areas of mischief that need to be captured. Unauthorized access: that's going into computer systems and programmes where you have no right to be, that's in Clause 3, the use of that System to commit an offence. It's one thing if you are just trespassing but if you are using it now in pursuance of a crime for which a penalty already exists that provides for imprisonment of more than one year that is in section 4 that is a separate offence. Unauthorized modification: going into a computer system and changing up the people dem business so that it doesn't work the way it was designed to work, that is in Clause 5. Unauthorized interception of computer function: the transmission going from point A to point B and you jump in the middle and you intercept it, either send it on a detour, either collapse it or simply just intercepting it is an offence under section 6. Obstruction or impairment that is provided for in Clause 7. Possession, manufacture, sale, distribution of equipment, computer-related equipment for the purpose of committing an offence, that's resided for in Clause 8; and then in Clause 10 special provision is made creating a criminal offence for inciting, aiding and abetting the commission of an offence.

We have made special provision, Mr. Speaker, for what is called a protected computer and these are computers, the functioning of which we consider to be of particular importance, that requires particular protection; and in the case of those protected computers if you do any of these things then the maximum imprisonment is ten (10) years. And these computers relate to those that have to do with security, defence, international relations, criminal law enforcement, confidential educational material. Thiefing the GSAT paper so that you can prepare your kid to pass the exam tomorrow, that is a serious offence and that is going to provide for a maximum of ten (10 years imprisonment. Communications, infrastructure banking and financial services, public utilities, public transport, essential services such as hospitals, courts, toll roads, traffic lights, air and seaport operations all of those are also covered under protected computer. And then, finally, computer systems that are used for public safety such as Emergency Services, police, fire, civil defence or medical services.

We have provided extensive powers in the Act for investigations where law enforcement officers will have power of seizure, power to require persons who have equipment to preserve data. If you feel, for example, that somebody in a bank has committed an offence then you can go in and you can seize the equipment. But it may not be practical, all things considered, for you to seize the equipment and shut down the bank's operation. But what the law would allow you to do in such a circumstance is to say, now look, this information, this data that is on the computer you ensure that it is preserved for subsequent scrutiny and investigation. They will have power to require the production of data, information, computer output and so on.

There are certain amendments, Mr. Speaker, that will be necessary as a result of these changes, certain amendments that will be necessary to the Interception of Communications Act, the Mutual Assistance Criminal Matters Act and the Proceeds of Crime Act because those two have provisions that relate to the kind of investigations in

which computer technology may be involved and therefore there are some consequential amendments set out, I believe, towards the very end of the Bill. I believe it is in section 21, section 21, that's right, Interception of Communications Act, Mutual Assistance Criminal Matters Act and the Proceeds of Crime Act which includes cyber crimes among the offences that are prosecutable, certainly under the Proceeds of Crime Act and insofar as they are relevant to the others.

So, Mr. Speaker, I don't know that we need to go into a great deal of detail. This Bill actually provides the muscle to support a Bill that was actually passed here in 2006, the Electronic Transactions Act, to facilitate e-commerce, to facilitate the use of computer technology for banking, for commercial transaction. But the weakness in this Act which was passed in 2006 was that the offences did not exist and the power to investigate was not there. The Cybercrimes Act will now give this new life and perhaps will encourage more commercial entities to utilize computer technology in their marketing business. It's something that is very convenient and it is something that allows - that creates significant new opportunities for people to be gainfully employed.

I met somebody recently, an old schoolmate of mine who is retired, who is not so well, and because of that would not be able to work their normal rigorous 40-hour week. And he told me he is doing all right because he sells Jamaican products on the internet. And then I questioned him I said, how does that work? He has built this website, said it took him a little while before he started getting hits and people started responding, but it is now known among sufficient people that he sells a regular flow of goods: Jamaican coffee, Jamaican cocoa, Jamaican spices and so on and he says he is making a good living off that. That's an opportunity that would not have existed when I was the age of the Member for East Central St. Catherine, but it exists now. And, therefore, it is something that we want to encourage and the Cybercrimes Act will give it the muscle, the legislative framework, the law enforcement capability to support the expansion of those opportunities.

With those remarks, Mr. Speaker, I ask that the Bill be considered.

The SPEAKER: Thank you, Prime Minister.

Yes, Mr. Bunting.

Mr. BUNTING: Mr. Speaker, I ask permission to speak from another seat?

The SPEAKER: Permission granted.

Mr. BUNTING: Mr. Speaker, I just want to make a short intervention just really in terms of clarification. The spokesperson, the Member from East Kingston and Port Royal is not here and I hope, House Leader that next week he will have a chance to participate.

Mr. VAZ: Why? He won't be here, him going Carnival next week.

Mr. BUNTING: But he gone already, he will come back next week.

(Cross talk by Mr. Vaz)

Hopefully we won't close it very quickly. But I just wanted to ask the Prime Minister to clarify two things when he comes to respond eventually.

In looking at the definition of computer it perhaps is broad enough to include all the phones and smartphones that they have now, although it doesn't speak specifically to, but if you interpret it broadly enough, I guess it could possibly capture it. But I wonder if it might be useful to more specifically identify

these new type smartphones, *et cetera*, because increasingly they have tremendous computing power and they are even in a sense more dangerous than a regular computer where you can go to the ip addresses, *et cetera*, and identify and trace back where the crime has been committed from particularly since they scan SIM cards that you can't connect to a particular ID. So I just wondered if the Bill may not be improved by speaking specifically to the particularly new generation of smartphones that are coming out now and especially in our jurisdiction where an identification, a passport or a driver's licence is not required to get a SIM card which would be the only way to connect the individual with that phone which could be used to commit a lot of the violations that are referee to in the Cybercrimes Act.

The second area of concern I have is again with respect to using these types of phones, for example, with their cameras, *et cetera*. We have had instances of juveniles in schools, under-aged youngsters taking inappropriate videos, photo pictures and then using their phones to broadcast them across the internet, essentially and it may be covered in some of the other Acts but not specifically, I think, in looking at the computer or the smartphone to facilitate it and I was wondering whether in terms of - when I went through the Memorandums of Objects and Reasons it didn't identify that as one of the types of crimes. But I think violations of persons' privacy or their right to privacy using this technology in a way that it's really - you can broadcast it in a wider and more persistent way because once these things are put on the internet it's almost impossible to remove it and repair the damage that could be done to somebody's character, and as I said, particularly under-aged children could be - have to cope with this for the rest of their lives. And I think we should have - it may be that we could improve the legislation by identifying that as one of the specific things that we could use this to treat it.

Thank you.

The SPEAKER: Mr. Hylton.

Mr. HYLTON: Mr. Speaker, Prime Minister, in presenting the Bill you made the observation that we are really into an information age and taking up on the point being made by the Member from Central Manchester, which is that the pace at which technology changes could really render in large measure, aspects of the Act either nugatory or redundant in some sense in a fairly short while. And I was just wondering whether in terms of a scheme, whether it wouldn't be perhaps more effective to have some sort of central mechanism, perhaps one of the existing commissions touching on technology and information to superintend the Bill to make changes administratively or otherwise as the technology changes and the need, otherwise I fear that with the pace of the technology, the criminal use that you pointed to, which I think is really at the heart of it and with the economic incentive that drives that, that the Act could be really undermined in fairly short order; and perhaps whether in looking at a scheme rather than just setting out the offences and with the general law enforcement to protect that, whether a body to superintend and make the changes and the adjustment so quickly as the new mischief arises may not be a better approach to dealing with it. It's a query.

The SPEAKER: Thank you, Mr. Hylton. Mr. Mullings.

Mr. MULLINGS: Thank you, Mr. Speaker.

Mr. Speaker, this legislation is warranted in the face of developments not only in Jamaica but worldwide and in fact the challenges that exist in terms of law enforcement are real. Indeed, from as far back as 2001, the UN General Assembly in Resolution 55/63 and 56/121 on combating the criminal misuse of information technology, is advocated a global framework, so that the collaboration will be required between territories; because in fact cyber crime goes across borders, in fact, the virtual world his many opportunities but many pitfalls. And so the legislation comes at a time when we are facing that real challenge, not only in Western Jamaica but across the island where there are scams of many kinds; not just lottery scams, but scams where persons will pretend to sell houses that they don't own, collect deposits by posting these houses on the Net.

Mr. VAZ: And rent them too.

Mr. MULLINGS: Or sell bonds on the Net. So the - and as the Minister indicates, and rents them too.

But the fact is that the legislation has to keep pace - and we hear the concerns as raised by the Members from St. Andrew and from Manchester. But there will always be a need for the legislation to be updated, that's a given, by virtue of what obtains now. And the Memorandum and Articles – or Memorandum rather and Objects - pardon me - of the legislation, does speak to the challenges and focuses, I believe, on the computer, computer data, computer programmes.

I believe, however, that the legislation has to go a bit further in looking at issues of networks; the legislation speaks to computers and computer data, but in terms of networks. And I raise that because if you look at the Bill itself, in section 4, it speaks about an offence being committed, where you facilitate the utilization of computer and computer data.

Why do I raise it? The Member from Central Manchester spoke about smartphones. Indeed, in the industry we no longer speak about mobile phones but mobile devices, because the phones have many applications and they are like computers. And so the facilitation is real. **Blue Tooth technology** is real. And so in looking at the creation of this offence, even if the offence that is facilitating is impossible, an offence is already committed, by virtue of the fact of the facilitation.

But I would urge us to look keenly at section 11, because section 11 also speaks about **body corporate**. And where a body corporate is deemed to commit an offence, where, under section 11, subsection (b) has –

> "failed to exercise due diligence to prevent the commission of the offence"

So it raises questions about service providers. And it is very important for us to look at this. Because I recall when I got Cabinet's approval for the auctioning of Spectrum for 3-G technologies, broadband technologies, which is now in vogue, where data and voice are now being utilized. So is this now saying that the service providers, if they fail to exercise due diligence can find themselves on the wrong side of the law? And so it raises another question. If the service providers are supposed to provide due diligence, does it raise

questions, constitutional questions of privacy? So I believe that the legislation ought to contain some proviso, a definition, firstly, of service providers, because the service providers would act pursuant to a licence. But maybe a proviso ought to be put in, or exception in the legislation, so that we don't find that the service providers find themselves on the wrong side of the law, and that the mischief that the legislation is designed to get at, might unwittingly draw within it those who are licensed to provide the service.

But in addition to that, Mr. Speaker, I believe that a recognition of cyber crimes is such that terrestrial law is not sufficient. I will give you one example. The legislation is speaking about interfering with, modifying, or so on, the data or the programme from a computer.

What about the human factor? Phishing, spelt, p-h-i-s-h-i-n-g, where a **shadowous** website might be put up, and you acting in good faith, provide information to that website, and so your identity is stolen. I believe that we ought to include as a clear offence within the rubric of the law, the offence of phishing. Because you have not really interfered with the computer programme or data, what you have done is, you have elicited from a person acting in good faith, information that can lead to identity theft. So I believe that is one of the areas that we could look at more closely in the legislation.

You know, Mr. Speaker, there are instances where persons will hack into systems, and will, as in Mumbai, what they call the 'Salami Attack' in Mumbai - what they did was, they removed $2.50 from an account, several accounts, and of course, a sizeable sum was lodged. Now, a customer would not want to raise an issue about $2.50 from their account. But there is great economic loss that can be occasioned overtime to both the entity and the individual.

So while the legislation does speak to economic loss, possibly we ought to narrow it a bit more to deal with financial crimes, weighting it in recognition of the economic catastrophe that can happen when there is access gained to financial institutions. And the Bill does speak to it. I believe it ought to be rejected in the penalties that can be meted out to an offender. Because recently we passed the Dematerialization of Bonds Act, essentially having electronic bonds. Yesterday we passed the Credit Bureau Act. Can you imagine what catastrophic loss could be occasioned by the hacker who gets access to this information? So I believe that the legislation ought to take cognisance of that, in terms of the penalties that would in fact be incurred, and weight them accordingly.

Similarly, in terms of protected computers, where it deals with infrastructured national security, cyber terrorism, I believe, ought to be stipulated in the Act.

Mrs. NEITA-HEADLEY: It should.

Mr. MULLINGS: Because I believe that represents a clear and present danger, not only to Jamaica, but the world over. And there ought to be a recognition of that. It ought to be defined, and the penalties placed and weighted accordingly. So this is a tremendous step.

I believe, however, that we ought to move a bit further, and quickly so. I believe we ought to establish a desk with our embassy in Geneva, to facilitate the kind of collaboration - because the world is not up to speed, make no bones about it. Jamaica is not way behind the 8-ball. The world is not up to speed in terms of

cyber legislation and cyber crimes, they are not. So we ought to be now in the forefront, I believe, in developing the legislative framework, so that domestic law across the world has a consistency to guard against this global threat.

I know that the International Telecommunications Union has developed a blueprint for legislation. I would commend it for consideration in going forward, in updating the law and keeping it current with the demands as they face the world.

Mr. Speaker, I would like, therefore, to suggest - and 1 would like to put it within a certain category or categories - that we look at network issues. So in terms of network issues, you are looking at interference, interruptions, disruptions, and have penalties accordingly to reflect that, so that the cyber crime is not only dealing with the computer and that particular programme, but network transmissions and to weight them accordingly.

I believe we ought to look at the human factor where **phishing** is concerned, and that ought to be a specific offence under the cybercrimes legislation, recognizing that reality.

I also believe, Mr. Speaker, that the legislation ought to speak to what is described in the industry as **malware**. It's a situation where you have a - for want of a better expression - virgin computer, and you are installing programmes on the computer. Now, the installer may very well put in software or a programme, which from you use that platform your output is compromised. The legislation here speaks to the compromising of pre-existing programming. So that, if you take a computer and modify it, alter it and so on, then you are in breach. **Malware** is a real possibility and problem. So that before the computer is being able to be utilized, that if the installer puts in compromised programme, that an offence should flow from that. And I would commend that for greater scrutiny to see how best we could deal with the possibility of that happening.

Just two other things, I won't be too long. Section 6 of the Bill speaks to the unauthorized interception of transmissions. I believe there ought to be a defence that would obtain, especially in the context of unsecured networks, where Wi-Fi technology is concerned. So if you are utilizing a network, you fail to secure it, and by virtue of Wi-Fi technology it bleeds over onto my computer, it ought not to be an offence, or there ought to be a defence to that. Because I believe that in looking at the section, it presupposes that your access, if not authorized, is unlawful. And I am suggesting that that might very well be a situation - a function of the technologies, or the failure to secure your transmission, which can result in that.

I would like also to suggest that in section 8, subsection (1)(a) - and I will read it, Mr. Speaker. It says:

> "A person commits an offence who, for the purpose of committing, or facilitating the commission of an offence under any of the sections 3 to 7, possesses, receives, manufacturers, sells, imports, distributes, discloses or otherwise makes available - (a) a computer;"

I think that is too wide. I believe that in getting at the programmes on a computer, the networking issues, I believe that you would not want to get within that, persons who manufacturer a computer which itself is now used for illegal means.

One of the things with good law, as you appreciate, Mr. Speaker, is the enforcement of the law, the investigation of a breach and the prosecution of the offence. And so in crafting the legislation, we must see how best we can realize the real mischief and prosecute that mischief-maker successfully. So I think that legislation is a bit too wide, that section is a bit too wide in getting at the mischief that is there.

So Mr. Speaker, I believe we ought to define the situation of a service provider; 1 believe we ought to put in a proviso to protect the service providers who, under licence, are providing a service, but the law speaks about facilitating a commission of offences. Because in putting in that proviso, it does not place a burden on the service provider, which in fact might end up being an unconstitutional result, in terms of privacy.

So very good first step, Mr. Speaker. But as you all acknowledged, we have to look at the international impact of it, we have to look towards establishing global networks and similar legislation in other countries. I believe we ought to define a bit more some of the offences that occur in cyber space, for example, **phishing**, which does not or is not countenanced in land law. And so - and I use land law in a broad sense. So that, Mr. Speaker, cyber terrorism ought to be addressed - cyber terrorism ought to be addressed in the interim, because it is a known fact that there are those who will, for terroristic purposes, compromise public safety by interfering in disrupting, or contaminating networks. And I believe we ought to move posthaste to put this in. I hope that seeing the recommendations which I commend for the consideration, will find some merit.

Thank you, Mr. Speaker. (Applause)

The SPEAKER: Thank you, Member.

Mr. SAMUDA: Mr. Speaker.

The SPEAKER: Minister Samuda.

Mr. SAMUDA: Mr. Speaker, I sympathize and support the views of my colleague, but I think the real mischief that this Bill seeks to address in the short run, is the immediate threat to one of our most viable industries, the ICT industry. And the problem exists in the area of these companies now that are operating and are offering in excess of 2,000 jobs, especially to our young people.

In fact, the situation has gotten so bad, that many of these companies threatened to leave Jamaica. But by way of anecdote, let me relate to you, Mr. Speaker, an incident which occurred recently and was told to me by the head of one of the larger companies with one of the largest accounts, a brand that everyone would recognise immediately.

They sent an expert to Jamaica to study the problem and he happened to have stayed at one of our largest hotels in Kingston - he only stayed overnight - on route to Montego Bay and the following day, like the Prime Minister, he got an inquiry as to the level of activity on his credit card. He tendered it to pay his hotel bill in Kingston and by the following day he realised that his card had been cloned.

So it affects not just the persons operating the business, but every single one of us when we go to a restaurant and give our card as payment and is taken out of our sight. It has become a very expert type of skill on the path of those who are bent on cloning cards and obtaining money and other benefits through fraudulent means.

Mr. Speaker, the situation has reached a level now where the companies operating in

Jamaica - many of them - are requiring prior to employment, workers to sign a waiver on all vacation pay, or notice pay if they are found for any reason at all, to have knowledge, not just to have committed the crime, but to have knowledge of anyone in the organization, who they have found guilty of the crime, and it goes so far, that if they don't sign this waiver they cannot be employed. And I went and investigated the rights and 1 am told that there is no constitutional right to which the worker is entitled, if the worker accepts those terms of employment.

So that is how serious it has become, Mr. Speaker, it is the most welcomed piece of legislation for the people who are engaged in this type of activity and it goes right across, it should not be seen just as those who are engaged in the Call Centre and general ICT, but in hotels and wherever computers are used to store confidential information. It is a threat, without this legislation it has a major threat to those sectors.

So speaking as the Minister with responsibility for ICT, l can tell you that it is highly welcomed.

And I must comment on the contribution by the Member from Western St. Andrew, who spoke to the need to be very flexible in our amendments so that as more sophisticated crimes are committed and it is necessary to make the necessary amendments to the Bill that they be done so very quickly. Because in a changing environment where electronic development is taking place beyond the speed of life, we need to be very aware of what is happening and there should in fact be a monitoring mechanism establish to take a note of all the emerging difficulties that we have not contemplated that may arise and be able to respond to them very, very quickly.

But all in all, this is an excellent piece of legislation and its member, a good first step in attacking this serious crime.

Thank you, Mr. Speaker.

The SPEAKER: Mrs. Headley.

Mrs. NEITA-HEADLEY: Mr. Speaker, I would like to also add to this critical piece of legislation, because it is something that affects certainly, all of us at this time. And as Jamaicans become more technology-friendly and certainly we have become more technology dependent it becomes necessary for us to ensure that we protect our citizens.

But I'm in agreement with the Member who indicated that cyber terrorism should be included in this Bill as a separate issue because that is a threat to our country, our nation and our wellbeing and certainly should be dealt with and have sanctions that would be separate from those that are there for just cyber crimes.

I also wanted to speak to the issues relating to the crimes committed by children, those children between the ages of six and eighteen, those persons who sometimes accidentally caused mischief, not necessarily because they sat down and preconceive that they were going to be causing any trouble, but by just surfing the net can get themselves into trouble. How do we determine the kind of sanctions that we would issue as it relates to children and minors? And most of these crimes, a lot of times, are committed by children by virtue of the fact they are on the web for an inordinate amount of time.

There is also the issue, Mr. Chairman, as it relates to the readiness of our judiciary and the

readiness of our law enforcement at this time. Certainly they would have to become more cyber savvy, I believe, our judges would have to be exposed to the necessary intricacies of the web and surfing, so that they would be able to be in a position to better understand what crimes they are certainly faced with and that as we go along the criminal activity might increase, because certainly, the human mind is unfathomable and when it comes to the net, we find everyday, certainly new technologies are emerging.

There is also though, Mr. Chairman, the responsibility of the citizenry and we have a responsibility. So while we cannot completely eradicate these acts of criminality, certainly we have a responsibility, like we do with all other crimes that we face in our society, to protect ourselves as citizens and not to overexpose ourselves, so that hackers can take advantage of us on the net and so that we can protect our identity, protect our bank accounts and so that we can be better able to ensure that we can enjoy the technology that we now currently have and that it does not make of us victims, rather than good users.

So in all and all .I really believe that we, in principle, support this Bill wholeheartedly. It is timely, it is important; I just believe that we need to address those matters. (Applause)

The SPEAKER: Thank you, Mrs. Neita-Headley. Mr. Stern.

Mr. STERN: Mr. Speaker, given the current and future threats posed by cyber crime both globally and within our shores of Jamaica and the Caribbean, the Cyber Crime Act at this time is very necessary and essential.

According to a *2010 Cyber Security Watch Survey* sponsored by the Dallas Centre of Security and Private Solution, published just last month, between August 2008 and July 2009, 37% it found, that the respondents experienced an increase in cyber crimes compared to previous years. That is a great increase over previous years, 37% increase.

We in Jamaica have our own problems, especially the Lotto scam in Montego Bay, as my fellow colleagues are experiencing. And as one directly or indirectly - Internet fraud also is a major concern. This is even leading to murders. All of this means that Jamaica has to be exceptionally vigilant, that we have to ensure that there is adequate provisions of the Act to proper enforce it. And what I mean by enforcement, is that the Act could actually be passed and the persons to implement it don't understand how to implement the law and use it to its fullest potential.

Mr. PICKERSGILL: Yes, yes, good one, good one.

Mr. STERN: We have to ensure that proper training is put in place when this Act is provided and the proper awareness in the public's eyes, in order to make sure that this Act really serves its purpose. Because many persons do not know the securities that are behind credit card holders; many persons do not know how to secure their software development; companies have not put in security mechanisms within their establishment to protect their systems; the government offices are not doing enough to protect their offices; systems are not put in place in the government's structure; and public and private to ensure to cut back on these crimes.

So it's not just the Bill, but persons have a personal responsibility to protect their assets and their wellbeing. (Applause) So yes, we

have a threat to the ICT sector and they are taking measures as my senior Member said to you awhile ago, they are taking steps to protect themselves and the jobs that are in this sector which are very essential, this Bill is part of why we need to help to protect these jobs and to have more of these jobs coming to our shores.

And in many cases cyber crimes go unreported. Many times persons don't see it as relevant and they just go back and retrieve back the information and the data, but many times it's somebody who sends some spams or some things to their computer in order to destroy their information.

Cyber crimes in today's world is a criminal offence in some countries, and l would like that the Bill be recognised as such, and a mere organizational breach, right, in some companies need to be recognised also as a criminal offence and must ensure especially that within our public sector, a plan for reporting and responding to cyber crimes, an awareness programme be set up in our public sector to deal with this, in addition to protection offered under the Act.

It is not just the outsiders who invade organizations with viruses and worms, my colleagues but, Madam Speaker, the other malicious code, phishing and spyware that we are - many times it comes even on our television network warning of spywares and destructive forces out there. The guard against, but equally so, the insiders who have access and may gain unauthorized access to use information systems and networks of stealing intellectual property is one we should take seriously in Jamaica, because we have a strong brand and many of our brands are going to be electronically valuable and, therefore, we need to make sure that we protect our intellectual property values. We need, therefore, to protect our systems from both insiders and outsiders, also examine the appropriateness of requiring that individual organization put in place the appropriate securities systems and conduct organizational periodic penetration tests of their systems; implementing periodic security education and awareness programme for employees, regular communication about security from senior management, taking steps to identify insider threats.

And while there is no guarantee in determining cyber crimes, implementing the Cyber Crimes Act will help to provide strong protective barrier and increase our online presence and confidence and we are now armed with the necessary legislation that, this Bill will arm us with the necessary legislation that will help us to use the court to punish those that use electronic data to commit criminal acts. And I do want to state, ladies and gentlemen, my strong support for this Bill. It might not cover every angle today but over time with the changing technology, with the changing technology because it changes on a timely basis, we will have enough time to make adjustment on an annual basis where there is need to be an adjustment, but we have to have a starting point. We have to have a starting point, if we don't start now - and we can come back maybe during the course of the new financial, the new year, and make adjustment to this Bill, but we need to start somewhere so that we can save jobs and we can secure our valuables out there and assets. So I want to express my support for this Bill and for the passing of this Bill.

Thank you. (Applause)

Mr. HOLNESS: Madam Speaker, I too would like to join the chorus of support for this significant piece of legislation.

Mr. PICKERSGILL: You weren't supporting his speech the last time.

Mr. HOLNESS: Madam Speaker, the information age is generally accepted to have started approximately 30 years ago and the distinction between the Industrial Age and the Information Age is that more property, more value is being held in intellectual property and information.

In the Industrial Age, Madam Speaker, capital was the key towards generating wealth. In the Information Age it is information that is the key towards generating wealth. And information, Madam Speaker, is captured, managed and the term that is used is mine, we mine information for value and all of that is made possible by the use of the computer. And I think that the Bill adequately captures the essence of what a computer is without being technology specific. And therefore my interpretation of the definitions, Madam Speaker, is that it would encompass all that we know a computer to be, including the laptop, the desktop, the smartphone, the microprocessors that are used, and I would say indeed any other new forms of technology that may arise as long as they involve the whole process of automating algorithms and processes. So, Madam Speaker, from that perspective I am satisfied that the Bill captures adequately the idea of computers.

The Bill, Madam Speaker, also captures in my mind the mischief that persons would want to use computer technologies to create. The business of intruding in persons' private affairs was raised by the Member from Manchester. This Bill - it was raised from two perspectives: one, in the transmission and broadcasting of inappropriate material which really trespass upon the privacy of persons.

Mr. BUNTING: You raised it, which section?

Mr. HOLNESS: No, you have raised it in two perspectives.

Mr. BUNTING: Okay.

Mr. HOLNESS: From that perspective this Bill would not address that.

Those areas in my mind would be covered under the Child Pornography Act and under other pieces of legislation which cover obscenity and broadcasting obscenity. What this Bill seeks to cover is someone maliciously trying to enter into someone's computer to either adjust the programme, steal the data that resides on the physical hardware.

Mr. PICKERSGILL: Is it only maliciously?

Mr. HOLNESS: Well.

Mr. PICKERSGILL: This says it's more than malicious.

Mr. HOLNESS: It's more than malicious but the Bill adequately captures the person who does this with malicious intent. Now, Madam Speaker, it is critically important if we are going to be using information as the key towards generating wealth in the information age that we have the appropriate legislation to protect it and this is what's presented here, the necessary legislation to protect information.

For us in education, Madam Speaker, it is of critical importance. Very soon the Ministry of Education will be moving towards introducing an Education Management Information System, which will effectively see every child being documented and all the records of those children being kept on a server. So technically, Madam Speaker, we

will have information for every single Jamaican child in the education system starting probably 10 years in the past going forward, that kind of information.

Mr. BUNTING: Public education?

Mr. HOLNESS: Public education or any child that interacts with the public system, even if they are in the private system they may sit a public exam.

(*Sotto voce* remark by Mr. Bunting)

Mr. HOLNESS: Right. They may be in a private institution and sit a public exam. Now we have always had that concern but, of course, the information was stored on paper locked away in a vault somewhere. The portability of the information in using computer system is such that with a simple device like this (holding up a thumb drive) which we call, some people call it a thumb drive or jump drive, you could move with the entire database of a nation. And so, Madam Speaker, the more we move towards storing data on computer systems the greater the urgency would be to have legislation to protect those systems. So, Madam Speaker, I am very happy to see the legislation being brought here and I give it my full support.

(The Speaker returns to his seat at 4.15 p.m.)

The PRIME MINISTER: Mr. Speaker, I want to now thank those Members who have contributed to the debate. There are a couple of points that were raised which I think we could dispose of relatively easily. The concern that was raised by the Member for Central Manchester about the extent to which the definition took into account things like cell phones and the amazing things that cell phones can do, the truth is it anticipated that. As a matter of fact, I mentioned that the definitions were broad, were deliberately made broad in order that the legislation could, in essence, be technology neutral. So it has a definition here of computers, for example, that would not pass an information technology test because they would say this is not a definition of computer, but it has been so broad. It says here a computer means any device or group of interconnected or related devices which pursuant to a programme performs automatic processing of data and includes any data storage facility or electronic communications. So, for example, as you know, right now you can have storage on the Internet where you can store your files. Under this it means that if you have uploaded it to some Internet storage that may be up in outer space, that is still caught within the ambit of the legislation. As a matter of fact, so broad it is that it goes on to say it only excludes those devices that the Minister may specifically identify and prescribe. So it covers everything and it is for the Minister to decide by order what that everything does include and to specify what it doesn't include.

There was a concern that was expressed, too, about the use of phones particularly dealing with pornographic stuff. That really was what we addressed in the Child Pornography Bill. What this will do is that this will provide support for enforcing that Bill because it now captures the means by which some of the pornographic offences were being committed. There was an issue that was raised . . .

(*Sotto voce* remarks by some Members)

The PRIME MINISTER: I am coming to that. There was one other issue that was

raised and I thought I had a note on it here, l don't. I can't find the note. If I do find it I will return to it.

Insofar as terrorism is concerned, the point made by the Member for West Central St. James is an interesting point. I have not the chance to consult with the law officers. My own and I am, as you appreciate, I am not a lawyer, but my own preliminary thinking would be that that perhaps would be more properly located in the Terrorism Prevention Act in the same way that the Cyber Crime Bill is really providing a means of tackling the means that are used to commit the crime, and the crime may very well be fraud which is already a crime, but what we are doing is now the use of the technology to commit that crime is itself an offence. I would think if we are talking about terrorism then what we ought to be doing is making the use of this technology to do the terrorism. That's an offence but the terrorism itself must be an offence and what we perhaps need to do is to do some synchronizing between this Bill. That's a top of the head response. It is something that l will seek legal guidance on. I am going to ask the House to pass it appreciating that it has to go to another place and if in the course of the discussion…

Mr. PICKERSGILL: It's coming from there.

The PRIME MINISTER: Oh, it's coming from there.

MEMBERS: Yes.

The PRIME MINISTER: Why did I think that we were initiating it here?

Mr. PICKERSGILL: When it comes from there you can send it up there.

Government MEMBER: They took it here first.

The PRIME MINISTER: Oh, I see. I am going to ask the Member to allow me to take some guidance on that.

He raised a matter here, Mr. Speaker; he was proposing that a defence be inserted for the use of unsecured Wi-Fi networks. And I am advised that this would not necessarily be wise because major acts of fraud have been committed using unsecured networks, and as was pointed out it is the responsibility of the Wi-Fi network to secure it. But it is not the use of the unsecured network that is the crime, is it?

A MEMBER: No!

The PRIME MINISTER: It is what you use it for - the purpose for which you use it.

(*Sotto voce* comments)

You want me to yield?

Mr. MULLINGS: Thank you, Prime Minister.

The concern is where a person - because the section speaks about facilitating, and so on - where a person comes into possession of information from another computer by virtue of an unsecured network. So, I am utilizing the network, someone has access to it because it bleeds over, for want of a better expression, into another computer, unwittingly so, does my possession of that - because my access is unauthorized, but it is not illegal...?

Mrs. NEITA-HEADLEY: It is not intentional.

Mr. MULLINGS: There you go, it is not intentional.

The PRIME MINISTER: The Member could perhaps advise me or you, Mr. Speaker, if you are allowed to do so, whether in a situation like that, that is not a defence that is arguable before a court.

Rev. THWAITES: No *mens rea.*

A MEMBER: There is no *mens rea.* No offence.

The PRIME MINISTER: Mr. Speaker, perhaps, if the Member feels it is sufficient to propound a point, what I would ask the House to do is allow me to suspend the debate let me take advice on it...

MEMBERS: Yes, yes!

The PRIME MINISTER: ...and then we could return to it. Remember a point I made earlier when we are passing law we must be careful that we pass good law. So, if it is a point of concern, let us at least make sure we get it right. And on that basis I am going to ask that the debate be suspended.

The SPEAKER: Very well, Prime Minister.

The PRIME MINISTER: And to the extent that the response may evoke further discussions, I am closing the debate now - l mean that's what I was doing. We could have those discussions in Committee Stage.

(*Sotto voce* comments)

Well, I am actually on my feet now; I am going to suspend it. But what I am saying no one would be allowed to speak after I do, so what I am saying is that any further discussion that arises from what we get back, we could have those discussions at Committee Stage.

The SPEAKER: Very well. House Leader. The debate is suspended, House Leader.

(*Sotto voce* comments/Laughter)

House Leader?

Mr. HOLNESS: Thank you for the accommodation, Mr. Speaker. Thank you, Mr. Speaker.

I did not say this earlier but, Mr. Speaker, we have secured agreement that the Prime Minister would take - because it is a very important matter that has been on the Order Paper for some time - the Prime Minister will open the debate on the motion - on the Bill: An Act entitled to - AN ACT to Repeal the Police Complaints - the Police Public Complaints Act to make provision for the establishment of a Commission of Parliament to be known as the Independent Commission of Investigations.

The SPEAKER: Prime Minister.

The PRIME MINISTER: We are due any time after next week to take a vote on the Charter of Rights Bill. I mentioned that for two reasons: one is, I gave an undertaking to the Opposition that I would return to discussing the question of the CCJ, and just to indicate that I intend to do so in keeping with that commitment, before the matter is actually brought back here for a vote. The intention, of course, being that we can take that vote with sufficient time to allow for the Senate to take up the matter, have their debate and have their vote before the prorogation of Parliament, which is going to be sometime in the week, I think, beginning 22nd - 21St /22nd March. So we are going to have to move with some dispatch.

But I raise it as well, because in that Bill, in that Constitutional amendment, we sought to strengthen the pillars on which the freedom of our citizens, and the rights of our citizens rest. I think all of us are likely to agree that nowhere has the issue of abuse of the rights of the ordinary citizens been brought into sharper focus, and more recurringly than in the frequent allegations of police brutality, of excessive use of force, many instances resulting in fatality. And even where it does not, even where it does not involve injury, Mr.

Speaker, just the sheer downright, class abuse and disrespect, and it is a matter that we cannot ignore.

I am going to give you an idea, Mr. Speaker, of the statistical depiction of the problem without necessarily making an indictment. In 2009, there were 263 fail shootings by the police; 2008, 245; 2007, 296; 2006, 244; 2005, 192; 2004, 128. Now, in fairness, let me just correct myself. I am giving you total fatal shootings, some of them involve security guards. For the police, 2009 263, but for 2008, 224; 2007, 272; 2006, 227; 2005, 168, 2004, 108; 2003, 113; 2002, 133; 2001, 148, 2000, 140; 1999, 151. And that is as far back as the data that I have before me goes.

It is an all too familiar scene, Mr. Speaker, an incident occurs, somebody is shot, demonstrations erupt, there are accusations, people cry for justice. Many of us in the public are quick to jump to conclusion. We either jump to the conclusion that the police were wicked, or we jump to conclusions that whether he was found with a gun or not he is a criminal and therefore, he deserves no sympathy. We cannot leave, not just such an important area of law enforcement, but such an important issue of justice and whether justice has been done, to be left to conjecture, to controversy, or to the kind of processes to which we have been accustomed where some investigation is carried out, it may be completed, it may never be completed but it is never done in a way that commands confidence among the public.

Now, every State finds it necessary to empower law enforcement agency (to) use force when necessary. But in the case of Jamaica - it may not be the same in every State – in the case of Jamaica, our Constitution and our laws provide rules that such force must be used only when necessary and only to the extent and to the severity that is necessary. There is a principle of proportionality in the use of force. And there are instances, Mr. Speaker, where the use of force, the use of deadly force, may well not be avoidable. Let's be honest about it. There are some people out there that have, not just that capacity but an inclination towards viciousness of a kind. And even as we proclaim their innocence until found guilty, even as we recognize that their human rights are no less valuable and no less deserving of protection than that of you or me, or anybody else, at the same time, let's not powder-puff them.

Last year, 11 members of the police force died at the hands of gunmen. The year before that, it was 12; in 2007, 19, and I could go back but it has been in double figures for every year since 1999. And therefore, we have to recognize the challenges that confront the police. And those of us who sometimes are swift to condemn them, particularly because so many of them can give us such substantive reason to condemn them, for those of us who are swift to condemn them, doing so from the comfort and safety of our well-fortified premises, must understand the dangers that they have to face out there, the kind of training that we must provide them to enable them to face those dangers, the kind of leadership that they must be assured, in order to provide them with the support and the direction that they need.

And it is precisely because of the severity of the threat that they face, that they are vested with powers, powers to draw a gun, powers to squeeze that trigger. The authority, if

necessary, to use that weapon in such a way that the life of a citizen may be taken. But they must be required to do so lawfully, with due care, in accordance with the training that they are given. And importantly, they must, at all times, be held and be prepared to be held accountable for their actions. And they must understand that when you go out there and you face a situation and you have to make a decision for which you are trained to think fast, understand that you accept responsibility for the decision you make and the consequences of that decision, and you are going to be held accountable.

There is strong evidence that excessive force is commonplace. There is strong evidence, Mr. Speaker, that extra judicial killings are not a figment of some imagination, are not the bleatings of some human rights organizations. These are real things that happen. And the rights of citizens, especially the poor and the powerless, are too often trampled, too often disregarded in the midst of disrespect.

It is often contended that the members of the police force who behave in this way and who cause the force to be discredited in the eyes of many members of the public, it is often contended that they are a small minority. I don't think that any of us or any of those who refer to this small minority have ever made any attempt to quantify. But it is a sufficiently large minority and it's a minority that's sufficiently frequent to tarnish the image of the entire force.

As I said before, the society tends to be ambivalent, turning a blind eye. These are criminals anyway. Collateral damage is something that you can hardly avoid. It must be a matter of concern, Mr. Speaker, not just to Human Rights organizations but to all of us. My rights can never be secure and sacrosanct if yours are not. And securing the rights of citizens is the paramount duty of the State, over and above everything else. (Applause)

A MEMBER: Hear, hear!

The PRIME MINISTER: The other significant implication has to do with the level of trust in the police force. The effectiveness of the police force depends on the confidence it commands and the extent to which that confidence is used to elicit the support and cooperation of the public.

In our dispensation - it's not so in others - but in our dispensation, crime has to be punished through due process. Due process involves evidence being presented, that evidence being tested, a judgment being handed down and punishment being carried out.

The evidence cannot lie solely on the victim. We cannot rely only on the victim to provide the evidence because in many instances the victim is dead. The police often cannot be the main or any source of evidence because the police may not be there when the crime takes place. Somebody kicks down your door and murders somebody in your house, the police is brought. If the person was alone at home, there is no witness there. The police comes, the police takes whatever evidence they can find. But the police cannot say I saw.

We are relying increasingly on forensic evidence and the use of technology such as DNA. But the majority of cases depend on independent, uninvolved witnesses coming forward, persons who don't have any direct interest in the matter. It is not my brother you killed. I was just walking and I saw when you did the thing and you killed the boy. I don't

know the boy. I may not have any interest in the boy. But the successful prosecution for that murder may depend on my evidence. And I am likely to be unwilling to come forward to - because I can afford not to get involved. Why do I want to get involved? To get them involved is sufficient of a challenge.

But if on top of that they are mistrustful of the police, they are not sure whether they can rely on the police. If their opinion of the police is that they themselves, or among them are to be found lawbreakers, that they have themselves been involved in incidents of this kind, then they are not likely to be inclined to come forward, Mr. Speaker. And ultimately, even as we try to build professionalism through training and supervision, if you don't support that, if you don't backstop that with a system of accountability, if you don't build public confidence by institutionalizing that system of accountability. So that not only the police knows that they have to account for everything that they do, the public must be confident that the police are required to account. And therefore if they violate there is a process that is going to correct that.

We've had for a long time concerns expressed. I have expressed it. Members of the public have expressed the concern about the police investigating themselves. And there is public resentment towards that. There was early recognition of the unacceptability of that. And that is what gave rise to the establishment of the Police Public Complaints Authority which was established in 1992. But in actual practice, the Police Public Complaints Authority monitored the investigations, in practice. It is the Bureau of Special Investigations which actually did the investigation. And the Bureau of Special Investigations is a department of the police. I'm not casting any aspersions on them. I know some of the people who have been involved. I think Superintendent Gauze, for example, is a committed, dedicated officer and I know he tries. But the principle of the police force investigating a matter involving a member of the police force...

I commend that team of police personnel who happened to have been travelling along Mountain View and who had reasons to be suspicious. I commend them because the information I have suggests that it was the policewoman herself who, more this anybody else insisted, no, let's check out this one here. And that's when they discovered that one of the persons who became of interested them was a police officer of senior rank. There are some police persons who would have felt, listen nuh, boy, don't go there. On this case, they said no. They said we are doing our duty. And I commend that. (Applause) But how many instances might there not have been when somebody is investigating something quite genuinely, quite conscientiously, and all of a sudden you buck up somebody who was supervising you at the last station where you were assigned. And how many of them are likely to say, hold on, no, no, no! And you will always run into that.... Or, if it's not fear, because of seniority, it is acceptance or condoning, because of familiarity. And you cannot avoid that problem if the investigating agency is from the police force itself.

I would not be one of those who say that the BSI has not made some impact. As a matter of fact, the BSI was established in 1999 and since that time their investigations have led to the arrest of 231 members of the police

force, 231. So, I wouldn't want the impression to be given that they have not had an impact. But the principle is still there and the level of public confidence is still weak. Many members of the public see the BS1's intervention as appellative. And the proof of every pudding is in the eating. It has not stemmed the incidence of alleged abuses and it has not restored public confidence.

The current arrangement, Mr. Speaker, in terms of the deficiencies that we are now seeking to correct, as I said before, the PPCA, the Public Police Complaints Authority, although it is an independent authority in terms of how it was conceptualized, ends up still relying on the police for the investigative capability. It has never been equipped to carry out investigations itself even though it has the power under law to do so. But it has never been provided with the resources to do so.

Another deficiency was that it was confined to the police force, so that if the abuse was committed or alleged to be committed by a member of the Defence Force or a member of the Correctional Services it wouldn't apply to them. In the new Bill what we are seeking to do is to bring all of these agents that exercise police powers which include Correctional Officers, it includes members of the Jamaica Defence Force, it includes Customs Officers; they do have police powers. It includes officers of the Financial Investigation Division. And therefore, all persons who exercise police powers where they can arrest you, they can detain you lawfully, we are saying that all of these must now be brought within the ambit of the accountability framework that we are seeking to establish.

There was also some ambiguity regarding the role of members of the PPCA. It provides for three persons one of whom is to be the Executive Chairman. I'm never quite sure what the Executive Chairman's title meant because I don't think anybody has ever really been fulltime as chairman of the PPCA. Rule 8 of the First Schedule says that:

> "The Executive Chairman shall be responsible for the supervision of and direction of the work and staff of the authority and carry out such functions as are assigned to the Executive Chairman by or pursuant to the Act."

That has never been clearly defined and clearly understood. It lacked any provision for public information. So once the BSI took up a case they could just lock it up and that was the end of it. You did not have to hear anything more about the case. Under the new Bill there is a requirement that not later than 30 days a report has to be made to indicate what is happening with the case and subsequently if the investigation is not concluded within that time, periodic reports will have to be provided.

In the new Bill, if I could just indicate how it is structured. First of all, Mr. Speaker, we are going to repeal - it seeks to repeal the Police Public Complaints Authority Act. As I indicated before, it is going to be applicable to the Police Force, the JDF, when acting in support of the police, the Correctional Services, other public officers as may be specified who exercise police powers, such as Customs and FID.

It was originally proposed that the Commission would consist of a Chairman and Deputy Chairman, I think arising out of discussions, maybe at the Joint Select

Committee or in the other Chamber, I'm not sure, and it was decided to change that to a Commissioner and Deputy Commissioner.

The investigative functions are going to be squarely placed upon the Commission. So that the Commission is not monitoring and supervising anymore. It has the statutory responsibility to carry out the investigations, and that is actually set out in Section Four of the Bill. This will not preclude the police from carrying out their own investigations. It could not. I mean, if for example, somebody is shot, that may be a crime. And therefore, the police has its own responsibility to investigate that matter. Insofar as the abuse of rights aspect is concerned, that responsibility rests with the Commission. And the Commission will have power under the law to instruct the police in relation to the investigation. The commission can very well say, take no further action on this matter because we are dealing with it.

Mr. BUNTING: Very important.

The PRIME MINISTER: They are going to be able to interpose their authority. They are going to be able, for example to, in consultations with the Commissioner of Police, to develop a scene of crime protocol. This is what is to be done when any incident that involves one of these agents of the State, this is how… And I'm going to come to some more details in relation to that in a short while. It provides powers, Mr. Speaker, for the Commission to ensure the preservation of evidence. And that is set out in Section 23 -

> *"A requirement for the Commissioner of Police to ensure appropriate measures to preserve crime scenes pending the arrival of the Commission's investigator."*

So the Police now case that this is a case that involves an officer of the State you preserve that crime scene, you don't make anything move until the Commissioner of, this new Commission, until the Commissioner's representative arrives to whom the police will be required to report.

The power to take charge and preserve the scene of any incident - that is provided in Section 4 subsection 2(b).

Section 11, Mr. Speaker, deals with the nature of complaints. I will spend quite a bit of time on this because it is important to find out how can the investigations to be carried out by this Commissioner be generated. Somebody has a complaint because some officer came and kick down the door and beat up the son, and so on, how do you get the process of investigation started? In Section 11 we have provided significant room for the generation of complaints, but we have had to provide as well some measures to deal with frivolous and malicious complaints. Because we must recognize the possibility and the reality that in some instances the complaints may be malicious. So it's set out in Section 11 -

> *"A complaint may be made to the Commission by a person who alleges that the conduct of a member of the Security Force, or any specified official, resulted in the death or injury, involve sexual assault, involve assault or battery, resulted in damage to property, or the taking of money, although not falling within any of the preceding paragraphs, is in the opinion of the Commission of a grave or exceptional nature."*

So it does provide the Commission with

significant latitude in terms of what it can accept and act upon as a complaint.

There are in fact - and I really wish to apologize. I do apologize, because I omitted to have done this earlier. (document passed to Opposition) We are not closing the debate today. There are some amendments to the Bill which have been developed and which we are going to provide to you so that you can take that into account before you finally respond.

There is provision, Mr. Speaker, in the Bill. I mentioned before the obligation to report to the Commission. If you look at Section 12, Section 12 says –

> *"The responsible head or the responsible placer, haying been made aware of an incident which involves the relevant public body, shall make a report to the Commission of the incident"*

So it's no longer the public alone that must find their way to the Commission to make a report, if an incident occurs involving one of these officers of the State, then the head of - his supervisor - the head of his department, whoever is responsible for him, has a duty - in fact the person involved himself has a duty to make a report to the Commission. And these are time lines. If it involves death or injury the report must be made immediately. In any other circumstance the report must be made within twenty-four hours. There is a specific obligation on the part of the officer involved, as I indicated, the officer involved to ensure that the report is made to the Commission and the Commission shall require a report to be made where public confidence issues arise. Now again we are providing another ledge on which we are trying to build public confidence. Because here it is saying that "the Commission shall", not "may" not giving the Commission any discretion –

> "*Where public confidence issues arise the Commission shall require a report".*

So if there is a demonstration where it is obvious that the issues of public confidence have been called into question then the Commission is required by the law, by the provision in the Bill to require that a report be made to it of whatever is the incidence that gave rise to that expression of lack of public confidence.

There is provision as well, Mr. Speaker, for informal resolution, for mediation, for dispute resolution - Sections 16 to 17. Let us say that an officer does something and let us say that it was possible that it was due to some provocation, it was due to some misunderstanding, it's a matter that can be settled by mediation rather than by charge and trial, and so on, there is a provision for that. As I said, Sections 16 to 17.

Submission of reports and information to the public. I mentioned that before. There is time bound report. If you look at Section 18 of the Bill, the investigator is required to submit a report within thirty (30) days and if he can't do so within thirty days he must request an extension to be granted by the Commission.

And then the question of notifying the Press, there is provision that's not time bound. It's to be made at discretionary intervals. As a matter of fact, I wouldn't be averse to an amendment that suggests that that must be done at least - by every two months, no later, rather than leaving it ultimately to discretion.

There is provision, Mr. Speaker, for the power of the Commission to pursue corrective action. Now the Commission carries out an

investigation, the Commission makes certain findings, it makes recommendation to the relevant officer - be it the Commissioner of Police if it's the Police, Chief of Defence Staff if it is the JDF.

That authority is required to respond within a specific time to the Commission to say what action has been taken. Now let's be clear. The Commission cannot instruct the Commissioner to take the action, it makes a recommendation. He says, I believe that in this case the following actions are to be taken. The Commissioner, in the case of the Police Force, is required to respond within a specified period to the Commission to say I have received your report and your recommendation, this is the action that I am taking, or I am not taking action, for whatever reason. And if he decides not to take action, as I indicated, the reasons have to be given.

There is a requirement, Mr. Speaker, in this for Parliamentary review. I think it is in - I don't have ***mi*** notes here, but it is a requirement for the Bill to be reviewed after three years, first review after three years, to be reviewed periodically, and the first review is to be done after three years. It's a new thing that we have been putting in legislation in recent times to ensure that the good intentions that we may have had, when we were formulating the legislation, are achieving the purpose for which they were intended.

The SPEAKER: Section 38.

The PRIME MINISTER: Section 38 - I thank you, Mr. Speaker - where there is provision for review from time to time by a committee of both Houses of Parliament appointed for that purpose. The first such review shall be conducted not later than three years after the date of commencement of this Act.

I should also have indicated that the Commission is to be a commission of Parliament. There were some discussions as to how the Commission was to be appointed, because I think the original proposal was to be appointed by the Governor-General on the advice of the Prime Minister after consultation with the Leader of the Opposition. When it got to Committee stage they felt that it ought to be appointed through the Public Service Commission, and I support that view. And that's how the appointment now is to be made now, as I understand it. And that's a view that I also support.

The Bill, Mr. Speaker, has benefitted from wide consultation. There was a joint Select Committee that I think had certainly over ten (10) meetings. It benefitted from the deliberations there. During that period there were submissions that were made by various interest groups, Human Rights bodies. The Police Federation, they raise concerns. A number of the concerns - it would take me too long to go through all of them. For example, the concerns that were raised by the Police Federation I made a note of them here, it's a page and a half. They raised thirty-six points. We have accommodated some. There are some that were not accepted. Jamaicans for Justice raised a number of concerns. The majority of their concerns have been taken on board. There may still be issues that are outstanding. They raised what, twenty-two issues. And then more recently, in January of last year, they raised an additional twenty-four and then they subsequently raised another four. Most of those have been taken on board.

So that, it has benefitted from wide consultations, wide input, and I think that the quality of the Bill as being presented now to the House has been enriched as a result of those discussions.

The final point I would want to make, before closing the introduction of this Bill, has to do with cost. I recall seeing some writing in the Press that what we were seeking to do is setting up this new elaborate thing that was going to cost a lot more money.

Oh, I am being told, the Commission is appointed by the Governor-General. Oh, I see. Okay.

(*Sotto voce* comment by a Member)

The PRIME MINISTER: No, I think it's appointed by the Governor-General after consultation, but he has the ultimate decision. That's my understanding.

(*Sotto voce* comment by a Member)

The PRIME MINISTER: Yes. He has to consult with the Prime Minister and the Leader of the Opposition but ultimately he doesn't act on the advice necessarily of either.

The point relating to cost, Mr. Speaker: It is estimated that the new Commission, structured as it is, it is intended to have five (5) divisions. Each division will be headed by a - I don't remember the nomenclature - but a Chief investigator. We may want to - I am pausing, because in the public sector transformation that is being developed - and I would say, as my Cabinet colleagues know, I am very, very impressed with the work that they have done so far, very, very impressed. But one of the things that they sought to achieve was to have the divisions, administrative divisions, in Jamaica, standardized. What we have now is the police have one set of division, Education, Ministry of Education has another, Ministry of Health has another, and it creates a lot of confusion, and I think that they have got substantial consensus among the various ministries about just having a standard set of divisions that all government entities, whether it is the SDC, Ministry of Agriculture, would work with those divisions. So that may impact this. But it will have, these divisions, the investigators at those divisions, it will have a director who is in charge of the investigations and to whom they will report.

All of this, Mr. Speaker, we expect is going to cost us - it's projected to cost $219.6 Million, annually. How will that be funded? Remember that the Police Public Complaints Authority is going to be replaced by this. That entity currently has a budgetary provision of $90 I think it's $92 Million. The BSI, which it is also intended to subsume, most certainly the functions, it has a budgetary allocation of, I think, under a hundred but the actual expenditure to date which I checked this morning is something like a Hundred and Twenty-four. When you combine those two you're talking about sufficient funds to cover the cost of the new Commission and, therefore, it won't be any additional fiscal burden on the Government. They had a budget, the BSI had a budget of $93 Million, expenditure so far is $133 Million up to January, I presume.

But it's an important commission, Mr. Speaker, it's an important initiative, it's an important measure that's intended once and for all to place within the hands and the authority of an independent body that takes no direction from the police; is not dependent on the police for its authority or even for carrying out its function. It will have that ultimate authority to

investigate these matters. I think it's going to give us an opportunity to place our policemen and women and our other officers, military, correctional services, other persons exercising police powers, will place them in a situation where they ought to be made more comfortable, where they ought to feel that they are no longer going to be looked at with suspicion, they are no longer going to be accused of things that they're really not guilty of because there is now a body that can investigate and that can make a determination and can do so in a manner that is objective and that commands confidence.

It is not something that will be transformed overnight. Public confidence has been so badly battered over many years that it is going to take time to build that level of public confidence; but I believe that we are providing an institutional framework here that gives it a chance. And if we pursue it and if we support it and assuming, as I have every confidence to assume that the persons who will be manning and womanning this entity are persons of integrity, persons who will work conscientiously, I believe that we can make a significant advance, a significant leap forward in restoring confidence in public institutions and in particular, in restoring confidence in our agents of state that exercise these awesome powers that we have to entrust to them.

Mr. Speaker, I commend the Bill for the consideration of the House.

(Applause)

Mr. HOLNESS: Mr. Speaker, we will suspend further debate on this matter. It is of clear importance and I'm sure other Members would want an opportunity to participate.

We have one final item to deal with at Public Business. The Member from Central Kingston had placed a resolution on the Order Paper and I believe the Member would want a chance to say a few words on that resolution, before. I believe he may want to withdraw it.

The SPEAKER: Reverend Thwaites.

AIR JAMAICA – RESOLUTION (WITHDRAWN)

Rev. THWAITES: Thank you, Mr. Speaker, I do intend to take a certain course of action but I crave your indulgence and that of the House before doing so. And since I'm on my feet, Mr. Speaker, two small matters. Just *apropos* to the previous matter raised by the Prime Minister. I feel obliged to...

The SPEAKER: You're not going to speak now on it though?

Rev. THWAITES: No, but I'm going to mention an incident of public notice, where a person of unsound mind was killed in an interchange with the security forces and this raises the great importance of this particular issue. I say no more.

Secondly, Mr. Speaker, I recall an intent yesterday for the Standing Orders Committee to be the subject of a particular motion. I would like to ask the House Leader if he proposes to move it because it's very important that we should be able to resume that Committee.

The SPEAKER: Yes.

Rev. THWAITES: The issue at present has to do with Private Member's Motion No. 4 reading as follows:

> Whereas Air Jamaica is owned by the people of Jamaica and is crucial to Jamaica's tourist industry, the export sector and domestic usage:
>
> Be it Resolved that Government

instruct the preparation of appropriate business plans showing a clear profit path and as an alternative to sale of majority interest in Air Jamaica to overseas interest, first seek the equity participation of primarily local tourism interest as well as the local investment community and thereafter foreign investors.

Mr. Speaker, the motion was moved on Tuesday the 15th of July, 2008, today is the 10th of February, 2010, and it goes to the issue of our parliamentary process and also being seized with the importance of these issues; because while the statement of the Prime Minister earlier has largely overtaken the intent of this Resolution, I'm obliged to note that had this been taken at the time it may well have been that we would not find ourselves at the paths we now do.

It is true, as the Prime Minister indicated that there was an expression of intent prior to this Resolution and that everyone, anyone would have had the opportunity to respond. But, Mr. Speaker, I believe that the significance of Air Jamaica, which is clearly set out in the Prime Minister's own allocation, ought to have allowed us to have a particular approach to persons and for an initiative which was not taken to have been taken, to encourage the investment community in Jamaica, not just to be at liberty to do that which they were invited to do but rather to have instigated it.

(Applause)

And, in fact, Mr. Speaker, attention should be made, attention should be given to the proceedings of the Appropriations and Public Administration Committee of Parliament, which paid significant attention to this issue and was assured of the attention by government and the viability of the business plan that they had put forward in this regard. And it is, to say the least, a pity that so much time has allowed to be elapsed. This Parliament, despite the huge financial obligations that were increasing over this period, has not seen it possible to deal with this motion until in fact it has become otiose.

Mr. PICKERSGILL: Has become what?

Rev. THWAITES: Otiose, O-T-I-O-S-E.

The best thing that we have heard today is that the name and the brand of Air Jamaica are not to be sold and to be removed from Jamaican hands at this time; and one has to entrust and hope that indeed from the ashes of the old Air Jamaica the same investment initiative which is being so avidly promoted in many other areas of national life, may in fact find its place.

I respect the fulsomeness of the answers given to the questions posed when the Statement was made earlier, but I still wonder whether if there is a delay in the signing of the agreement with Caribbean Airlines, assuming it materializes beyond a nonbinding Letter of Intent, will this impact on the IMF review under the terms of the loan agreement? This is a most important issue which I crave some clarification on.

Make no mistake about it, Mr. Speaker, the importance of Air Jamaica in respect of those who use it for commercial purposes, the whole class of persons who have been empowered by being able to buy and sell with goods that they have been able to bring on Air Jamaica is not to be gainsaid. This is a serious issue for the people of Central Kingston and I believe for many, many other communities across the island.

It is undoubted that the issue has now resolved into a purely economistic one but there are these many other issues which I think could have been dealt with in another fashion, had we acted when certainly some Members of this Parliament and indeed the very Management and Board of Air Jamaica, saw that it was heading in a certain direction and needed great local attention.

Mr. Speaker, the Prime Minister in his speech referred to the emotion that attends Air Jamaica as it soared to wuthering heights. And, Mr. Speaker, you will recall and the Honourable Prime Minister will, the origin for that phrase in the memorable novel of Emily Bronte, and one can only hope that the tempestuous and tragic marriage of Heathcliff and Catherine which so dominated that story, will not be the fate of Caribbean Airlines and Air Jamaica.

(Applause)

In the circumstances of the...

The PRIME MINISTER: Mine your goat mouth now.

(Laughter)

Rev. THWAITES: A mere lamb, Mr. Speaker, not a goat.

In the circumstances of the Prime Minister's statement I ask leave of the House to withdraw this Resolution and I indicate that if the arrangements do not mature, as we must all hope and expect 31st of March in the new session of Parliament it would be apposite to renew this Motion and press it forward.

May it please you, sir.

(Applause)

The SPEAKER: Thank you, Reverend Thwaites.

I now put the motion to the House for the withdrawal of the Motion as indicated by the Member.

Motion put to the House and agreed to.

The SPEAKER: I May I just mention, House Leader, under Government Business No. 2, the Member has indicated - Prime Minister before you go, before you go, on this matter just one second. On this matter Order No. 2, if you look at Standing Order No. 2 a Report came to the House from the Standing Orders Committee. After it came the Standing Orders Committee met again and the Prime Minister spoke to the Standing Order Committee which was over a year ago, almost a year and a half. The agreement of the Standing Order Committee rather than withdrawing the Report or put in another Report was for the House to debate that Report, which is No. 2, and for the Prime Minister to present to the House exactly what he presented to the Standing Orders Committee and for the House to adopt what was presented. So the truth of the matter Prime Minister and House Leader, is that this Report has been on the Order Paper for quite some time, for quite some time and it seems to me that rather than the House referring the matter back to the Standing Order Committee I would urge the House to debate the Report, allow the Prime Minister to make his presentation, which he did, similar presentation to the Standing Orders Committee and let us get rid of those matters before you refer the matter back to the Standing Orders Committee. Would that be acceptable, Reverend Thwaites? Because you are proposing a referral from the House to the Standing Orders Committee when there is a matter before the House already from the Standing Orders Committee.

Rev. THWAITES: Mr. Speaker, the route that you propose frankly seems very complicated, but if it is the only way or the best way let's just get it done.

The SPEAKER: Very well.

Mr. HOLNESS: Mr. Speaker, it's not proposed to do any further business today. The Member from Central Kingston, before I move the motion, raised concerns regarding the number of Private Member's Motions that sit otiose, that's the word you used? It means sitting idly...

Rev. THWAITES: Yes.

Mr. HOLNESS: ... on the Order Paper.

(*Sotto voce* comments.)

Mr. Speaker, we have developed a schedule which we have communicated to the Opposition, which will see us sitting for two days per week until the end of this parliamentary year, except for Ash Wednesday, of course. We have basically, Mr. Speaker, placed all the resolutions on the Order Paper into categories and we should have had the first debate today, we have eventually had the withdrawal of one of those very important resolutions, debated and withdrawn. But going forward, Mr. Speaker, it is the intention that we should complete all the resolutions on the Order Paper.

It means, Mr. Speaker, that Members have to approach the business of the House in a businesslike fashion, that's what it means, Mr. Speaker, that we have to approach the business of the House in a businesslike fashion, spend less time, Mr. Speaker…

(*Sotto voce* comments)

Mr. Speaker, having said that we have some very important matters to come as well, which all Members who would want to participate should be prepared. We cannot keep postponing matters and suspending matters.

ADJOURNMENT

Mr. Speaker, with those words, I would now move that the House do adjourn until the 16th of February.

The SPEAKER: Members, the motion before the House is that this Honourable House do adjourn until Tuesday, the 16th of February, at 2.00 p.m.

Motion put to the House and agreed to.

The SPEAKER: This Honourable House stands adjourned.

The House adjourned at approximately 5:21 p.m.

THE HONOURABLE HOUSE OF REPRESENTATIVES

SESSION 2009 – 2010

TUESDAY, February 16, 2010

PURSUANT to Notice of Adjournment the Honourable House of Representatives resumed its sitting at Gordon House, Kingston at 2.15 p.m.

PRESENT

THE SPEAKER

HON. DELROY HAWMIN CHUCK, (JLP), St. Andrew, North Eastern.

MRS. MARISA COLLEEN DALRYMPLE-PHILIBERT, (JLP), Trelawny, Southern, Deputy Speaker.

MEMBERS OF THE CABINET

THE HONOURABLES:

ANDREW MICHAEL HOLNESS, (JLP), St. Andrew, West Central, Minister of Education, Leader of Government Business and Electoral Matters.

ORETTE BRUCE GOLDING, (JLP), Kingston, Western, Prime Minister, Minister of Planning, Development and Defence.

DR. KENNETH LEIGH O'NEIL BAUGH, (JLP), St. Catherine, West Central, Deputy Prime Minister and Minister of Foreign Affairs and Trade.

DR. HORACE ANTHONY CHANG, (JLP), St. James, North Western, Minister of Water and Housing.

PEARNEL PATROE CHARLES, CD, (JLP), Clarendon, North Central, Minister of Labour and Social Security.

DR. CHRISTOPHER CHARLES TUFTON, (JLP), St. Elizabeth, South Western, Minister of Agriculture.

MINISTERS OF STATE

THE HONOURABLES:

WILLIAM JAMES CHARLES HUTCHINSON, (JLP), St. Elizabeth, North Western, Minister of State in the Ministry of Agriculture.

NEVILLE ANDREW GALLIMORE, (JLP), St. Andrew, West Rural, Minister of State in the Ministry of Labour and Social Security and Deputy Leader.

OTHER MEMBERS

DR. ST. AUBYN BARTLETT, (JLP), St. Andrew, Eastern.

MR. LUTHER BARTLEY MONTEITH BUCHANAN, (PNP), Westmoreland, South Eastern.

MR. PETER MURCOTT BUNTING, (PNP), Manchester, Central.

MR. ROGER HAROLD CLIFFORD CLARKE, (PNP), Westmoreland, Central.

DR. OMAR LLOYD DAVIES, (PNP), St. Andrew, Southern.

DR. DONALD K. DUNCAN, (PNP), Hanover, Eastern.

MR. COLIN ALFRED A. FAGAN, (PNP), St. Catherine, South Eastern.

DR. FENTON RUDYARD FERGUSON, (PNP), St. Thomas, Eastern.

DR. MORAIS VALENTINE GUY, (PNP), St. Mary, Central.

MS. LISA RENE SHANTI HANNA, (PNP), St. Ann, South Eastern.

DR. ESMOND VERNAL PATRICK HARRIS, (PNP), Trelawny, North.

MR. IAN DAVE HAYLES, (PNP), Hanover, Western.

MRS. SHARON MERLE HAY-WEBSTER, (PNP), St. Catherine, South Central.

MRS. MAXINE ANTOINETTE HENRY-WILSON, (PNP), St. Andrew, South Eastern.

MR. ANTHONY GEORGE HYLTON, (PNP), St. Andrew, Western.

MR. FITZ ARTHUR JACKSON, (PNP), St. Catherine, Southern.

MR. DERRICK FLAVIUS KELLIER, (PNP), St. James, Southern.

MR. DESMOND GREGORY MAIR, (JLP), St. Catherine, North Eastern.

MR. CLIVE ARTHUR MULLINGS, (JLP), St. James, West Central.

MRS. NATALIE GAYE NEITA-HEADLEY, (PNP), St. Catherine, East Central.

MR. MICHAEL ANTHONY PEART, (PNP), Manchester, Southern.

MR. DEAN ALEXANDER PEART, (PNP), Manchester, North Western.

DR. PETER DAVID PHILLIPS, (PNP), St. Andrew, East Central.

MR. ROBERT DIXON PICKERSGILL, (PNP), St. Catherine, North Western.

DR. DONALD GLADSTONE RHODD, (PNP), Portland, Eastern.

THE MOST HON. PORTIA LUCRETIA SIMPSON MILLER, O.N., (PNP), St. Andrew, South Western, Leader of the Opposition.

MR. ERNEST AUGUSTUS SMITH, (JLP), St. Ann, South Western.

REV. RONALD GEORGE THWAITES, (PNP), Kingston, Central.

MR. FRANKLYN ROBERT WITTER, (JLP), St. Elizabeth, South Eastern.

PRAYERS

Prayers were offered by Reverend Ronald Thwaites.

The House resumed its sitting at 2.15 p.m.

The SPEAKER: Please be seated.

This Honourable House now resumes its sitting.

CALL OF THE ROLL

(See Listing)

The SPEAKER: Members, this afternoon we have the privilege of welcoming to the House some very distinguished guests. First, I would like to welcome on their return to the Parliament, in the Chamber, former Prime Ministers THE MOST HONOURABLE PJ PATTERSON and THE MOST HONOURABLE EDWARD SEAGA. (Applause) I would also like to welcome the Prime Minister of Antigua, the Honourable BALDWIN SPENCER. Welcome. (Applause)

I would also like to welcome the University community. I would like to say - and I am sure I speak for those of us who were present this morning at the funeral of the HONOURABLE REX NETTLEFORD - that the University did Jamaica proud this morning. (Applause) l felt very proud as a graduate and former lecturer of the University today.

But I would also specially like to welcome a former Chancellor, the HONOURABLE SIR SHRIDATH RAMPHAL, (Applause) the present Chancellor SIR. GEORGE ALLEYNE. (Applause) And if I might say I also welcome his wife who I can see in the Gallery, someone with whom I worked in the 80s. (Applause) I also welcome the Vice Chancellor of the University, PROFESSOR NIGEL HARRIS (Applause); the Secretary General of CARICOM, DR. EDWIN CARRINGTON; (Applause) SIR ARTHUR FFOLKES, the Deputy Governor-General of the Bahamas; and a

former member of this Chamber, AMBASSADOR BURCHELL WHITEMAN. (Applause) l also welcome the sitting Senators who are present in the House and also members of the family of PROFESSOR REX NETTLEFORD. (Applause) And I know there are many distinguished visitors in the Gallery, I welcome you this afternoon to the sitting of the Parliament.

ANNOUNCEMENTS

The Clerk laid on the Table of the House a copy of the following:

- Report of the Public Administration and Appropriations Committee of the House of Representatives on its deliberations on the Ministry of Tourism.
- **Ministry Paper No. 14**
  Cabinet Agenda issues January 25, 2010
- Special Report by the Office of the Children's Advocate on the Foster Care Programme in Jamaica
- Report by Office of the Children's Advocate on experiences of children in State care who appear before the courts.
- Special Report by the Office of the Children's Advocate on children in Lock-ups

NOTICES OF MOTIONS GIVEN ORALLY

The SPEAKER: House Leader.

RE: PASSING OF PROF. REX NETTLEFORD

Mr. HOLNESS: Mr. Speaker, I beg to give notice that at the next meeting of this House I will move:

> Be it Resolved that this Honourable House take note of the passing of PROFESSOR THE HONOURABLE RALSTON MILTON 'REX' NETTLEFORD, OM FIJ OCC, Vice Chancellor Emeritus of the University of the West Indies, and place on record his contribution to the people of Jamaica and the Caribbean.

Mr. Speaker, I further beg to give notice that at a later stage today, I will move for the suspension of the Standing Orders to enable me to take this motion.

The SPEAKER: Thank you, House Leader.

(HON. OLIVIA ATAVIA GRANGE, (JLP), St. Catherine, Central, Minister of Youth, Sports and Culture, entered and took her seat.)

QUESTIONS AND ANSWERS TO QUESTIONS

The SPEAKER: Rev. Thwaites.

Rev. THWAITES: Mr. Speaker, I would like to enquire to the answer for Question No. 42 which stands in my name.

Mr. HOLNESS: Mr. Speaker, the answer for Question No. 42 is prepared and at a later stage today we will ask for recommittal of the item on the Order Paper, Questions, to enable the question to be answered to the Member.

The SPEAKER: Much obliged, House Leader. All will be dealt with.

(MR. NOEL DELANO ARSCOTT, (PNP), Clarendon, South Western, entered and took his seat.)

PUBLIC BUSINESS

The SPEAKER: House Leader?

Mr. HOLNESS: Mr. Speaker, I now move for suspension of the Standing Orders to enable me to take the motion, notice of which I gave earlier.

The SPEAKER: The motion before the House is for the suspension of Standing Orders to allow the House to take the motion, notice of which was given earlier by the House Leader.

Put to the House and agreed to.

(HON. SHAHINE ELIZABETH ROBINSON, (JLP), St. Ann, North Eastern, Minister of State in the Office of the Prime Minister, entered and took her seat.)

RESOLUTION: RE PASSING OF PROF. REX NETTLEFORD

The SPEAKER: House Leader?

Mr. HOLNESS: Mr. Speaker, today, as we celebrate the life of one of Jamaica's intellectual and cultural heroes, I would like to focus on his role as a teacher.

RALSTON 'REX' NETTLEFORD began his service to the country and indeed the Caribbean region as a teacher. One of the first lessons he taught us was that determination and excellence would be rewarded in due course.

Rex as we affectionately called him did not start his life in privilege. He was a son of rural Jamaica, Bunkers Hill to be exact, a place that many of us might have difficulty locating on the map.

From those humble beginnings Rex earned himself a position as a student in one of the nation's top secondary schools. While there at Cornwall College, it is rumoured that he excelled in academics and, of course, extra curricula activities of a cultural nature. In his quest for excellence, Rex then qualified for entry into the then University College of the West Indies, where his performance drew the attention of the Rhode Scholarship community and he was awarded a Rhode Scholarship and he took that up at Oxford University.

(HON. RUDYARD CONRAD SPENCER, (JLP), Clarendon, South Eastern, Minister of Health and the Environment, entered and took his seat.)

Returning home to Jamaica, Rex gave – he was given a chance to work directly as a teacher. His first appointment was as a tutor in the Extra-Mural Department of the University College of the West Indies. I can only speculate how Rex might have felt about teaching and, of course, teaching in the same institution in which he got his tertiary training. He must have been overjoyed, full of expectations and probably some fears. This was after all, the only institution of higher learning in the English-speaking Caribbean.

Rex realized the central role that the University College of the West Indies would play in nation building, not just in Jamaica but in the region, and particularly the development of cultural identity.

Fuelled by passion and knowledge for history, Rex used his first actual teaching role to embolden and empower his students with cultural appreciation, historical awareness and self pride. Rex localized everything he taught in the Caribbean experience: from colonial exploitation and slavery to emancipation, the struggling for civil rights, equality and justice; all of course, Mr. Speaker, in this post-slavery period. He would see independence as the

second emancipation of the Caribbean, an event that would finally free the nation from the shackles of slavery.

"**Caribbean people**", he thought, "**would never be truly free until they had taken control of the political kingdom**". This was one of his quotes, Mr. Speaker. But he always insisted that that was only a first step. All things would not just be added by virtue of acquiring political freedom or political control. He understood that we also needed to work for nation building and he suggested using our rich culture and heritage as the foundation and starting point for building our society.

(HON. KARL GEORGE SAMUDA, CD, (JLP), St. Andrew, North Central, Minister of Industry, Commerce and Investment, entered and took his seat.)

His first book, *'Mirror, Mirror'*, published about a decade after Independence explained that social and economic development could be achieved using the lessons of identity, race and protest in Jamaica.

Rex continued to teach and of course, Mr. Speaker, to use his teaching as a kind of engineering process. In his book Mr. Speaker, *'Inward Stretch Outward Reach'*, you could see him using this concept of Caribbean identity as a means of socially engineering the nation. He also published, Mr. Speaker, on Rastafari in Jamaica and he did that with some of his colleagues, MG SMITH and PROFESSOR ROY AUGIER.

If there is any doubt that Rex's primary role as a teacher one need to look no further than his part in the Jamaican Dance Movement. Here Rex was an instructor, a participant, but more importantly, he was a founder of this Movement. And of course, Mr. Speaker, he spent a great deal of his life building this institution, an institution of which we are all very proud today to have.

Mr. Speaker, Rex saw dance as imaginative, physical, but yet metaphysical in preparing us for the challenges of our society. As his story on HILLARY BECKLES has aptly noted, Rex has shown us how to take a stance in dance.

I have no doubt the celebrations and reflections on Rex's life and contribution will continue for some time, but I would like to encourage us as leaders and as a nation and a region, to do what Rex taught us to do, to use ourselves, our shared past, our culture and heritage to continue to transform Jamaica and the wider Caribbean, for the betterment of all who live here and for those unfortunate souls who can only visit. (Applause)

The SPEAKER: Thank you very much, House Leader.

Dr. Phillips.

(HON. AUDLEY FITZ ALBERT SHAW, (JLP), Manchester, North Eastern, Minister of Finance and the Public Service, entered and took his seat.)

Dr. PHILLIPS: Mr. Speaker, it is not often that this House convenes a special sitting for someone who was not at some time a Member. And it is even more rare that we would have a special sitting in the presence of so many distinguished persons from the Caribbean and from here at home: the former Prime Minister of Antigua, the former Secretary General of both CARICOM and the Commonwealth and other distinguished members of the University Community and the wider Caribbean community.

(HON. MICHAEL ANTHONY STERN, (JLP), Clarendon, North Western, Minister of

State in the Ministry of Industry and Commerce, entered and took his seat.)

But then, REX NETTLEFORD was not an ordinary person and indeed, there are few people not of an explicitly political calling, who have touched so many other people's lives so comprehensively and so profoundly as he did. Indeed, there are not many people of a political calling, who have had the impact on the lives of their society and of the wider Caribbean community to the extent that RALSTON MILTON NETTLEFORD did.

In a sense, one could say he was both political and that he transcended politics. The record will show that he was an indefatigable and unrelenting nationalist, inspired by NORMAN MANLEY and that generation.

To say this, Mr. Speaker, is not to introduce a partisan note. I think the record is clear that he was one of those young Jamaicans, coming to maturity in the 1950s, who was not only inspired, but nurtured by NORMAN MANLEY and equally, EDNA MANLEY, who made it her avocation to identify and nurture young budding persons in the Arts.

It is true, nevertheless, despite this wellspring of inspiration which he called upon, that he served all governments of whatever persuasion and indeed, was open to giving advice and to serving. Answering the call from Prime Ministers, he did so honestly and faithfully, not only in Jamaica but throughout the wider Caribbean.

If you'll permit me, Mr. Speaker, some personal reflections. I first encountered Rex as a young student, really through my late father who had joined the staff of the University of the West indies in 1962, and I was introduced to him as this up and coming, unique, academic figure, working in Extra Mural. But it was not until the late 60s when l was able to renew this acquaintance in a more significant and effective manner.

The late 60s you might recall, was a period of much social turmoil; and there were some of us at the University who had embarked upon a course of challenge to the establishment, one might say, raising our voices in resistance and one might almost say rebellion. Some embarked upon black power philosophy, rastafarianism. What was significant about his outreach to me and to others then, was his encouragement, not to abandon resistance or the challenge to the establishment, but not to abandon a commitment to learning and to the pursuit of scholarship. And for that guidance and that warning, one might say, I shall remain forever in his debt.

In later years when one might say I vicariously became an associate of the NDTC... (Laughter) Vicariously, that is to say through someone else, in this instance, my wife ... We began a dialogue about Culture and the Arts and its potential to affirm and liberate the spirit of our people.

(HON LESTER MICHAEL HENRY, CD, (JLP), Clarendon, Central, Minister of Transport and Works, entered and took his seat.)

I believe that despite all his other professional pursuits, his commitment to institution building, whether it was the Department of Extra Mural Studies - now the School of Continuing Studies - his role in the Trade Union Education Institute and his role as an Administrator at the University, it was that commitment to the affirmation and spiritual liberation of the Caribbean people

that formed the kernel of all that he did.

I believe his contribution has three critical strands which shall last. First of all, his commitment to excellence and his continuing belief in the value of learning. He never yielded to myth-making and never subordinated himself to a doctrine of victimhood which has overcome so many others. (Applause)

Secondly, I think his role in establishing what I might call, our peoplehood, our confidence in ourselves as a people, our confidence in the rhythms of life of the Caribbean as expressed through dance and other artistic pursuits, and his encouragement of us to accept our ancestral roots flowing from Africa and concretized in the flowering of our own Caribbean uniqueness, is an accomplishment that will never dim no matter how long the time passes and the tides of history flow through this region. He made us comfortable in our own skins and our own minds.

Thirdly, I think we should take note of his abiding commitment to our nationhood. I was struck by the extent to which he was always optimistic about our prospects in Jamaica. Despite the concerns which he expressed from time to time about what he called the '**bhuttoizatio**n' of public life or the coarsening of our sensibilities, he continued to believe in the creative powers of the Jamaican people and our ability to create a nation that would fulfill his dreams and the dreams and aspirations of all our people.

As we say farewell and pay our collective tributes to this giant who walked with us, let us resolve collectively in this House and beyond, to keep that dream alive. Let us resolve to bring about this strong, united, self-confident, prosperous and culturally liberated people that he so longed for. Let us reaffirm our commitment and his commitment to Jamaica, this land we all love.

(Applause)

The SPEAKER: Thank you, Dr. Phillips. Mrs. Simpson Miller.

Mrs. SIMPSON MILLER: Thank you, Mr. Speaker.

Let me join you by recognizing the presence of the Honourable Prime Minister from Antigua, and SIR RAMPHAL and our Vice Chancellor of the University of the West Indies - and our Chancellor and Vice Chancellor and DR. CARRINGTON, CARRICOM Secretary-General.

Mr. Speaker, since PROFESSOR NETTLEFORD'S passing the tributes have been many and varied. The superlatives have flowed frequently and freely. The words used have included: irrepressible, unique, intellectual, giant and icon. Somehow, however, no matter how eloquent, no matter how articulate, words seem inadequate, useless even, to describe someone so accomplished, who contributed so immensely to his time and in his space.

He touched my life personally. His words of encouragement and wise counsel on many occasions helped me to face daily challenges.

What is remarkable about him is that despite speaking to so many persons on a one-to-one level, he was able to make each person feel special. He was an acknowledged success in literally every aspect of his life, social and cultural historian, political analyst, trade union, educator, artist, and an expert on national, regional and international development.

The life story of PROF NETTLEFORD, a son of the rich Trelawny soil, testifies to the potential of every single Jamaican to climb to the heights of greatness, no matter how initially steep that path may seem. (Applause) With vision, determination and essential opportunity, we can rise, as PROFESSOR NETTLEFORD did, from humble beginnings, the cane piece, as he would always proudly acknowledge, to claim our queendom and kingdom on the world sage.

Prof used the word "**smaddification**" to describe the radical process of self-definition that enables the so-called nobody of our society to become somebody, or in the Jamaican language, "**smaddy**". "**Smaddification**" speaks to the native and organic process of the charting and claiming success, achieving this success, Mr. Speaker, by using the inherent strength born within each of us, bequeathed to us from our forebears.

Professor the HONOURABLE REX NETTLEFORD, was a success because he was comfortable with everything about himself. He was comfortable with his African roots, as was clearly demonstrated when he said:

> "One unifying force in the Caribbean heritage is undoubtedly the African presence. We may as well admit to ourselves the great moral strength that would accrue to Caribbean civilization were we to eschew once and for all the lingering plantation and colonial assumptions about the natural inferiority of those of its inhabitants who carry the stain of Africa in their blood".

He was comfortable with his Bunkers Hill, Trelawny origin, continuously describing himself as being from the cane piece. He was comfortable with the stock of the people from whom he sprung, describing them as a product of the sensibility of a rural Jamaica with its tradition of a strong and steady peasantry, conscious of its exploited past, but ambitious for opportunities to "tun" his hand and "mek" fashion.

Mr. Speaker, he was comfortable with the people of the land of his birth whom he described as cantankerous, but extremely industrious. More than anything else, he was comfortable in the castle of his skin. This fact consistently manifested itself within the context of his Afrocentric Jamaican social philosophy.

Mr. Speaker, Prof used every means at his disposal to highlight the fact that no race or social class was superior to any other, and certainly, that the black race was inferior to none. (Applause) This was what led him to recommend - and which was readily accepted by the then Government - that the celebration of our day of Independence be separated from the celebration of Emancipation Day, August 1.

Forty-six years after the publication of his book entitled, *'Mirror, Mirror: Identity, Race and Protest in Jamaica*, it remains one of the most profound statements on race in Jamaica and post-Independence years. (Applause) It is a book about race, Mr. Speaker, but does not contain one line of racism. In this book, first published in 1970, PROFESSOR NETTLEFORD challenged us all to create a new Jamaica in which the black majority could find an equal place with their fellow citizens. We still have a long way to go in this regard. In *Mirror, Mirror*, Prof was extremely critical of the fact that significant sections of our people accepted negative views of themselves. This led him to

agree akin to MARCUS GARVEY that said "A people who do not believe in themselves cannot hope to have others believe in them".

The belief in self was central to the life of PROF NETTLEFORD. Mr. Speaker, it manifested itself in how he walked, danced, taught, joked, choreographed, laughed, gesticulated, and most importantly, his spoken words. Throughout his lifetime Professor Nettleford's voice could be heard calling for a focus on the creative energy and imagination of the Jamaican people. The centrality of this creative energy and imagination of which he spoke, was according to him, critical to the process of nation building and the creation of a new social order. This new social order for Professor Nettleford, had to come from within, not from without. That is why he was so scathing in his criticism of the wholesale regurgitation by some on globalization, which to him threatens to be a calculus of inequality, rather than an opportunity to make a last dash towards universal human dignity and individual freedom.

Mr. Speaker, before jumping and dancing to every drumbeat of globalization, he implored us to use our creative intellect and imagination to fashion policies and programmes suitable to our own unique history and circumstances.

On the point of dancing and drumbeats, Prof authored prolific volumes in both word and dance. Prof was a man deeply immersed in the Jamaican culture. Culture for him was not something abstract to be studied for a degree or to be celebrated seasonally. To him culture was not even heritage. For him culture was a nation's life and lifeblood. It was what defined us as a people.

Mr. Speaker, he felt that many of our struggles as a people were related to our culturelessness. He felt we could not know who we were unless we owned and lived our culture; a culture which he felt was richer, nobler, and even superior to the various blends after which we crave.

His tireless effort with the arts and his work with the NDTC and the University Singers was vital to his mission to get us to own our identity as a people. Prof wanted us, Mr. Speaker, to talk our own tongue, sing our own songs, wear our own clothes, and dance to our own music. He wanted to show us that we did not have to mimic men, and that there was no divide between our culture and our dignity, and that we could still be Afro-Caribbean and cultured, that we could still be ourselves and excel. And Prof lived out all of those notions in his personal life.

And so it is that we could have a Vice Chancellor at the pinnacle of academic attainment, Mr. Speaker, who spoke patois, albeit like perfect English, who wore colourful *dashikis* and modest *karebas* and who danced kumina barefooted on stage, yet fully respected, perfectly cultured and perfectly Afro-Caribbean. (Applause)

But he would probably, Mr. Speaker, be the first to ask, how can you be cultured without culture, and how can you be cultured with someone else's culture? One can only be cultured in his own culture. It was this belief that was so quintessentially Rex, that accounted for his advocacy on behalf of the rights of the Rastafarian community. Perhaps, Mr. Speaker, the rebel in him allowed him to support the rebel in them.

Throughout his lifetime, Prof's voice could be heard calling for a focus on the creative energy and imagination of the Jamaican

people. The centrality of this creative energy, Mr. Speaker, and imagination of which he spoke was, according to him, critical to the process of nation building and the creation of a new social order.

On the point of him being Vice Chancellor, Prof. was the consummate educator. As an educator, Prof intimately shared Norman Manley's vision that education was the most critical medium for economic development and social transformation. His book, *Manley and the New Jamaica*, was evidently Prof's effort to help us keep alive Manley's ideas, particularly his idea on education as the centerpiece of national development.

Prof's involvement in the Extra Mural Department, for example, Mr. Speaker, helped to challenge the education elitist *status quo* and sought to extend access to quality tertiary education, and a better way of life to working Jamaican professionals. His work with our history was his quest to advance our development as a nation. History lessons, he would say, are lessons for improvement of our generation. We must press forward. What is past is past. Our duty is to learn from it and make the present and the future better.

The lesson we must take from these efforts of his Mr. Speaker, is that lasting greatness lies in genuine regard and care for the plight of our less fortunate fellowmen and women.

Jamaica has lost one of its most revered sons. It is a loss which will not be replaced, because there can only be one REX NETTLEFORD and no other. (Applause)

The saving grace, Mr. Speaker, is that he has left behind a raft of written material that will forever be with us. Further, he has also left with us his dearly beloved National Dance Theatre Company. Present and future members have a duty to preserve the Company, and build on it in honour of this giant of a man.

Those of us who have the honour to occupy positions of influence, must ensure that his name is further memorialized throughout our development and our journey. We must embark, Mr. Speaker, upon different projects in his honour. A Rex Nettleford Foundation, for example, can be formed. A Rex Nettleford Annual Lecture can be organized. And further, a compilation and edition of his unpublished speeches and writings can be undertaken by any one of his many colleagues at his dearly beloved University of the West Indies.

Mr. Speaker, as Rex once said while addressing one of his many audiences:

> "Let us follow in the footsteps of the best of those who walked the path made by a former generation. Paths are indeed made for walking".

Professor Nettleford has walked his path, his footprints are there for all to see. Let us plough back into the soil the richness of the intellectual legacy he has left us, so that out of this land we will grow new generations of young men and women who know in their heart of hearts that they are somebody. They too are "smaddy"

We will cherish fond memories of him always. Walk good my friend. Walk good Prof. I will always keep fond memories of you in my heart. We love you. (Applause)

The SPEAKER: Thank you, Mrs. Simpson Miller.

The SPEAKER: Prime Minister.

Hon. PRIME MINISTER: Mr. Speaker,

I too would wish to welcome the many distinguished persons who are visiting with us today and especially those who have quite rightfully, or quite rightly been accommodated within the Well of the House. You have already acknowledged them by name. I don't need to repeat that, except to say that their presence today is part of the extraordinary arrangements that have been made for the sitting of the House. I say extraordinary because it has never been done before and therefore we are today setting a precedent, but justifiably so because we are interrupting the normal business of the House to pay tribute to the life of an extraordinary son of our soil.

Professor Nettleford impacted this nation, the wider Caribbean and indeed many other nations in so many different ways, that it is not going to be possible this afternoon to recount the many areas and fields in which that contribution has been made, and the way in which he has helped to shape the development of this nation and other countries within the Caribbean, not going to be possible unless we are prepared to sit until the wee hours of the morning. It is something that I don't think has yet been properly recorded in one easily assembled set of documents, and perhaps it is something that needs to be done, rather than leave it to generations to come to meander through various researches to try to get measure of this great Caribbean man.

He was an academic of distinction and renown. He made an enormous contribution to the building of the University of the West Indies with which he was associated for over 50 years, most of his life as a tutor. And there are some of us in this House who can express some appreciation to him because we were students of his. I remember he lectured me in labour and Industrial Relations policies in 1968, which is a long time ago. He was a researcher. He was an innovator. There are many points of success at the University of the West Indies today that he helped to conceptualize, to develop, to put in place and to support. He was an administrator, rose to the position of Vice Chancellor of the University of the West Indies and, as I pointed out this morning, is the first graduate of the University ever to have been appointed to that position. And to the very end he remained passionately committed and actively working to ensure that the University of the West Indies remained at the forefront, at the cutting edge of the virtual revolution that is taking place in higher education. It is not incidental that one of the Halls of residence at the University has been named in his honour.

Much has been said and much more could be said about his contribution as an artistic icon, a trailblazer; because I think that he more than anyone else helped to transform our dance that almost natural instinctive intuitive form of cultural expression into an art form. He brought it recognition. He gave it prestige. The work of the National Dance Theatre Company, which he founded, spawned a new creative force that is now increasingly institutionalized in our schools, in our communities. Several professional dance troupes have emerged that hardly a month goes by and I don't happen to be at a function where I am entertained by a dance troupe that l had never seen before; and so much of this has come about because of the work that Rex Nettleford did.

He was a superb historian. His writings and speeches and commentaries connected the dots between our past and our present. He kept

reminding us that we had to remember where we are coming from. And for those of us who were not inclined to bother ourselves with trying to trace those roots, he helped us out and he made the linkage between that past, as glorious as some aspects of it were, as challenging and as difficult and as brutal as other periods were, he made that connection for us and he shined a light into the future.

The Leader of the House made reference to the work that he did - and l think perhaps this was Rex Nettleford's most profound and significant undertaking - the work that he did in 1960 along with M G. Smith and Roy Augier. It was work that was mandated or commissioned by the late Sir Phillip Sherlock, to the study the Rastafari movement in Jamaica. It was at a time when to there was increasing tension between the society and the Rastafari movement, tension to the point of collision and it came about because the Rastafari movement was developing, was emerging, was asserting itself. It is something that the rest of the society didn't understand and it's human nature that you tend to fear things that you don't understand; and Sir Phillip Sherlock asked for this work to be done. It was a tremendous a piece of work because it is the first documented work that I can recall where an attempt was made to put the Rastafarian movement in perspective, in context. And on completion of that work, Sir Phillip Sherlock presented it to the late Norman Manley, and it helped to shape a revised thinking in terms of the Rastafarian movement and the fact that they were as much a part of Jamaica as was common mango, and therefore we had to recognize that this was a reality that had to be recognized.

He was a highly respected public commentator and there were so many times when his instructive analyses of current events helped to place these current happenings in perspective, in context. And he had this ability to deal with complex issues in a non-complicated way, so that after he had explained it to you it didn't seem so complex after all. And it's a gift that not many people have ever been able to acquire.

He was as I suggested, again, at his Thanksgiving Service this morning, he was a doctor, he was a fixer. So often he was called upon - we called on him - to diagnose, analyze, to prescribe whether it had to do with the structure of government - we still speak of the Rex Nettleford Committee and the Cabinet structure that it recommended way back l think in 1992.

The position and the future of the Caribbean Community and the role he played as a member of the West Indian Commission, along with SIR SHRIDATH RAMPHAL who is here, to examine the Caribbean and to try to align its future. The strengthening of the links with the Diaspora, and he had an understanding, he saw it perhaps before many others, the benefits that could be gained if we were able to harness this huge untapped power that resides in metropolis all over the globe.

And you know, Mr. Speaker, that recently I asked him, on behalf of the Government, to chair a committee to review our systems of National Honours and Awards and he completed that work, submitted his Report, the Report was referred to the Human Resource Committee of Parliament. They have now completed their examination and their Report is now before Parliament. And I am going to urge that not only because it's an important

issue that we need to take up, but also in memory of and in appreciation for and out of respect for work that he did, I am going to urge my colleagues to endeavour to see that we take up that matter in Parliament, the Report of the Parliamentary Committee, and try to conclude it before Parliament prorogues in March.

It is not we alone who have leaned so heavily on him. He was called on constantly by regional and international bodies, by governments from as far as Africa. So many times that I encountered him at the airport he was coming from some distant place or going to some distant place, and he maintained this hectic schedule up to the very end. We know that just before he died he was on university business travelling as he did so often.

Rex Nettleford was the recipient of more awards than anyone that I now. I mean he received them so frequently that I don't think that he himself would have been able to recall all the awards that he has collected. We ourselves in recognition of his tremendous contribution to Jamaica, we awarded him the Order of Merit, two ranks below that of National Hero. The Caribbean Community awarded him the Order of the Caribbean Community, the highest award that CARICOM can bestow. And I now that he attached great value and sentiment to that because he was one of those who believed that there was such a thing called Caribbean citizenship and therefore he treasured that award that was bestowed on him by the CARICOM Caribbean Community.

Today Parliament pauses to pay its own tribute to add to the many tributes that had been paid from all over the world. I have got so many letters from Heads of Government, Heads of State, and I made sure to pass all of them on to PROFESSOR CHEVANNES who chaired the organizing committee, so that it can be recorded that we are not the only one who have found it appropriate to recognize the value and the worth of this great son of the Caribbean.

Rex Nettleford is a lily that doesn't need to be gilded. Such a colossus he was that we cannot eulogize him in death any more than what he was in life. We can only give thanks from humble, from our grateful hearts that he lived and that God chose that he should have lived among us.

I thank you, Mr. Speaker. (Applause)

The SPEAKER: Thank you very much, Prime Minister. I will be allowing only about two more members on each side.

Mrs. Maxine Henry-Wilson.

Mrs. HENRY-WILSON: Mr. Speaker, "**why, man, he doth bestride the narrow world like a colossus, and we petty men do walk under his huge feet**". If Shakespeare and Rex Nettleford were contemporaries then I think it would be legitimate for us to conclude that it was Rex who inspired this imagery, because how aptly it describes the ever confident and ever self-assured, proud but not arrogant gait, which we had become accustomed to seeing crossing the campus of the university and elsewhere. This stride embodied his philosophy of life that, and to paraphrase Shakespeare again, '**the fault was not in our stars, but in ourselves, that we perceived ourselves as underlings**'. Because for Professor Nettleford what he would himself describe as a particular and peculiar pedigree characterized his life. It was a pedigree which he thought was a quality which was embodied in each of us just waiting

to be unearthed. That was the living philosophy of Professor Nettleford.

He opened many doors. Students, past and resent who interacted with him, will tell you that he sincerely believed that each and every one of them had the potential to achieve excellence. They recall his concern for them, not just academically, but also materially. There are myriad untold stories which Rex would not want to be told, of students whom he helped through the UWI, whose fees he paid, as well as through other institutions. Many recall his orientation exhortation to them, not to dwell on where they came from but to set their sights towards that mark, that transcendental goal which they wanted to achieve.

He firmly believed that education provided a gateway through which all should be given the opportunity to pass. But in his characteristic form he recognized that there were many pathways to this gateway. And so, in walking that walk he created, or placed his imprimatur on diverse institutions: Trade Union Institute, Extra Mural Department, Public Administration Programme of UWI, CARIMAC, the nurturing of the Creative Arts, and a multitude of institutions, too numerous to mention, but who all provided a gateway to that opportunity of education.

In putting together this tribute, I spoke with the former Minister, HIGH COMMISSIONER BURCHELL WHITEMAN, who is here with us. And our recall was very similar. Perhaps there was no place he loved more than the University of the West Indies. We could say he died championing its cause. He saw it as a critical vehicle for regional integration, a place where the students of the Caribbean got to know each other and therefore, the people of the Caribbean would become better friends. It was a place for nation-building, for creating a unique identity which had world-class acceptance and world-class quality.

Apart from the University of the West Indies, he was the father or, in many ways nurtured other institutions educational institutions. He was the first Chairman of the National Council on Education. He saw UNESCO as a fitting place for the Caribbean to display, not just its coherence, but also its uniqueness, the Institute of Jamaica, where he made the link between education and culture, the National Gallery, and we could go on and on.

As I sat with Professor Nettleford on the University Council, I was always struck by his optimism and his determination that the university had to live on. He accepted that there were significant challenges, even to the survival of the institution, but he never cursed the dark. Rather, he found a way to discover the light so that the University would not just exist but remain a relevant force for excellent scholarship.

(Applause)

I was always struck by the paramountcy he gave to the cause of the students, reminding any who dared to forget that without students there would be no university. Therefore, we had a responsibility to guide and direct, rather than condemn.

I recall his graciousness in accepting the request for him to continue in the post of Vice Chancellor for an additional year, when the search for a successor seemed to have run aground. I was not the one who conveyed the message to him, but in his idiosyncratic style he called me to remind me that as a member of

the search committee, he did not intend the Vice Chancellor's post to become a lifetime appointment. Such was the humour of Rex.

He never denied his origins. Indeed he exhibited a special pride in reminding all that he was a little young black boy from the country. But for him this was not a stumbling block, it was a stepping stone. That pride was perhaps reflected in his dedication to his mother who died fairly recently at the age of 101. He grasped every opportunity he could to celebrate her and recruited any who would or even those who wouldn't to join him in doing this. I think when she passed a part of his soul left with her.

There were all kinds of personal kindnesses I could recall about Professor Nettleford. As a young academic, he stopped at every instance and offered a guiding course, sometimes reminding me that it was important to navigate precarious corners if you were to achieve academic excellence. When I became the Minister of Education he wrote me a most moving and beautiful letter, challenging me to be the best that I could be. In all of this, he didn't suffer fools gladly, and could be quite stinging in putting down those whom he thought were time-wasters. But, he encouraged original thinking and action. He worked very hard. Those persons like myself, who pretended to walk around the University Campus in the mornings could never arrive there before him. He was there at 5:00 a.m. every morning, once he was in Jamaica, and as you passed his office you could hear that typewriter - yes, he used that typewriter, I think even up to his death you could hear that typewriter going.

For my generation, Rex Nettleford was a nation-builder, a role model who dared to dare. He dared to build a range of institutions, teaching us the cardinal lesson that legacies become enduring, not through personal accolades but through institutional permanence.

(Applause)

He challenged us the Independence generation to look in the mirror, to acknowledge what we saw, to understand, appreciate, but refine and enhance that image. It was all embodied in that word which we have heard before, that he has committed to our Jamaican vernacular, the word '**smaddiness**'.

And so, from a grateful generation, from those of us who share with him the vision of education, l say thanks, Prof. We will always remember you and we commit to living to your ideals.

(Applause)

The SPEAKER: Thank you, Mrs. Maxine Henry-Wilson. Mr. Pearnel Charles.

Mr. CHARLES: Mr. Speaker, our distinguished guests, distinguished visitors, this afternoon it is with a passion that I pay tribute to the late Professor, the HONOURABLE RALSTON OR 'REX' NETTLEFORD, a cultural icon, a trade unionist, an outstanding educator, a writer and sociologist, a liberator and a true Jamaican patriot.

This genius, Mr. Speaker, affectionately called Rex, was blessed with a special, creative and intellectual talent that has no parallel. I wish to hail him for his exemplary work in the development of the arts and culture, as well as being a dancer and choreographer. You could not help but to admire his creative moves as he displayed one

of his greatest passions. You could always depend on him for that perfect artistic production.

Mr. Speaker, I met Rex a few weeks after returning from the United States in the mid Sixties just after completing my studies. I was sent to his Bar by Mr. Hugh Shearer to take lessons. I told him then, that I was a rebel. He laughed and said, **''We could do well with a few 'rebelutionists' like you guys around here."**

Over the years, it has been an honour and a great privilege to sit with him and learn from him. His influence, his guidance and inspiration played a major role in formulating the work and life of many of us, and for me in particular, Mr. Speaker, just as we were entering the world of work, through the Trade Union Movement.

His approach to work was legendary; late to bed, early to rise. Rex was a social engineer who dedicated his life to the moulding, restructuring and the creation of new lives. He was a very private person but often found time to listen to everyone. Jamaicans have been deprived of a dear friend, a colleague, and an intellectual giant in the Caribbean Community.

Rex Nettleford – gone too soon. I felt a deep sense of personal loss when I heard that he had died. Professor Rex Nettleford whose life linked the past to the present, but firmly fixed on the future. His mission has revealed, a recognition of self-worth, the uplifting of the marginalised descendants of Africa making **smaddy** out of all of us who felt otherwise.

He provided tremendous support for us who worked in the Trade Union Movement. He taught us how to organize and how to negotiate, with always the workers interest first. In so doing, Mr. Speaker, he founded the Trade Union Institute, which will be a lasting monument to his life.

Mr. Speaker, this intellectual giant pursued a selfless and distinguished career and invested his life and work in the rest of us: A teacher, mentor, a social engineer who invested unlimited commitment to the development of the working class. The University of the West Indies and the world can be proud of his investment in them.

We celebrate the life of a Caribbean stalwart today, Mr. Speaker, an outstanding Jamaican who has left a legacy of artistic creativity in the archives of Jamaica. Ralston 'Rex' Nettleford, a man of eloquence and excellence.

May his soul rest in peace.

(Applause)

The SPEAKER: Thank you, Mr. Charles. Dr. Rhodd.

Dr. RHODD: Mr. Speaker, I am humbled by the opportunity given to speak after so many eloquent speakers here this afternoon. And though the occasion is a sad one, I feel a sense of elation, however, that I am being afforded this great privilege to pay tribute to a man who has been among the best this wonderful country has been able to offer to the world.

The world stood in awe of him as he made his contribution anywhere he was beckoned, and on every occasion. His compelling figure and his wealth of knowledge inspired even as they intimidated. This was Professor Rex Nettleford.

Mr. Speaker, I met this brilliant, erudite, eloquent, creative and confident Caribbean man at the Mona Campus of the University of West Indies very early in my career when I

first enrolled as a student in the mid-1970s. This was the era of ideology and contestation of long-held political tradition, and many of us entered those hallowed halls hoping to find something to stimulate us. Some of us thought we knew it all because we had conquered our small communities and felt we were now ready for the world.

Professor Nettleford was at the time a senior member of the academic and administrative staff and during orientation he was introduced to us students at one of those initiation meetings. From the very first moment, I was struck by his poise, the ease with which he sauntered into the room and took centre stage and dared anyone to not pay attention to what he had to say. My mind raced back to a poem by VERA BELL *'Ancestor on the Auction Block*', compelling me to look. Such was the presence of the man.

Very soon, Mr. Speaker, everyone was silent, expecting something to happen. Mr. Speaker, then it was his diction. The ease with which he used the English Language. The words seemed to take on human form as they found their correct paces in the sequence of sentences that manifested his ideas. We were spellbound as students.

He was the traditional storyteller, keeping his students captive, waiting for the story to unfold. But I soon discovered that his stories were not like those we heard before. They revealed the wealth of his knowledge in the profound content of his presentation. Mr. Speaker, such was the impact of the man whose passing we mourn today.

My courses of study were in the Faculty of Natural Sciences, but I was also passionate about Politics and Government. As I said earlier, I had planted my navel string under the tree of political action and so I attended lectures in my spare time in other faculties, especially in the faculty of Social Sciences, particularly Political Science. It was there I was to have the opportunity to listen to such power brokers, as now PROFESSORS TREVOR MUNROE and DON ROBOTHAM and, of course, PROFESSOR NETTLEFORD, among others.

Mr. Speaker, as a young man, I was hungry for knowledge and my impressionable mind was to be Influenced permanently by the information and knowledge imparted by those lecturers. I was taken on a pilgrimage of hope and inspiration as I discovered much about Jamaican and Caribbean politics. Through Professor Nettleford, I was brought to understand the link between culture and politics as he allowed us to discover the culture of politics and the politics of culture in the power play embedded in the Jamaican culture of resilience and resistance. Mr. Speaker, you may call that the first phase of my interaction with the great Professor.

My second and more far-reaching interface with Professor Nettleford was in 1994 when I pursued the Executive Management Development Programme at the Mona Institute of Business. Prof was our lecturer on Trade Unions and Industrial Relations. Again, I was amazed at the expanse of his knowledge in this area. He brought out to us the essence of the trade union movement. What was even more impressive to me was the way he constantly positioned Jamaican and Caribbean labour movements within the context of the promotion of the integrity of the struggle of the Jamaican worker. It was obvious that Professor was on a mission. I soon discovered that his objective was to position the Jamaican workforce within the context of the dignity of

decent work and the need for that work to be reasonably rewarded through a new interface between employer and worker. (Applause) For him, industrial relations must adhere to principles of respect and value, unlike the history of our slavery past.

Mr. Speaker, it was here that Professor Nettleford's largesse took form. His presentations could be likened to an encyclopedia dancing in a theatre. His lectures were an interplay of knowledge, anecdotes and charm. It was the choreographer at work. A master craftsman, creating a fine product, weaving beneath the surface to extract the truth of our existence. Professor was a master of connecting the past history to the present.

Mr. Speaker, among Professor Nettleford's salient abilities must be his capacity to forge linkages among the various and varied elements of his being and his talents. His lecturers were like philosophy, poetry, dance and music intertwined. The words were new, the language distinct and the images captivating. As a student, I wanted to hear more and to see more. I craved learning. I wanted to understand myself and my people better so that I could better serve them. This was communication at its best.

Like so many of our other teachers, my other teachers, I will always be indebted to him, not only for the knowledge garnered but for the embellishment of my self esteem, for reinforcing beliefs in myself as a black man with God-given talents who can achieve all that the mind perceives. (Applause) He, Mr. Speaker, more than anyone, demonstrated to many of us that it was not only okay to pursue multiple career paths, but also that God expects no less from those of us so blessed with the gifts with which we have been bestowed.

He was the example of multiplicity of careers and achievements: dancer, choreographer, writer, philosopher, trade unionist, lecturer, critic, tradition bearer, cultural activist and more. He succeeded in multiplying his God-given talents and in using them for the glory of his fellow Jamaicans. The drums which kept him dancing to **kumina** and other rhythms will always beat in my heart as a reminder of the immense and immeasurable contributions he made to my life and to that of so many Caribbean people. (Applause)

May God grant him eternal rest as he journeys to a better place where there will be no more sorrow and weeping, but joy and peace everlasting. (Applause)

The SPEAKER: Thank you, Dr. Rhodd. Miss Grange.

Opposition MEMBER: Where you get that colour from? (Laughter)

Miss GRANGE: You notice I'm wearing a cheerful colour as I celebrate Rex Nettleford's life. (Applause) And if anyone is mistaken this is tangerine, the colours of West Kingston. (Inaudible comments)

Mr. Speaker, distinguished visitors and my colleague Members of Parliament. I rise to add my voice in tribute on the day on which we laid to rest one of Jamaica's most outstanding sons, PROFESSOR THE HONOURABLE RALSTON MILTON 'REX' NETTLEFORD O.M., Vice-Chancellor Emeritus of the University the West Indies.

Our action today in which Parliament pauses to pay tribute to the late Professor as he was also frequently called, is befitting of the

stature of the man. The late DENIS SCOTT, Jamaican poet, writer, playwright and actor and a former member of the NDTC, stated in his poem, *'The Tightrope Walker'* and I quote:

"You measure a man by the space his going makes

The air now is full of his absence. "

So today, we all feel that absence as a void has been created in our country. So vast has been the spectrum of the contribution of this great Jamaican that we could be here all evening if I were to touch on every aspect of his being. But don't worry. I will speak only in my capacity as the Minister of Culture, and I will focus on some of the cultural elements of this great son of the soil.

Professor Nettleford will be named among Jamaica's principal cultural icons. A man of great intellect and enduring vision. That country boy was never ashamed of his rural upbringing but rather used it as the backdrop for the pride he felt in his country and the love he cherished for the ordinary everyday Jamaican. His was a lifelong mission to promote the cultural integrity of grassroots Jamaican. And I speak for them today. He took on his tasks with characteristic fervour.

It is a signal of the man he was, that he was determined that Jamaica's initiation into independence back in '62 had to be heralded by a determination to position Jamaica's culture and tradition on the pedestal of world influence and class. For him, an independent Jamaica must not simply mimic Britain, but must establish its own pedigree on the human stage of activity. So, in that very year, therefore, he partnered with EDDIE THOMAS and founded the National Dance Theatre Company, an institution that has become over the last 48 years, one of Jamaica's and the Caribbean's greatest gifts to the world and a source of acclamation of the cultural integrity of the Jamaican people.

I recall as a young girl watching Rex Nettleford and the members of the NDTC coming into West Kingston and staying all night into the wee hours of the morning, studying, literally studying the music and the movements of the revival and **kumina** people. Sometimes when we spread a revival table, they would be there dancing around that table with all of us from West Kingston, led by of course, the number one shepherd, EDWARD SEAGA. (Applause)

But what was interesting is while all of this was going on, Mr. Seaga would be there saying to Rex, explaining what the movements meant, explaining what the songs expressed. And so, the NDTC was more than just a dance company. And its expression was not just because Rex loved dance. But it was more than this, the Professor's actualizing of the philosophies which he embraced, that of a Caribbean civilization that could stand on its own anywhere in the world.

It was his response to the dictum of the RIGHT EXCELLENT MARCUS MOSIAH GARVEY who exhorted us to grasp the world of opportunities awaiting us and play our part upon the great human stage of activity. This was the lifeblood of REX NETTLEFORD, to place Jamaica and Jamaicans on the world stage. He set about creating a Jamaican aesthetic, fusing contemporary, traditional and popular forms that allowed him to present to us images of ourselves in ways we never saw before. Through him, the fiesty Jamaican took to the stage in New York. We took our

grassroots culture and boldly paraded it in metropolitan centres, unabashed, assertive and proud.

To Nettleford, we are grateful for the many forms in which he proclaimed what he liked to call the ‘ancestral pedigree' of the Jamaican people. For him, slavery and colonialism had debilitated the condition of the Jamaican people by a process of undermining and undervaluing us which rendered much of all that we are, as inferior to European manifestations. He would never settle for that, Mr. Speaker. And so he took on Europe and all their myths and succeeded in promoting a cultural dialogue that was anchored in our historic resilience and creativity.

It was for him the mission of **smaddytization, smaddy**, we are **smaddy** of the Jamaican people, captured so well in his **Kumina** or **Gerrehbenta** or the **Crossing** or in the many articles and books that he wrote. I must just pause to say that there was one little problem. Whenever the NDTC had their concert season and Mr. Seaga attended he would always be saying to Rex, well you didn't move your hand the right way or maybe the feet, the toes needed to move in a particular way. So it was quite funny the kind of relationship that they had when they communicated about the traditional culture.

Mr. Speaker, on another level but still in the cultural realm. He understood very well the historic role of Jamaica - that Jamaica played in international advocacy for justice and new world order. He recognized the need to intervene in world affairs especially in situations of oppression and pain and so he therefore expressed through his creativity. He identified with BOB MARLEY, JIMMY CLIFF, DENNIS BROWN and others to whom he paid tribute in various dances performed by the NDTC. He understood instinctively our relationship with Haiti and reached out to Haitian choreographers and traditional bearers. In fact, among the works to be presented in the upcoming biannual tour of New York is a piece called '*Incantations*' by Haitian choreographer. And of course, we will recall his epic work in solidarity with the fate of blacks, poor blacks in New Orleans in Katrina.

Through Rex's intervention we were able to see ourselves, Mr. Speaker, with new lenses crafted by him using the very fabric of our own being. He played seminal roles in a host of Jamaican institutions whether as advisor, mentor, creator, founder, cofounder or conceptualizer. The Cultural Training Centre, now the Edna Manley College of the Visual and Performing Arts, on which board he served to the moment of his passing, the School of Dance, the Institute of Jamaica of which he was a Distinguished Fellow, the Little Theatre Movement, University Singers, Phillip Sherlock Centre for the Performing Arts of UWI, formerly the Creative Art Centre, the National Gallery and more, for all this we pay him the homage and respect.

He gave generously of himself and his abilities in the promotion of Caribbean integration and identity. For him the culture we hone was a gift from our ancestors to be used freely for the upliftment of the people. This was a creed REX NETTLEFORD lived by. It was the artist paying homage to his creator, both God and the ancestors, by using his creation to improve the overall human condition.

This Caribbean man, this Caribbean giant promoted a Caribbean without borders. He

embraced Cuba as a powerhouse of culture and included Cubans in the NDTC as dancers and choreographers. He grew to understand and appreciate the cultures of the Caribbean and revelled in their similarities and their differences. It was the excitement, Mr. Speaker, of CARIFESTA from as early as 1972, of the greatest show on earth in the Carnival of Trinidad and Tobago. It was JOSE MARTI or ANTONIO MACEO, SPARROW or MACHEL, RUDDER or KEENS-DOUGLAS or LOUISE BENNETT, it was about one Caribbean. For all this, we pay tribute to this great Jamaican.

(Applause)

Finally, Mr. Speaker, I wish to also place on record my own personal debt of gratitude to Professor Nettleford for his advice and counsel over the years. And recently he was my Deputy Chairman of the Jamaica National Commission for UNESCO. And I cannot express enough my appreciation for the way in which he held my hand, literally and walked me through the UNESCO systems. In his large shadow I was able to receive shelter because with him walking beside you, you entered every room with pride because everyone in UNESCO literally revered him.

Mr. Speaker, the world has been the appreciative beneficiary of the intellectual, the literary and the cultural genius of our Professor Nettleford. Yet, in spite of all the acclaim, Professor would don his dance costume and appear on stage with the NDTC as the king in the legendary **Kumina** which he cherished so much. Such was the stature of the man. He could walk with kings but not lose the common touch. And that was reflected, very much so at his 'nine night' when the **Kumina** and the **Revival** people end up in a little conflict. And they all decided they gwine settle it there and they settled the argument; and when it was all over the **Kumin**a man on the drum said, a Rex Nettleford business wi a deal wid, wi nah leave til wi fix it. So, he meant a lot not just to the intellectuals, he meant a lot to ordinary, simple Jamaican people.

(Applause)

What was beautiful about Rex, he was comfortable in his skin, he loved who he was and he was a proud, proud black Jamaican and Caribbean man.

(Applause)

So, Professor, we salute you today from the Culture fraternity and indeed the entire Jamaica, both at home and in the Diaspora and certainly on behalf of the African Diaspora and the grassroots Jamaican, the grassroots Jamaican whose cultural traditions you bore so gracefully and proudly. We honour your memory through the work we will continue, and the care we pledge to take the moments you have crafted as reflections of who we are.

Walk good, Professor, and may good duppy walk with you.

(Applause)

The SPEAKER: Thank you very much, Miss Grange.

House Leader.

Mr. HOLNESS: Thank you, Mr. Speaker. As you have indicated we have invited some special persons to join us in tribute. I now move, Mr. Speaker, that we suspend the sitting of the House to hear them.

The SPEAKER: The motion before the House is for the suspension of the sitting of the House to allow us to hear at the Bar of Parliament, tributes on behalf of Professor Rex Nettleford.

Motion put to the House and agreed to.

(The Mace is removed from the Chamber)

The SPEAKER: We will now continue and we are going to have the first tribute from the HONOURABLE SIR SHRIDATH RAMPHAL.

(Applause)

Sir RAMPHAL: Mr. Speaker, Honourable Prime Minister, Honourable Members of Parliament, honoured guests.

"*An incandescent eagle"*, that is the epithet I borrowed to describe Professor the Honourable Rex Nettleford, in my personal tribute to him hours after his death was announced. I borrowed it from him. It was among his own last words at least the last words that he wrote; he wrote them in the December issue of Caribbean Quarterly. He was not, of course, writing about himself but the words I suggest, do fit, "*an incandescent eagle"*. For Rex uniquely had an inner glowing light that soared with vision and with power from a humble nest in Jamaica above all humanity in his flight path. That journey of his life made him possess and in turn be possessed by multitudes who are here today in spirit with us. From Jamaica, of course, but beyond Jamaica, from the larger Caribbean and beyond the Caribbean, from the Commonwealth entire, from all the postcolonial world and from Africa very specially, and beyond any narrowing bounds from a wider humanity which came to acknowledge Rex's enhancement of it.

His quality service in Jamaica, Jamaicans know best and know well. I think, rather selfishly, of the five years of his Vice Chancellorship of the University of the West Indies that I shared as Chancellor; and before that I recall our toiling together in the vineyard of regionalism, as members of the West Indian Commission. On Saturday, in Port of Spain, the programme of Carnival paused in tribute to this quintessential man.

(Applause)

And to stop carnival for a minute is quite an achievement.

(Applause)

Today, on the last day of that carnival hundreds of thousands of West Indians are jumping a last lap for Rex, mindful of the cultural identity of the region that he did so much to forge.

I know from the vigorous interacting and networking that has followed the success, followed the announcement of Rex's passing, the Commonwea1th folk all over the world ardently remember his many contributions, some of which have been mentioned today: like his work at UNESCO on behalf of developing countries generally, and his recent role in the Commonwealth Committee that produced that much acclaimed Report *'Civil Paths to Peace'*. All of these people want the people of Jamaica to know that they are paying their tribute to him today too.

And from the wider world what testimony could be more evocative, Mr. Speaker, than that on Rhodes Centenary in 2003. Rex Nettleford was one of only four (4) Rhodes Scholars over the many decades honoured specially by Oxford.

(Applause)

It was a kind of global tribute of immense proportions to him and to his Caribbean.

Rex has gone now. We have lost on the ground his unique commingling of erudition and humility, of civility with passion, of eloquence with homeliness, of patriotism with global neighbourliness, of the dancer's skill and the teacher's mission, of what he so aptly

described as inward reach and outward stretch.

Yet, Mr. Speaker, I suggest to this special sitting, all is not lost: for our incandescent eagle soars still in the hearts and minds of all of us, all of us who need so much and now so urgently the vision and the power of his flight.

Thank you, Mr. Speaker, for allowing me to speak.

(Applause)

The SPEAKER: I now invite Sir George Alleyne, Chancellor of the University of the West Indies.

(Applause)

Sir ALLEYNE: Thank you very much.

Mr. Speaker, Honourable Prime Minister, Honourable Leader of the Opposition, distinguished guests, ladies and gentlemen.

First, Mr. Speaker, let me thank you for the honour you bestow on me and the University of the West Indies, for giving me the opportunity to participate in this special session of your Parliament.

Mr. Speaker, I live in the Washington Metropolitan Area, and by chance or fate, I was there when Rex Nettleford died. And, Mr. Speaker, permit me here to express my and the University's appreciation for the role that CARL RODNEY and FAYE RODNEY played (Applause) in the multiple arrangements around Rex's death. It was a stormy evening when Rex died. And indeed, in the days surrounding his death, that area had the largest cummulative snowfall in 100 years, with blizzards and cold that rattled the bones and tried the spirit. And I could not help recalling CARL PERNIAS' lines which seem particularly apt.

> *"When beggars die there are no comets seen, but the heavens themselves blaze forth the death of princes"*

For Rex Nettleford was indeed a prince among us. A prince who was loved rather than feared and whose death left hearts aching with absence had an academic and personal void that will be difficult to fill.

There are many others who have spoken and will speak with authority of the other spheres in which he moved, of his artistic genius, his global and international influence and reach. But, Mr. Speaker, I speak this afternoon mainly about what our Black Prince has meant to the University of the West Indies. I do this because this was where I knew him first and how I knew him best and can speak most confidently of how the University was really where he had his being, the place which provided for him the soil in which his mustard seed was sewn. Our Black Prince conquered through ideas, and not by force of arms as did the legendary black prince of history.

I was fortunate to bring his remains back to Jamaica. And my wife emphasized to me as we brought his ashes home by Air Jamaica, that it was fitting and appropriate…

(Applause by Mrs. Simpson Miller)

Sir ALLEYNE: …that there should be a stop in Montego Bay before coming to Kingston, as that was his original itinerary. (Applause) The HONOURABLE P. J. PATTERSON will tell you that my wife comes from his constituency. (Laughter)

Rex entered the University College on a Government Scholarship in 1953 from Cornwall College, and immediately threw himself into all aspects of a vibrant Caribbean campus life. I am told, he was Scilla the old General, Derek Walcott, Henri Christophe.

And even then he showed his capacity for choreography. But except for three (3) years at Oxford on a Rhodes Scholarship, he spent all the rest of his adult life at our University and his **Curriculum Vitae** shows boldly how he ascended the academic ladder, from Resident Tutor in the Extra Mural Department, Director of Studies of the Trade Union Education Institute, Director of Extra Mural Studies, Professor of Extra Mural Studies, Pro Vice Chancellor, Deputy Vice Chancellor, Vice Chancellor and eventually Vice Chancellor Emeritus, discharging all those responsibilities of those offices, with credit to himself and benefit to our institution. And he did all this, while engaged in a vast number of activities and a wide range of areas and geographies and accumulating numerous accolades and awards that speak to his varied talents.

But Rex was more than a mere assemblage of talents. He had a tenacity of purpose that was often shrouded in his quiet but impressive demeanour. And was evidence in a prolific intellectual productivity befitting a Prince of Academia. He had a generosity of spirit that showed itself in his readiness to place his resources of intellect, his vast resources of intellect or even his worldly goods at the disposal of those who needed them.

(Applause)

He had the capacity to be of service without being servile. A quality that served him and served us well as he collaborated easily with more senior colleagues in a variety of ways, and he could demonstrate the power of ideas when properly put to influence the ideation of the powerful.

But above all, Mr. Speaker, above all, he had a burning, almost consulting passion for the University of the West Indies as a regional institution. A passion, which showed itself privately and publicly and when the occasion merited it, in the use of his formidable oral and scribbled talents to rebuff the naysayers, to rebuff the doubters, and to rebuff the detractors.

And when I did question him once on the genesis and the intensity of that passion, he would say, it was not only because his academic navel string was buried there, but because he believed in the critical importance of institutions in our development. If you wish to destroy a people, if you wish to enslave them mentally, you destroy their institutions.

(Applause)

It was through institutions he would say, especially institutions of higher learning, that individuals would have equal opportunities for self-actualization. It was also rooted, a rooted part of his credo, that our academic constitutions had a major role in helping us to understand and appreciate the essences of our being and of our personas, to understand our Caribbean culture.

And so, Mr. Speaker, in his last Vice Chancellor's report to the Council, my first year as Chancellor he wrote this as an introduction to the Nascent Cultural Studies Initiative, which he continued to head. And Rex wrote thus:

> "If a nation or in this case a region, the Caribbean region, is to get its priorities right, it must structure its educational system and development strategy based firmly on an appreciation of its history as a people and on the region's existential reality.
>
> So the Cultural Studies Initiative must be seen therefore as a means of

encouraging all faculties, all centres in University to investigate such realities and help lead to a discovery of self and society."

So thank you Black Prince and we will ensure that your legacy lives on for our sake and for the sake of generations to come. So, Mr. Speaker, it is in that context and against that background that it has been decided to establish the Rex Nettleford Foundation for the… (Applause) …for the perpetuation for that legacy.

I thank you.

(Applause)

The SPEAKER: Thank you very much SIR GEORGE ALLEYNE. I now invite the MOST HONOURABLE EDWARD SEAGA to address us.

(Applause).

MOST HON. EPG SEAGA: Mr. Speaker, Prime Minister, Leader of the Opposition, distinguished guests, ladies and gentlemen, Members of Parliament. When I was asked to give this tribute this evening to the life of a great Jamaican and to me, a great friend, Rex Nettleford, I was very pleased to accept. I was less pleased, however, to be told that the allotted time . . . (Laughter) . . . was eight (8) minutes. (Laughter) In these modern days when billions of bits of information are compressed on the Internet into seconds of transmission, that's possible, but not when we are using the old time method of a presentation orally. (Laughter/Applause) So I am forced to be selective, indeed, very selective in what I can say today because of the limits of time.

I want to begin, however, on a personal note because it might not be known that my stay at the University of the West Indies, at present, was at the invitation of Vice Chancellor Rex Nettleford, when he was in that role. He and other Professors invited me to join them there and I was happy to do so because I was renewing a link, as I said, in my departure speech in this Parliament.

While there, I received many visits from Rex and because we had a more leisurely time, both of us, we could sit and talk to an extent that we had not been able to do in the 47 years during which I knew Rex, beginning in 1963. He was very curious about a particular project that I was doing, which was to digitalize all of the material that I had collected over my 45 years of public service in Parliament, that's some three hundred-odd thousand pages of material and twenty cases of videos. And when I showed him how it was being done, he said to me, I must do that with my papers too, and I encouraged him. I think more Jamaicans should take that step to preserve their history in a way that it will be useful to the future and not to rely upon oral history and this transmission.

(Applause)

But I was also, at the same time, concerned and interested about some of the things that he was doing, because in those 47 years we spent most of our time whenever we met, talking about the National Dance Theatre Company and not about the work that he was involved in. And it is out of those conversations that I have gleaned some areas for reflection this evening.

Rex Nettleford was proud of his roots. He spoke about them with a passion derived from the success he achieved through his journey from nowhere to somewhere, (Applause) from nobody to a most prestigious somebody, or **smaddy**, as he would gleefully say.

These roots were the original, as ascribed

in the language of the street, because they were pure, rural and unadulterated as only rural society can be. This is where folk society flourishes best, retaining the secrets of the ages, unchangeable and sometimes unfathomable, leaving many to ponder how rural folklife is so rich in it own peculiar lifestyle.

Rex relished his countrified origin. As he grew he found strength of character in the settled sameness of his community. Everyone knew where the lines were drawn in prescribing respect. Neither colour nor race or points of differentiation, because everyone was of the same shade and racial likeness and no one would discourage another with shame as a bastard born of illegitimacy, because nearly everyone has fit into the mould, which established the family stereotype and made him pronounce in his final departure address to the University, that I am proud to be a bastard.

All these fundamentally define the true rural products of good 'broughtupsy', as Rex would undoubtedly describe it.

The other world, the urban melange, in which the young maturing Rex Nettleford would be involved, was not a settled existence. It sparked with flashes of conflict between man and man and within man and man. Race and colour were demarcations of status and class. There were also barbs designed to be social weapons which could be used to deny men their rightful place in a society of strugglers.

Most persons who found themselves seriously at odds with this perversion, would buckle under the weight of discrimination. It is at this point in the journey of life that men separate themselves from boys, building ladders that are tall enough to scale the walls of oppression. Colonial masters shaped this existence for a subjugated people who they wish to keep subjugated.

Rex Nettleford would enter this world of inequality and it would trouble his mind and spirit greatly. He could not and would not conform, instead, he mapped out a journey of upliftment, but he did not follow his journey to uplift himself alone. He was super conscious of his race and colour and the imposed denials of humanity. He deplored it. His academic writings were a call for the upliftment of all who needed to rise up with confidence. (Applause)

On his path of uprising in a system of education designed to maintain things the way they were, he found the strength from his roots to reject what he could not accept. As he rose to great academic heights, a scholar and then Rhode scholar, his rejection of the concept of humbling discrimination emboldened him to champion the justice of equality of all races and colour.

He became a voice of the scorned and segregated. But significantly, he urged upliftment to the 'bhutto', as he would call them, not the 'bhuttoization' of the uplifted whether from black or white establishment. (Applause)

His stellar contribution to the issue of inequity, propelled him in Academia until he reached the pinnacle, Vice Chancellor of the University of the West Indies, while being conferred along the way with rare distinctions of a distinguished Fellow of the UWI, Fellow of the Institute of Jamaica and a dozen honorary degrees.

As if this was not enough excellence for one man, Rex Nettleford had other talents

which boosted his recognition as an exceptional man. The other passion in his life, cultural identity, helped him to fill out gaps which lacked understanding. He idolized the human body as a prized possession and symbolized it as a creative product of freedom, which allowed him to exist as a proud individual within the broader scope of humanity. This freedom he felt, was best expressed in dance, where movement could be the ultimate expression of emotions.

He led the charge to use dance as a medium of liberation from colonial and other bonds and to this end, he created an institution through which the expression could flow. The National Dance Theatre Company was a creature of Independence, born in that period when Jamaicans wanted their own music, dance, artist, athletes, scholars and creators of other identities of Independence.

The NDTC has served this role as one of the institutions that proclaimed our independence with great acclamation at home and abroad. Much of this acclamation was due to his leadership on and off the stage. He must have been one of the few distinguished academicians throughout the world, who was a distinguished performing artist. He choreographed and he danced and with the bearing of a man of royal dignity and authority, erect, smooth and triumphant.

He asked me to be a patron of the National Dance Theatre Movement when it was founded. I accepted then and I continue to be a great admirer of this cultural showcase of the nation's passion for movement and music. (Applause)

It was because of us sharing this love to our music, that I invited for him to share with me the results of my studies of the 1950s. And just after Independence, I took him into the yards of the inner city in the dead of night, so that he could see for himself another type of life, the folklife of urban Jamaica, not the rural folklife to which he was accustomed. It was there that he learned the dance movements; it was there that he learned the songs of the folkpeople of Jamaica in their expressions of their religions.

Those found their way into the repertoire of the National Dance Theatre Company and I'm sure that in tonight's presentation which is being done by the NDTC and as an expression of pride for the work that Rex did, we will at least see him in his role as a Kumina King. These had their roots in the bowels of the city and he helped to put it on the stages of St. Andrew.

In the broadest sense of interpretation and understanding, the Honourable Rex Nettleford was a sublime creature of cultural forces, which shaped his persona as a Jamaican of excellence and a Caribbean man of integrated cultural dimensions. He gave his country entertainment spectacles and profound understanding. Symbolically, he chartered a course that proclaimed the ability of not just the ordinary man, but the ordinary black man to be an extraordinary man. (Applause)

And we can be assured, that his boundless spirit which embodies his legacy, will still walk among us, because of the African tradition of reverence for the spirit, as captured in a chorus from the Sankey, 'no grave can keep my spirit down'. (Applause)

The SPEAKER: Thank you, the Most Honourable Edward Seaga. I now invite the MOST HONOURABLE PJ PATTERSON to address us.

(Applause)

MOST HON. PJ PATTERSON: The dreamer has made his exit, but the dream must never die.

Mr. Speaker, Honourable Members, the national outpouring of grief from people from all walks of life, the depth and breadth of the tributes spoken and written about the late professor, the HONOURABLE RALSTON MILTON NETTLEFORD demonstrate the quality of the exemplary contribution to his country, the region and the world, to which this remarkable son of Jamaica dedicated his entire life.

This occasion is truly unique. For one, it is the first time that the Most Honourable Edward Seaga and myself have been speaking from the same side of the aisle in this House. (Applause/laughter) But more significantly, it is the first time that the Jamaican Parliament has met in a special sitting, to one who never occupied a seat within this Chamber.
(Applause)

Despite his passionate belief in the nationalist movement, Rex Nettleford stoutly resisted the temptation to seek or hold political office. Yet the record will show that his ideas and indeed his very words, have echoed within this Chamber and have influenced decision-making at the highest levels. (Applause) And Rex Nettleford has proven that the building of a nation is not the prerogative of politicians alone. (Applause)

And yet, it is fitting that this Parliament as the repository of the nation's political and legislative history and the pivot for its social and economic destiny, should honour his contribution and preserve the legacy of this uncompromising patriot, regionalist and world citizen. (Applause)

While service to the people of his nation and the Caribbean was his constant motivation, the University of the West Indies was his life.

It was both the institution of his nuturing and the arena of his greatest service.
In reply to my congratulations to him, on receiving the Chancellor's Award last year, he expressed his happiness that the ceremony took place at St. Augustine, rather than Mona, in what he referred to as a celebration of the regional character of the University we both attended, and which prepared us for the sort of First Eleven leadership that post-colonial realities demand of so many of our compatriots up and down the region. (Applause)

Mr. Speaker, you will forgive me if I recall with pride and gratitude my close association with him on the Mona campus. It is a matter of record that both he and I were the beneficiaries of another great national icon, PHILLIP MADERSON SHERLOCK. Rex and I, as undergraduate students, could be accurately charged with spending more time at Sir Phillip's Extra Mural Department than with our formal course lecturers and professors. We both benefited enormously from his tutelage as the first truly Renaissance Caribbean man with whom we had ever interacted. In this regard, I proclaim that Rex is his legitimate heir, with the added layer of texturing which his own later experiences were to bring.

As a student, Rex brought to the University College an amazingly wide experience of Jamaican culture and its potential for societal transformation. I would not pretend to match him in that area of our association. I know my limits. (Laughter) It will, however, surprise Parliamentarians, particularly those who served with me, and my

close friends alike, that Rex once involved me as a member of a choir for a special BBC Christmas production. (Laughter) He also frequently reminded me and others of a highly successful stage production of *Oedipus Rex* at the Dramatic Theatre, in which both he and I played the significant role of stacking the chairs after the end of the performance. (Laughter) That was Rex. He did what had to be done. He knew that behind the glare of the floodlights lay the personal responsibility, the discipline, the thoroughness, which included the unglamorous tasks as well.

Through the University, Rex launched himself on a programme of exposure to individuals, communities, institutions, and the views and ideas of scholars as different in time and place, as ELSA GOVEIA and ultimately, ISAIAH BERLIN. The authenticity of his connection with his ancestral roots was enhanced by these encounters and the dialectic opportunities which they offered. As he came to the attention of various persons of distinction he was a willing participant in the interactive relationships which enriched everyone. He described as lifegiving, his work among the Rastafarians.

> "We Jamaicans," he stated, "are not that unsophisticated to be racist, but we are not that silly not to be race conscious. It's a delicate balancing of sensibility".

Mr. Speaker, while Jamaica was his base and his focal point, his influence, rooted in Jamaican reality was to make a significant impact on the continent of Africa, the wider Caribbean, the United Kingdom. He was revered in the International Community for his razor-sharp mind: UNESCO, the International Development Research Council, the International Labour Organization and the World Bank, to name but a few centres of power which often listened to his resonant and persuasive voice. But for Rex Jamaica was always home, his arena of selfless and empowering service, service to the man on the street who profited from his wisdom and his public demonstration of respect; service to journalists who he would encourage or sensitively correct; service to colleagues and innumerable friends who would receive personal notes of encouragement and advice, especially when the going got rough. (Applause)

We remain indebted to him for the invaluable work which he has done on a range of issues relating to governance, social cohesion, and regional integration. Whenever we interpret the colours in our flag today, let us recall that it was his Report on National Symbols and Observances which resulted in the change from black, signifying hardship, to black portraying strength and creativity. (Applause) Every Emancipation Day, let us remember his convincing plea that August 1 be returned to the national calendar, for to him it was a matter of liberty and a release, because he said the jailors and the jailed are after all both in jail; we must free them. He saw emancipation and independence as distinct points on a continuum in a process of national self-actualization which continues even now.

Mr. Speaker, what is it that has generated this avalanche of tributes from so many individuals all across the nation, across the Jamaican Diaspora, and in communities and institutions around the world? I believe it is substantially Rex's innate goodness as a human being. (Applause) He made each interface with people a personal, meaningful,

sincere and respectful one. He was thoughtfulness and humility personified. He made time equally for the major speech to an international audience, for lectures to the students he mentored, for a friend who was indisposed, for a colleague who sought his guidance. His generosity was indeed abundant. His life was governed as much by his love of learning as by respect for others and a belief in their intrinsic value.

What powerful messages does the HONOURABLE REX NETTLEFORD leave for leaders of our nations and the Caribbean people? First, that we must always be conscious that we are a part of a process. The shaping of a people, the building of nationhood never ends. We are always in a process of becoming. Two years ago he proclaimed:

> "Despite what some of our current cynical doomsayers have to say, it will take more than 45 years to shape and mould decency out of the age-long obscenities of denigration and dehumanization".

Second, that we must value the intellect and make use of ideas and arguments, but always with a sense of purpose and without egotism or bombaste. (Applause) Let all ideas contend.

He fervently believed in the power of one's creative imagination. He repeatedly emphasized the importance of culture to what he described as the enhancement of the social capital, the sustaining of an ambiance of civility, based on the intellectual and cultural bedrock of any social aggregation, whether it be tribe, nation, region or global association.

How fitting it is that one whose mother also come from Sherwood Content and caused him to consume so much of the life-giving yam in Bunkers Hill nearby...(Laughter)...saw sports as allied to the traditional cultural expressions, as a branch of the Performing Arts - see Bolt at work - reflecting part of the globalizing phenomena of present and future life.

Third, we should be unapologetic about our own culture and civilization. (Applause) We still need to rediscover African strengths and African pride by opening a window to these elements through cultural dialogue. But he went on to say this:

> "We are a new and textured people, part Africans, part Europeans, part Asians, but totally on foreign soil which we have now claimed as our own and become truly Caribbean people. (Applause) So we must affirm each other and take pride in ourselves and our achievements without arrogance and without complacency".

He was fond of quoting an African proverb:

> "Until the lions have their own historians, tales of the hunt will always glorify the hunter".

Fourth, he was true to his own maxim that man can only attain his full potential through education. He was not an admirer of those whom he characterized as the 'chattering class'. By contrast, he demonstrated through example, the value of educating the disadvantaged, the unlikely, the non-traditional student, the insecure and undecided, in order to fashion people who were thinkers as well as doers; who had intrinsic value and who in consequence valued community and nation as much as they valued themselves. Education, or more precisely learning, according to our esteemed professor, should be preparing graduates to cope with the

texture and diversity of human existence.

Mr. Speaker, in response to a letter I sent him last October, on the passing of his mother, who had just completed her century, Rex responded in his usual classic style, but there are portions of which I now feel obliged to share with you.

> "Jamaican mothers are in a class by themselves. My mother retained her protective responsibility throughout her life, from as far back as I can remember. She was not afraid to accost the Horsehead in a Jonkunnu Band for frightening her three year old son. (Laughter)
>
> I went to New York where she was residing for many years, to celebrate rather than to mourn. The pastor did the eulogy, and he well understood that when she meets St. Peter, a place of honour will be hers. No one dares to mess with her up there. I warned the funeral home in the Bronx that they had better have her dressed appropriately for the viewing, otherwise she would just get up and walk out. (Laughter) Happily, there was no need for that. She didn't suffer long. She had made a living will, forbidding any attempt at resuscitation when the time came for her to meet her Maker".

Mr. Speaker, Rex Nettleford dreamed of a world where the oppressed and deprived of Mother Earth, whatever their race, could be afforded a life of dignity and self-respect. His entire adult life was dedicated to bring this dream closer to reality. Here at home and throughout the Caribbean region and in the innumerable fora, he won respect and admiration for his brilliant mind and his passionate advocacy for peace, tolerance, justice, sustained development, trust and memory.

In recent memory there are only a precious few whose contribution has made such a profound impact on our national psyche, and thereby enriched our culture of texture and diversity.

His invincible spirit will endure throughout the ages, propelling us to achieve that sense of self-worth, that self-esteem which bolsters confidence in self to further forge in the crucible of an heritage a viable plural society where people live not just side by side but in harmony together.

Even as we mourn his passing we have abundant cause to celebrate his life. How sorely we will miss his erudition and eloquence, the inspirational and splendour of his fascinating choreography, an insistence on sartorial elegance in full accord with his own regal and fastidious taste, his calm display of courage, dignity and grace under fire. No more will those around him seek in vain to match his frenetic pace. The earthly curtain has finally come down and the king himself will now forever dance in the halls of glory.

May this great Titan rest in eternal peace. (Applause)

The SPEAKER: Thank you very much, the Most Honourable P.J. Patterson. I now call on the Honourable Baldwin Spencer, Prime Minister of Antigua to address us. (Applause)

HON. BALDWIN SPENCER: Thank you very much, Mr. Speaker.

Honourable Members of the Parliament of Jamaica, other distinguished guests, my Jamaican brothers and sisters, I bring you meetings from the current Chairman of the Caribbean Community, the Honourable Roosevelt Skerrit, Prime Minister of the

Commonwealth of Dominica, the Secretary General of CARICOM, His Excellency Mr. Edwin Carrington who is with us, the Government and the people of Antigua and Barbuda and the Community of Nations and people that are today the poorer for having lost a true champion, advocate, artist, builder, teacher, philosopher and intellectual collosus, Professor the Honourable Ralston Milton "Rex" Netlleford. The Caribbean is eternally in Jamaica's debt for your having produced and shared with us a man who transcended national and racial boundaries while remaining rooted in an immovable sense of his own identity. (Applause)

Antiguan philosopher and scholar Dr. Paget Henry, reminds us in his seminal work *'Calibans Reason*' that, and I quote:

> **''From that the point of view of the creative or world constituting self, the culture of a people may be defined as the expression of a distinct consciousness of existence articulated in a variety of discourses".**

Rex Nettleford was quintessential in navigating the myriad discourses that impacted the Caribbean region. His stellar contribution to fashioning an authentic Caribbean philosophy and a distinct civilization of post-colonial Caribbean people is not confined solely to the seminal scholarly pursuits in which he distinguished himself. Neither is his Caribbean legacy restricted to his incomparable artistic accomplishments and cultural involvement.

Mr. Speaker, Rex Nettleford also understood, articulated and demonstrated a profound grasp of the dynamics of the Caribbean labour movement. This is a movement that emerged from the bowels of the Caribbean plantations and colonial societies and which spawned our individual and collective independence both in political and economic terms.

Mr. Speaker, at the impressionable age of 16 years, while I was still in high school in Antigua in 1964, I was sent to Jamaica by the Antigua Trades and Labour Union to attend a trade union workshop at Mona. At that time Professor Nettleford was the Director of Trade Union Education Institute at the Mona campus. It was my first trip outside the Eastern Caribbean and it gave me my introduction to both the theoretical underpinnings and practical dimensions of the labour movement, which later became my professional field and which nurtured my sense of duty and political service. During that one month workshop Rex Nettleford connected, for many of us, the dots that demonstrated in no uncertain manner the important role of the labour movement in the transformation of Caribbean society. (Applause)

Rex Nettleford helped to shape for me at the tender age of 16, an unforgettable perspective of the history and possibilities of our Caribbeannness. He always remarked that we might be 10% Syrian or Lebanese, 10% East Indians or Chinese, 20% Western European, 60% African or whatever else, but as long as we are sons and daughters of this region we are all 100% Caribbean.
(Applause)

We were honoured and priviledged to have hosted Professor Rex Nettleford in Antigua in December last year. When we invited him to participate in the Centenary Commemoration of the late VERE CORNWALL BIRD. the father of Antigua's labour and

political movements, he did not hesitate. Not only did he launch the book *'Shouldering Antigua and Barbuda: The Life of VC Bird'* authored by DR. PAGET HENRY, but he also participated along with SIR SHRIDAT RAMPHAL, Dr. EDWIN CARRINGTON, DR. PAGET HENRY, himself and others in a panel discussion on - VC Bird's contribution to Antigua and Barbuda and the region, needless to say, Rex Nettleford gave another scintillating performance. The Caribbean has lost one of its brightest sons and most original and prolific intellectual. We have lost a true and worthy ambassador for the region. (Applause)

Mr. Speaker, that he was on an assignment to raise funds for the University of the West Indies at the time of his untimely passing, is testimony to his commitment to this regional institution. Rex Nettleford projected onto the regional international stage himself in the fields of history, culture, trade unionism, governance among other passions.

In 2008, in recognition of his achievements and his salutary contribution to the Caribbean Community, Professor Nettleford was conferred with the Order of the Caribbean Community, CARICOM's highest honour. The Caribbean shaped this extraordinary person and he in turn helped shape and project the region.

On behalf of the Caribbean Community, the Government and people of Antigua and Barbuda and on my own personal behalf, I offer sincere condolences to the relatives of Rex Nettleford, his friends, members of the National Dance Theatre Company, the University of the West Indies and the Government and people of Jamaica.

We in the region will continue to celebrate Rex's distinction, eloquence and generosity of spirit. We are grateful to him for being the conscience of the Caribbean reminding us in 1978 that, and I quote:

''There is a revolution apace in Jamaica and the Caribbean and we who live and have our being in the archipelago need no ghost to tell us so".

Clearly, Professor the Honourable Rex Nettleford belongs not only among the pantheons of National Heroes of Jamaica but among Caribbean heroes, and should be so regarded.

We recall his preoccupation with helping the people of the Caribbean and the Diaspora understand and conquer what he termed the identity problem. He remind us as a people that, and I quote again**:**

"the question of what we are entails the desire of what we want to be".

It is in that context, Mr. Speaker, that I close with the words of another accomplished Caribbean son, the Guyanese writer mid Martin Carter, who invokes images and metaphors winch embody the spirit of Rex Nettleford when he says in two separate poems, and I quote:

''being always to arrange myself in the world and the world in myself. I try to do both. I was wondering if I could shape this passion just as I wanted in solid fire. I was wondering if I could stand as tall while the tide of the sea rose and fell. I was wondering if I could find myself, all that I am in all I could be".

May his soul rest in eternal peace. (Applause)

The SPEAKER: Thank you very much, the Honourable Baldwin Spencer, Prime Minister of Antigua.

I would just like to thank our visitors for making their presentation here in our Parliament to enrich our sitting this afternoon, in what I would consider a commemoration and remembrance of Rex Nettleford. I am sure that the tributes in our Parliament will go to the wider community so that Jamaica and the diaspora and people right across the world, who are listening, will remember Rex Nettleford as the true quintessential Caribbean icon.

At this time visitors and members of the University community, you are welcome to remain with us, but we will understand if you will depart at your convenience. I would just like to thank you for being here and also I see my good friend Professor Barry Chevannes, who was responsible for the execution of a wonderful; service this morning, and to his team and to the University, thanks very much. (Applause)

RESUMPTION

The SPEAKER: (Gavels) This Honourable House will now resume its sitting. House Leader.

Mr. HOLNESS: Mr. Speaker, the Parliament has paused to note, reflect, analyse, eulogize, praise, celebrate, and indeed give thanks for the life of one of Jamaica's great cultural icons. We have heard about Professor Nettleford as a country boy, a teacher, intellectual, academic, researcher, orator, author, dancer choreographer, institution builder, trade unionist, communicator, ambassador, historian, humourist. Mr. Speaker, the Parliament has ensured that his work and contribution will be recorded for the life of the nation.

I now beg that the motion be adopted.

The SPEAKER: The motion before the House is for the adoption of the motion, notice of which was given by the House Leader.

Put to the House and agreed to.

The SPEAKER: House Leader.

Mr. HOLNESS: Mr. Speaker, I now move for the recommittal of the item, Questions.

The SPEAKER: The motion before the House is for the recommittal of the item Questions and Answers to Questions.

Put to the House and agreed to.

QUESTIONS AND ANSWERS TO QUESTIONS

Mr. BUNTING: Mr. Speaker, I beg to give notice that at the expiration of 21 days, I House the following questions:

Will the Minister please respond to questions regarding a contract valued at $208.6 Million which was awarded to Build-Rite Construction in December 2007 for the construction of the new Bellefield Primary School which, when completed, is expected to accommodate some 840 pupils, specifically:

1. Is the Minister aware that construction has essentially stalled for the last six (6) months or so?
2. Will the Minister advise of the new target dates for the completion of construction and for an official handing over exercise for Bellefield Primary School?
3. Is the Minister aware that enrolment

at the school has fallen from over 630 pupils to 439 during the period of the construction?

4. Will the Minister explain why a school facility projected to grow in enrolment at time of the contract is instead now in decline?

The SPEAKER: Thanks.

Mr. HOLNESS: Mr. Speaker, Question 42, standing in the name of the Member from Central Kingston is ready for answer.

The SPEAKER: Reverend Thwaites.

QUESTIONS OF HEALTH MINISTER RE DRUGS/DEMENTIA/ALZHEIMER

Rev. THWAITES: If it pleases you, Mr. Speaker, will the Honourable Minister of Health kindly answer the question listed at Number 42 in my name?

The SPEAKER: Mr. Spencer.

Mr. SPENCER: Thank you, Mr. Speaker.

Question: Given the likelihood that the aged will constitute as much as 25 per cent of the population in Jamaica by 2050, will the Minister commit adding drugs to relieve Dementia to the list of pharmaceuticals available under the National Health Fund?

Answer: At today's prices, the cost to provide medication for the treatment of Dementia (Alzheimer's) averages $26,500 per person *per annum*. Using the available data provided, 25 per cent of the population is likely to have Dementia by 2050 and maintaining a zero rate of growth in population at today's prices, the annual cost to support the programme would be $18 Billion. Nonetheless, we are examining the possibility of including drugs for the treatment of Dementia (Alzheimer's) to the list of pharmaceutical items supplied by the National Health Fund.

The SPEAKER: Reverend Thwaites.

Rev. THWAITES: Would the Minister say whether he has fully understood the question? My suggestion was not that 25 per cent of the population would have Dementia but that bearing in mind the prevalence of Dementia in an aging population representing 25 per cent of the population, that there would be a heightened incidence of it. But I feel that if the Minister were willing to clarify that, the very large price that he indicates here and the strength of his efforts set out in the last paragraph would be considerably heightened, would he agree to that?

The SPEAKER: Minister, are you prepared to clarify according to the Member?

Mr. SPENCER: We are saying, if we use the same level of population, by 2050 it is more than likely that the cost would be at $18 Billion. The population between now and then will grow by a certain percentage. We have taken that into account. And although we are saying it is going to cost $18 Million, nonetheless, because we are trying to provide drugs at a cheaper rate, we will, nonetheless, fulfill our obligation in that regard.

Rev. THWAITES: Mr. Speaker, could the Minister tell us what are the incidents of Dementia within the aged population of Jamaica.

The SPEAKER: Minister.

Mr. SPENCER: I will provide that answer next time.

(*Sotto voce* comments by some Members)

The SPEAKER: Dr. Guy.

Dr. GUY: Minister, the figure of $18 Billion dollars that you just presented to the House suggests that if you were to calculate 25 per cent of the population, basically that would be 750,000 persons. And if you multiply that currently by the $25,000 or $26,000, then you would get the $18 Billion. My understanding of the question is that, and your answer is that you do not expect 25 per cent of the population of Alzheimer's at 2050, but that at 2050, of the 25 per cent of the population that is aged, what is the percentage of Alzheimer's and as a consequence, what preparations or provisions will be made to have that number being catered for under the National Health Fund?

And I ask this question too, in light of the fact that when you consider that there are some anti-hypertensive drugs that are given under the JADEP programme which cost $3,500 to $4,000 per month, that takes you to $45,000 to about $48,000 *per annum* that is used to treat that, and we are looking at $26,000 *per annum* as compared to that, certainly, there can be some provisions and some studies and consideration being made to include this in the programme.

Mr. SPENCER: The answer is yes, provisions are made and we are considering even widening it deeper.

The SPEAKER: Very well. House Leader? Mrs. Dalrymple-Philibert?

PRIVATE BILL: PENTECOSTAL ASSEMBLIES

Mrs. DALRYMPLE-PHILIBERT: Mr. Speaker, standing in my name on the Order of Business is a Private Bill which I would like referred to the Private Bills Committee for consideration and report. However, before this can be done, the Bill must be read a second time. So, I now ask the Bill entitled AN ACT to amend the Pentecostal Assemblies of the World of Jamaica (Incorporation and Vesting) Law, be now read a second time.

The SPEAKER: Members, the question before the House is as put by the Deputy Speaker, Mrs. Dalrymple-Philibert entitled AN ACT to Amend the Pentecostal Assemblies of the World (of Jamaica) (Incorporation and Vesting) Law, be now read a second time.

Put to the House and agreed to.

Bill entitled:

"AN ACT to Amend the Pentecostal Assemblies of the World of Jamaica (Incorporation and Vesting) Law",

read a second time.

Mrs. DALRYMPLE-PHILIBERT: Mr. Speaker, I now move:

> Be it Resolved that the Bill entitled AN ACT to Amend the Pentecostal Assemblies of the World of Jamaica (Incorporation and Vesting) Law be now referred to the Private Bills Committee for consideration and report.

The SPEAKER: Members, the question is before you.

Put to the House and agreed to.

The SPEAKER: Agreed to.

Mr. HOLNESS: Mr. Speaker, the House will recall that at our last sitting we suspended debate on Item Number 7 on the Order Paper in which the Prime Minister suspended his presentation to allow for further preparation for answers to matters that were raised. We are now proposing, Mr. Speaker's continue the debate.

The SPEAKER: Wasn't this the closing, is it the...?

Mr. HOLNESS: Yes, he was closing the debate but he suspended in his closing...

The SPEAKER: In order... that's right, to clarify a few matters. Prime Minister.

The PRIME MINISTER: Mr. Speaker, I had asked to be allowed to have the debate suspended in order to be able to adequately respond to a number of points that were raised and I wanted to do so now. I think I might have mentioned, but in the case I didn't just - I am at the risk of repetition.

The Member for Central Manchester had raised some concerns about the lack of specificity in the definition of computers. He was actually suggesting that cellphones have computerized capabilities, and therefore he felt that it ought to be specifically mentioned.

We are advised to do precisely the opposite, to maintain the Legislation as technology-neutral with a sufficiently broad definition of computer, so that any derivative of that or any variation of that can still be called. In the event that technology moves - and I am moving now to a point that was raised by the Member for Western St. Andrew - if technology were to move in such a way that an instrument that is used to commit the kind of offences that we are seeking to capture here falls outside of the definition - the broad definition that we have, then at such time we would have to examine that and come back to modify the Legislation.

The Legislation is going to be kept under review. The Parliament is going to have to establish a committee to review it after three years, but the various agencies that have to do with law enforcement, have to do with telecommunications are naturally going to be reviewing it because it is important to their operations.

I think I had also indicated to the House that the business of child pornography which was a concern raised by both the Member for Central Manchester and I think the Member for East Central St. Catherine, much of that, I think, had already been covered in the Child Pornography Bill - Child Pornography Act. We have sought in this particular Bill not to embark upon any reference or any inclusion of the kind of crimes that the instrument is used to commit. We are simply saying that the use of the instrument to facilitate the commission of those crimes is an offence that is punishable in a certain way. So, whether it is fraud, whether it is child pornography, whether it is misleading somebody for some kind of gain, we want it, in a sense, to be crime-neutral so that the use of it, if it is being used in any way to do something, which is why - for example, we have a threshold, we say if it is used to commit any crime, the punishment for which will be more than one year imprisonment. So, we have maintained that approach.

The Member for Central Manchester raised an important issue that I want to respond to and to indicate where the Government is going. He raised the question of the use of phones, the ability of people to purchase SIM cards without being required to produce any identification. The Member, of course, is speaking from the benefit of being a member of the National Security Council and he knows that this is an issue that we have been wrestling with.

The police have complained, Mr. Speaker, about the effect of cellphone usage in facilitating crime. The cellphone is a wonderful thing. It has brought magic to

everyday life. But it has also brought magic to criminals and it is playing an increasingly significant role in the commission of crime. We are going to have to respond. The security forces have asked that we try to remove the anonymity that surrounds the use of cellphones. The matter has not yet been to Cabinet. . I've asked the Attorney General to examine the existing provisions. But the intention is, subject to legal guidance, either through exercising authority that we have under the licenses, or if necessary, coming to Parliament and asking Parliament to enact legislation. We are going to have to impose a requirement that when you go to purchase a cell phone, or a SIM card, you are going to be required to produce your identification which must be recorded. (Applause)

There are some unbelievable things being done. Weapons are being conveyed on the road and a decoy is out front with a cellphone, that simply tells the vehicle that is coming ten minutes behind with five weapons in the car, police is ahead, so a U-turn can be made. It is something that we have to rein in. It's one thing for the security forces to have the ability under the Interception provisions, to intercept phone calls. But if they have no means of tracing - they can trace the location of the calls - but if they have no means of determining how that call is being transmitted through a machine that is validated by a SIM card which was sold to somebody who they didn't know, they don't know, and the person who sold the SIM card doesn't know either. It is something, Mr. Speaker that we are going to have to address. As I've said, we have asked the Attorney General to advise us and I'm hoping that by the time the National Security Council next meets that we will have a clear, strong, firm legal opinion on that.

One last word I wanted to say since two Members had raised this question of child pornography. And this is not a cop out, but it is something that affects us in so many areas, the number of children that we have in lockups who ought not to be there. The number of crimes that are being committed by youngsters who are not yet 17 years.

The UN Rapporteur on torture is in Jamaica as we speak and he is inspecting those facilities of his choosing. And we have been very transparent about it. We invited him here. He is not here as a tourist. We invited him to come to look at our situation here. I'm not anticipating that the report is going to be anymore favourable than previous reports. Part of the problem is the number of children that the State has had to take custody of, because as bad as our custody is, it is a little better than what they were exposed to before. And it points to this - I'm sorry the House Leader has disappeared because he is supposed to be driving this Parenting Commission. There is a parenting deficit in this country. And I'm not shirking responsibility. Where that deficit results in a disoriented, mal-adjusted child, the State has a responsibility that it has to accept. But the State's ability to take over the job of parents is not infinite.

Opposition MEMBER: Hear, hear!

The PRIME MINISTER: And I am anxious to see the legislation that is supposed to support that Parenting Commission because we are going to have to start making it clear that the discharge of parenting responsibilities to children is not an option. (Applause) It is not something that parents can do if they are so inclined. And we are going to have to send

a signal to parents, if you are not prepared to honour your obligation to children then don't have them. (Applause) And if you have them and you are not prepared to honour those obligations then you are going to be punished.

A MEMBER: Hear, hear!

The PRIME MINISTER: If we have to take over the child to try to make sure that we fill that gap as best as we can, then you must understand that you have violated the rights of that child and you are going to have to be prepared to accept the consequences of that. It is something that we are going to return to and it is something that I hope will command the attention and the concern and the interest of all the Members of this House.

The Member for West Central St. James raised a member of very important issues. He has called for - and it's something that I had also indicated. We need to internationalize this commitment, this convention, this treaty against cyber crimes. At the moment, as I indicated, it is the Council of Europe Convention which has been sided by 43 European countries, signed by 15 non-European countries, of which the United States is one. I was a little surprised to see that the United States was prepared not to lead on this one but simply to go along with a European framework of legislation. The matter is still being discussed within the UN. I'm going to ask the Foreign Minister to do two things. **Firstly**, to try to see if we can lend some additional momentum to the discussions at that level, but also to advise me as to why it is that we ourselves have not signed and whether or not it is something that we should consider doing. We are enacting the legislation, and therefore unless there is some other element of the convention that we would have problems with, then I would ask him to consider whether or not we should.

The Member for Western Central St. James also made the point that the legislation should address the question of Network. And he expressed concern that there was no specific definition of service providers. It's a point l raised myself. As a matter of fact, that particular point caused the Bill to be, I think, a week or two late in getting to the Senate because I asked the question about it.

I want to just read you the response that was given. It says here *the definition of service provider is consequential to the proposed Clauses, 10(a) and 10(b) which provides for monitoring orders directing service providers to disclose information or produce documents.* I think that 10(a) and 10(b) subsequently became other numbers. *However, the power to demand disclosure and access to this information through a service provider is already covered by Clause 21 which incorporates section 16 of the Interception of Communications Act by reference. Section 16 of the ICA makes provision for obtaining information from a person providing a telecommunications service where it is in the interest of national security or for the prevention or detection of an offence*. Again, coming back to what this particular legislation is anchored on, the commission of an offence. And that it says *Clause 21 of the Cybercrimes Act amends the Schedule in the Interception of Communications Act to include both the substantive and inchoate offences, examples, conspiracy, et cetera, set out under the Cyber Crimes Act. Therefore section 16 of the ICA read in conjunction with the Schedule as amended by Clause 21 of the Cybercrimes Act already provides indirectly for a definition of*

service provider. And if you were to ask me what this means I'd say don't ask me. You are a lawyer, I'm not. But I was assured by the draftsmen that the issue had been raised. Let me just read something more.

> *Furthermore, although there is no specific definition of service provider under section 16 of the ICA, it refers to a person who provides a telecommunications service and the term 'telecommunications service' is specifically defined to mean a service provided by means of a telecommunications network... the word network is used... to any person, for the transmission of intelligence from, to or within Jamaica without change in content or form.* Additionally, *the definition of telecommunications is not prescriptive and includes intelligence in the form of speech, music, data, text, visual images and any type of signal, among others, transmitted between persons and things or things and things.*

Now, the other issue that he has raised, Mr. Speaker, he was concerned that if service providers failed to exercise due diligence they can find themselves on the wrong side of the law. That's true. And I don't know that that can be avoided. The fact of the matter is that a service provider provides a highway. And we are saying to the service provider, you have to police the highway.

A MEMBER: Hear, hear!

The PRIME MINISTER: You have to play a role in policing the highway to make sure that people are not using your highway to commit crimes. I'm coming to the question of cyber terrorism now which is another matter. But when somebody kidnaps your daughter, it is the highway they are using to say to you that if you don't come up with half a million dollars, what and what is going to happen to your daughter. And therefore we are saying to them you are going to have to start exercising some superintendence, you are going to have to do your own due diligence, you are going to have to put in your security system because this wonderful facility that has transformed the lives of all of us is potentially lethal. And therefore it has to be handled with great care and great responsibility.

I wanted to read section 11, I think it is, of the Act that says: *Where a body corporate commits an offence...* Because this is another point that the Member had raised the fact that they would be liable... *Where a body corporate commits an offence under this Act and the court is satisfied that a director, manager secretary or other similar officer of that body corporate, connived in the commission of the offense*... Connived! So it's not that, you know, it just happened on your highway because you weren't looking. You actively facilitated the commission of the offence. I don't know that that is a creature that we necessarily want to provide any protection or even any defence for. And then it goes on to say: *Where he failed to exercise due diligence, to prevent the commission of the offence.*

Now, I imagine that it would be a persuasive argument in a court to say now, look, I put in all reasonable security. I did everything that could reasonably be expected but this little thirteen year-old genius broke through my system and it was used to facilitate a crime. (*Sotto voce* comments) Well, you're a lawyer. I'm sure that that would move the court. But it is where they are just

indifferent, ambivalent, not mindful of the responsibility that they have, not mindful of the distress that the misuse of their facility may be causing. That is what we have to say now. If you don't exercise some responsibility here, then the law is going to have to show some interest in you.

Legislation: He goes on to say, "legislation should contain some proviso - need an exception in the legislation so that service providers do not find themselves on the wrong side of the law and that the mischief that the legislation is designed to get at does not unwittingly draw within it those who are licensed to provide the service". I'm still convinced that the legislation is balanced in the way it is framed; it does impose a responsibility, it's a responsibility that we don't feel can be absolved of; must include a clear offence within the rubric of the law, the offence of phishing. I submit quite respectively that it does. I don't know if I brought the - I may not have brought the - - I had a look at the definition of phishing as submitted to me and what phishing really is, is fraud, it's the use of - it's a computer action that is designed to fraud. it's used to lift, to steal identity, it is used to lift credit card. It essentially involves sending out something to you purporting to come from a source that you would regard as credible and reputable. So it's like, you know, somebody sending out and say, well, this particular bank is inviting you to subscribe to this credit card, send you numbers, whatever it is. It is exactly what our lottery scammers are doing, where they are saying, look, you have won this big prize through this wonderful facility that we have, just send a little money and give me some information and so on. So the advice I have is that that is part of what is captured in terms of the definition.

I think a great deal of care has been taken in this definition not to try to define it so sharply that you define out things that you want to capture. It is better to have a broad definition so that in a sense what you are doing is net phishing rather than spear phishing.

Mr. Speaker, just couple of other points. The legislation does not speak to economic loss but recommended that it deals with financial crimes. It speaks to damage; and I think the point that the Member was making was that that seems to suggest damage to your system, technological damage or programme damage, but it doesn't speak to economic damage. I didn't get a response to that. I'm going to seek the indulgence of the House not to let us delay the legislation on that count. It's an issue that I certainly would want to pursue and if necessary we may have to make some adjustment in the future.

It does deal with things like fraud and fraud of course would involve economic loss. But I think the point that was being made: if somebody interferes with my system, as a result of it I have to shut down my sales department and because of that I lose a half a million dollars of sale that I would otherwise have made, does the law protect me so that I can - but that would be a civil remedy rather than a criminal remedy, I would think.

The point was raised, I think, certainly by the Member for West Central St. James and it might have been raised by another Member, the question of cyber terrorism. We are of the view, and I took advice on this, that again because we have sought to make the legislation as crime neutral as possible that

this is not where we would tackle that. I had a look myself at the Terrorism Prevention Act and it seems to me that we are going to revisit that Act have and address the question of cyber terrorism there because it doesn't speak to that now and certainly, I was a part of that...

(Inaudible comments by Mr. Holness)

The PRIME MINISTER: It does? That's not my understanding.

Mr. HOLNESS: Public infrastructure in the community... (Inaudible comment)

The PRIME MINISTER: Well, I'm going to get some legal advice on it and if we need to revisit that to strengthen it then we will. Just let me just try and wrap up quickly.

The Member for West Central St. James again he raised concern - the legislation ought to speak to what is described in the industry as malware. This is where you have a virgin computer and you are having programmes installed on it, the installer may put in software or a programme that comprises the output of the - or compromises the output of the computer. So what you may be saying is that, it's not that you are damaging anything that is in there, it's that you are in a sense rigging the computer to do something. I'm advised that that is covered in unauthorized modification which is covered in section 5, degradation which is covered in section 7, impairment of any programme which is also covered in Section 7. I'm being advised that in Clause 24 the definite of "damage" includes economic loss; Clause 2(1).

An interesting question was raised again by the Member for West Central St. James and that is, if you innocently come upon information through WiFi connection; you are sitting in an airport, you take out your laptop, you switch it on all of a sudden it starts running into all sorts of websites and you come by information.

My own understanding, this is not - I'm not giving you a legal response. My own understanding is that if any website is beaming its signal across, that is authorization, you are authorized so long as you are not prohibited. My understanding of what the legislation seeks to do, is when you start breaking through password and when you start breaking through firewall, when you start doing things that are designed to give you access to something which the owner does not want you to access and whether you do it by WiFi - even if your connection is through a subscriber arrangement where you are paying your fee, so it is not that you are stumbling on it, you switch on your computer and there are all sorts of sites that you can access right then and there. It is not so much the access of sites that are available to be accessed or even inviting access, that's not where the problem is, it is when you are accessing a site that you ought not to be accessing because access is not extended to you; and various means are used to access the site and to do things having accessed the site, the legislation is intended to capture that whether you do so by way of some WiFi connection or whether you do so by way of cable connection in whatever way it is done.

The Member also suggested that in section 8(1) it is too wide. Section 8(1) “a person commits an offence who for the purpose of committing..." and I'm emphasizing that because that's why I don't think it is so wide. It says, “a person commits an offence who possesses, receives, manufacturers, sells, imports, distributes, discloses or otherwise makes available a computer access code,

password, any other data.... and so on. And his concern was particularly in relation to the manufacture or the manufacturer. But all of this is governed by for the purpose of committing or facilitating an offence. So, if a man is selling a computer and somebody buys the computer and then goes and use the computer to commit a crime I don't know that that person would be liable, unless you can prove that the computer was specifically manufactured to facilitate the committing of crime. It's governed by a requirement that the person who is committing the offence can only be regarded as committing the offence if in the ownership, distribution, manufacture he is doing so for the purpose of committing or facilitating the committing of the offence.

I already spoke to the question of the global collaboration that is required. I have already spoken to the Terrorism Act. I'm going to still revisit it to see whether or not, as I'm being told by the House Leader, whether the concerns that have been raised are adequately covered there.

The Member for East Central St. Catherine raised some concerns about minors. I have already spoken about the child pornography part of it, but she had concern that a minor who runs afoul of this Act when it becomes law could be charged for an offence and really got into this situation innocently, inquisitive mind, busy at the keyboard. Well, bear in mind that if you are under 12 you can't be charged. You cannot legally be charged under 12. Those over 12, of course, are tried, if they are tried, as minors and there is a particular set of rules in the Courts that govern that.

But, again I come back to parental responsibility because this thing is going to require - kids can't be just left free to go do anything they want on a computer. Some of the most significant offences, or some of the most significant mischief that have shut down banks has been done by some little youngsters. You know they shut down NASA for two days. The whole operation had to be suspended because one little youngster found a way to break into their system and started sending all sorts of crazy messages within their systems. I suspect that they may have overreacted because they may have thought that it was some external enemy; but they shut down their system for two days until they could get it cleaned up and straightened out. So I think we have to be careful that we don't sort of take a juvenile approach to something that - where the juveniles are perhaps your greatest potential sources of perpetrators.

And then finally, the Member for North West Clarendon raised some concerns, the appropriateness of requiring that individual organizations put in place the appropriate security system. He is calling for that and that is very much the intention of the Act. He is speaking about the need for proper awareness and training for the public and it is something that I'm going to ask the people in the Ministry to pay special attention to.

The Bill, Mr. Speaker, as you know has the benefit of consideration and deliberations in another place and I think it was passed with a number of amendments and, therefore, it's not brand new in a sense, it has been through a deliberated process. It is necessary, it is going to provide strength not just for our law enforcement efforts but also remember the e-commerce arrangements which were put into law in 2005, need this support it they are to achieve what was stated as the purpose.

I ask the House to approve the Bill.

The SPEAKER: Members, the motion before the House is for the second reading of the Bill.

Motion put to the House and agreed to.

Bill entitled:

"AN ACT to Provide for criminal sanctions for the misuse of computer systems or data and the abuse of electronic means of completing transactions and to facilitate the investigation and prosecution of cyber crimes"

read a second time.

The SPEAKER: The House will now resolve itself into a Committee of the whole House to consider the Bill clause by clause.

COMMITTEE STAGE

The CHAIRMAN: Members, I put Clause 1.

Put to the House and agreed to.

Clauses 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21 and 22 put to the House and agreed to.

Title and Enacting Clause put to the House and agreed to.

The question is that I do report the Bill as having passed Committee Stage without amendment?

Put to the House and agreed to.

The SPEAKER: I do report the Bill as having passed Committee Stage without amendment.

The PRIME MINISTER: Mr. Speaker, I move that the Bill be read a third time.

The SPEAKER: The question is that the Bill be read a third time?

Put to the House and agreed to.

Bill entitled:

"AN ACT To Provide for criminal sanctions for the misuse of computer systems or data, and the abuse of electronic means of completing transactions, and to facilitate the investigation prosecution cyber crime",

read a third time and passed

(Applause by Government Members)

The SPEAKER: House Leader.

Mr. HOLNESS: Mr. Speaker, there are two fairly simple matters that won't detain the House for long, which the Minister of Finance will take, Items No. 11 and 12 on the Order Paper.

The SPEAKER: Minister Shaw.

THE FIREARMS LICENCE DUTY ORDER

Mr. SHAW: Thank you, thank you, Mr. Speaker.

The matters for consideration by this Honourable House are the confirmation of two resolutions in respect of the Firearms Licence Duty Order, 2010 and the Travel Tax (Amendment) Regulations, 2010.

The variation in the Firearms Licence Duties, as well as the increase in the Travel Tax were introduced under the Provisional Collection of Tax Act. The appropriate legislative instruments have been prepared to provide for the changes on a permanent basis by way of the Firearms, (Firearms Licence Duty) Order, 2010 and the Travel Tax (Amendment) Regulations, 2010.

In respect of the Firearms Licence Order, 2010, Resolution, Mr. Speaker, this resolution seeks to confirm the Firearms, (Firearms Licence Duty) Order 2010. Subsection 6 of sectional of the Firearms Act provides that the Minister responsible for

Finance, may from time to time, by order revoke, increase, reduce or alter any duty payable under subsection 1 of section 44. In exercise on the powers conferred on me, the Firearms, Firearm Licence Duty) Order 2010 was made on February 9, 2010.

Mr. Speaker, the Order provides for the annual licence duties to be paid to the Collector of Taxes in respect of the following:

- Firearms Dealer's Licence, this is increased from $20,000 to $100,000;
- Gun Smith's Licence is increased from $200 to $20,000;
- Firearm User's Licence, the terms and conditions of which authorizes the holder to carry firearm or ammunition anywhere in Jamaica, this was increased from $6,000 to $8,000;
- Firearm User's Licence, the terms and conditions of which authorizes the holder to carry a firearm or ammunition in some specific place or area in Jamaica, this was reduced from $6,000 to $4,000;
- Firearm User's Employees Certificate which authorizes the employee to keep and carry and use in connection with the business of the holder of the Firearm User's Licence, the particular firearm or ammunition specified in the Certificate. This duty was increased from $2,000 and $200 per additional firearm specified therein to $4,000 and $400 per additional firearm specified in the Certificate.
- Firearm Users Special Permit, this is a new item which attracts a duty of $4,000.

The Order also provides for the funds collected by the Collector of Taxes to be remitted to the Firearms Licensing Authority. This has become necessary in keeping with the Government's policy requiring Executive Agencies, Departments and authorities to be self sustaining.

In respect of the Travel Tax (Amendment) Regulations, 2010 Resolution, the purpose of this resolution is to affirm the Travel Tax (Amendment) Regulations, 2010, which provides for the increase of the travel tax from $1,000 to $1,800 on a permanent basis.

Subsection (1) of section 3 of the Travel Tax Act provides for the payment by each traveller on each occasion that he or she leaves Jamaica, a tax to be called Travel Tax of such sum as may, from time to time be prescribed in keeping with subsection (1) of section 3. The Minister by paragraph 1 of Regulation 11 of the Travel Tax Regulations 1963 prescribe the sum payable as $1,800. However, Mr. Speaker, subsection (2) of section 10 of the Act provides, that regulations made pursuant to subsection (2) of subsection 10 of the Act in relation to the travel tax shall be subject to the affirmative resolution of the House of Representatives.

Accordingly, the Firearms, (Firearm Licence Duty) Order, 2010 Resolution and the Travel Tax (Amendment) Regulation 2010 Resolution are herewith submitted to this Honourable House for confirmation.

The SPEAKER: Mr. Bunting.

Mr. BUNTING: Mr. Speaker, this is not a controversial motion, but just to make one comment on the firearm resolution. From, 1 think, the last budget we had discussed and 1 think everyone supported the idea of the FLA being self-financing. And indeed, I think we can give the organization credit, as it has

improved the professionalism, vastly improved, the whole process of licensing and renewing and certifying and recertifying, and these fees certainly don't seem unreasonable for the job they are doing.

The one thing I would suggest that the Minister may want to look at or perhaps the Prime Minister, in going forward to the next budget, given the recent find of arms and ammunition on Munster Road and the challenges police are having controlling the firearms within their armoury and other divisions, perhaps it is time for us to look at using the FLA as an audit department for the police force.

When the Act was passed I think it explicitly provided that the FLA would have no jurisdiction over the police, but - and I am not suggesting that they have jurisdiction in the sense of issuing licenses - but just from an audit point of view to ensure that whatever systems, *et cetera*, that are in place in the police force that they are maintained and that there is a second set of eyes supervising this most important task. I would suggest that we look at expanding the role of the FLA to assist the police, particularly as they have demonstrated a certain professionalism and track record in this area. Other than that, Mr. Speaker, I don't think the Opposition has any difficulty supporting the Resolution.

The SPEAKER: Mr. Kellier.

Mr. KELLIER: Mr. Speaker, if the Minister in concluding his presentation could say just about - in respect of the Travel Tax, just how much is this measure expected to yield during the next financial year of movement from $1,000 to $1,800 per head? And is this amount that is collected from the Travel Tax, Minister, is this amount assigned to any specific action?

In other words, we know that the Tourism Enhancement Fund, the money that is collected in that is assigned for specific things, based on what the Fund prescribed, but is the Travel Tax assigned to any specific or it just goes into general revenue?

A MEMBER: Consol.

Mr. KELLIER: Straight into Consolidated Fund?

(Response made in the affirmative)

Mr. KELLIER: Okay. But, you could just tell me exactly, you know, how much you expect to collect off this improved measure.

The SPEAKER: Hold, Minister Shaw. Dr. Guy.

Dr. GUY: Thank you, Mr. Speaker. Minister, the question I would like to ask is that, would this increase result in an increase to the travelling - persons who travel, because my understanding is that this particular tax was put to the traveller as US$20, and it suggested that the equivalent of US$20 was being collected, but I am not certain as to what was remitted to the Government. Does that mean, therefore, that since this has moved from $1,000 to $1,800, which is basically the equivalent of US$20 now, that the cost of the airline ticket will increase or ought it to remain the same?

The SPEAKER: Minister Shaw.

Mr. SHAW: Thank you, Mr. Speaker. Let me start with the Travel Tax. Essentially, the objective was to seek to keep the Jamaican equivalent consistent with the US dollar figure of $20, and when it was first set at $1,000 or the last time it was adjusted, the exchange rate put the US$20 at a $1,000 roughly. So this is an adjustment just to keep it in Jamaican dollars because when travelers are traveling

from Jamaica, you can't legally demand $20 from them in US, but you have to really demand what is the legal tender in Jamaica.

The figure to be yielded is in the region of about $1.2 Billion. Yes, $1.2 Billion, it was actually in the revenue measures, but it's in excess of $1 Billion.

Let me say on that, that, you know, the business of all these special funds, everything you collect must go to a special fund. If we keep up with that practice how do I fund the general revenue, how do I service the debt? (*Sotto voce* comments) How do I pay the national wage bill? This is a practice that is going to have to come to an end, quite frankly, because all of these special little empire funds set up all over the place are - they are invariably, you know, potentially subject to abuse as well.

(Laughter by Opposition Members)

So that is something that is gonna have to be reigned in; and even within the context of the rearrangements that are being made right now, we are looking at bringing in all of these funds even if they're - some of them continue to be dedicated to a specific purpose, they'll be run through the Consolidated Fund, and they'll be managed thorough the Consolidated Fund. (Applause)

Let me just say, Mr. Speaker, that in respect of the point made by the Member from Central Manchester, it is an interesting point he is making and I want to indicate that in fact, it's something that we are looking at now. The Prime Minister's unit that he has set up for the transformation of the public sector, that unit, this is one of the areas we are looking at and it's a very interesting point that you raised and certainly we'll be taking it in consideration.

With that, Mr. Speaker, I ask for the adoption.

The SPEAKER: No could you move each one separately.

Mr. SHAW: I beg to move for the adoption of the Firearm (Licence Duty) Order, 2010.

The SPEAKER: Members, before you on the Order Paper No. 11 is for the approval of the Resolution there.

Resolution Number 11 put to the House and agreed to.

The SPEAKER: The Resolution is approved. Minister could you move...

Mr. SHAW: And I beg to move for the approval of the Travel Tax (Amendment) Regulations, 2010 Resolution.

The SPEAKER: Members, before you is the Resolution on the Order Paper No. 12.

Resolution Number 12 put to the House and agreed to.

The SPEAKER: The Resolution under 12 approved.

Mr. HOLNESS: Mr. Speaker ...

A MEMBER: No further business today.

Mr. HOLNESS: Unfortunately, no.

Mr. Speaker, we had suspended the debate on item Number 9. We wish to continue that debate with a presentation from the Leader of Opposition Business.

The SPEAKER: Mr. Kellier.

Mr. KELLIER: Thank you, Mr. Speaker. As we continue deliberations on Item 9 on the Order Paper which was introduced by the Minister of Labour and Social Security in respect to the flexi-work arrangements, I wish to start off by saying, Mr. Speaker, that something that came out of the ILO that would have - this discussion which we've had and this Committee which met over quite a few months, to come up with a policy position,

would have been influenced by the objectives of the ILO as it relates to the decent work agenda.

The Director General of the ILO said at the time, Mr. Speaker, that the primary goal of the ILO - that's the International Labour Organization - today is to promote opportunities for women and men to obtain decent and productive work in conditions of freedom, equity, security and human dignity. Decent work sums up the aspirations of people in their working lives, their aspirations for opportunity and income, rights, voice and recognition, family stability and personal development and fairness and gender equality.

(The Speaker left the Chair at 6.05 p.m. and the Deputy Speaker presides.)

It goes on to say that ultimately these various dimensions of decent work underpin peace in communities and societies. Decent work to flexi concern of governments, workers and employers who together provide the ILO with its unique tripartite identity. And decent work is captured in four strategic objectives: Fundamental principles and rights at work and international labour standards, employment and income opportunities, social protection, Madam Speaker, and social security as well as social dialogue and tripartism.

These objectives hold for all workers, women and men, in both the formal and informal economies, in wage employment or working on their own account, in the fields, factories and offices, in their homes or in communities. And decent work is central to efforts to reduce poverty and is a means for achieving equitable, inclusive and sustainable development.

The ILO works to develop decent work oriented approaches to economic and social policy in partnership with the principal institutions and actors of the multilateral system and the global economy. And progress requires action at the global level and the ILO is developing an agenda for the community of work, represented by its tripartite constituents, to mobilize their considerable sources to create those opportunities and to help reduce and eradicate poverty.

What we have been discussing, Madam Speaker, over the years is - and months, started from 2001. The committee was set up then under the chairmanship of then Minister of Labour, the HONOURABLE DONALD BUCHANAN. and it was continued in 2003, by the then Minister, the HONORABLE HORACE DALLEY. The work that they started then, Madam Speaker, was completed by a committee chaired by the present Minister of Labour and Social Security. And I wish to take this opportunity of commending him for the diligence that he displayed in bringing this important policy to a conclusion after these many years. And the Opposition fully supports and endorses the Report, Madam Speaker that was tabled here in the House.

The Report that was tabled, Madam Speaker, indicates clearly that a number of interest groups from a wide cross-section of the society participated and gave their input. The West Indies Union of Seventh-Day Adventists, the Jamaica Employers Federation, the Jamaica Chamber of Commerce, the Concerned Church Leaders Group, the Bureau of Women's Affairs and Mr. Martin Henry, who is a citizen and a *Gleaner* Columnist. We had also, the input from the working group on the impact of the implementation of flexi-arrangements on religious worship and family life from the

Ministry of Labour and Social Security.

Madam Speaker, the Report speaks for itself. However, there are some areas that I think are worthy of mention that I need to note.

As is well known, Madam Speaker, flexi-work arrangements are currently in existence in many sectors and work areas in the Jamaican economy. You have the shift system, you have night and weekend work in some instances as can be evident in the essential services, in tourism, in manufacturing, in mining, indeed in the private sector and the private security industries.

And some of the benefits to be derived from the implementation of flexi work arrangements include, among many others, increased employment - as more persons could exploit part-time work to increase their earnings, more time for family and personal interest and critically, increase productivity which is crucial to the economy and a greater availability of services to customers due to varying opening hours and closing hours of business. As is well known, Madam Speaker, in the current situation, businesses have to adjust in respect of when customers find it possible to do shopping in hours that are way beyond those that the law currently prescribes.

There is a need, Madam Speaker, to establish a time frame for the amendments to the various pieces of legislation that currently exist to enable speedy implementation of the policy. So far researchers indicated that at least 10 pieces of existing legislation have to be amended to facilitate this process. And these legislations, Madam Speaker, are appended in the Report and they include: The Apprenticeship Motor Mechanic Trade Order, the Food Storage and Prevention of Infestation Regulations, the Holidays with Pay (General) Act, the Holidays with Pay Order, the Interpretation Act, the Post Office Regulations, the Quarries (General) Regulations, the Shops Regulations, the Town and Country Act among others.

Madam Speaker, under the new arrangements which are to come on stream, the Government must also ensure that all the elements for the protection of workers interests and rights which are currently being enjoyed by the workers, remain intact and are not eroded in any way, shape, our form by the introduction of this new policy. Because the fact of the matter is, because of the complexity of this policy, Madam Speaker, we would not want any employer to use it as a guise, a way, a means of using it to exploit the workers in any way, shape or form.

We have now agreed that the workday can go up to 12 hours and we have also agreed that it is a matter of negotiation between workers and management to ensure that there is smooth running at the workplace and amicable agreement on both sides. But as usual, there has to be a caveat, because the powerful will try to exploit the weak and in this case we want to ensure that the policy, which is a good policy to enable this amount of flexibility, so that persons who have to go to worship will have their time, persons that have to deal with their family affairs will indeed have time and that all this can be worked out and negotiated at the workplace in harmony, between management, workers and unions.

The introduction of the policy, Madam Speaker, will give all the stakeholders the ability to negotiate a workable model to the benefit of all parties, as I said before, management, workers and unions alike. Very

importantly in the policy, Madam Speaker, will be the monitoring and investigation of complaints of breaches of working rights.

This is going to be critical to the smooth implementation of the policy and hence the need to formulate such a monitoring mechanism very early, because again, when the complaints start to come in, the Monitoring Committee or whatever mechanism is being put in place in the Ministry to do the monitoring, must be up and running and it must not be at the back end. So right up front, day one that the policy is being implemented for action, it is expected that the Monitoring Committee be there to receive whatever complaints of breaches that emanate.

And of course, to ensure that all this is done in a forthright way, the business of the public education programme, which again the Report speaks to, the public education needs to be put on a fast-track so that there can be a full understanding by all shareholders as to what is involved, and that there can be no ambiguity as to where this policy is taking us.

All being said, Madam Speaker, the policy should be properly implemented, should inure to the betterment of the worker and the management as well, so it will create more harmony at the workplace properly implemented. To execute it, we need to ensure that the Minister gets the public education campaign rolling early. As I said before, it will augur well for the future of the labour scene. The whole business of productivity will be enhanced.

And I believe, Madam Speaker, this policy that has now come to fruition, which started under the last Administration, we fully support. And once again we want to add our congratulations to the Minister for bringing it to a conclusion. Thank you. (Applause)

Rev. THWAITES: Madam Speaker, there are perils to an independent mind. While I believe that the policy is well intentioned and it has indeed gone through many, many stages and Administrations, I do not believe that it will be complete until the legislation that is to come gives the worker, the employee, the absolute right to choose his or her day of rest.

In the context of Jamaica with high unemployment, with a huge inequality in almost every instance between the worker and the employer, it cannot be left - it ought not to be left to negotiation as to what is your day of rest. And I foresee that with the very best of intentions and with every hope that a bureaucratic - and I don't mean that pejoratively, necessarily - system of reconciling disputes is in effect, the saboteurians are going to find that once they opt for that, if the employer doesn't want it they won't get the job. And the resurrectionists will find the exact same situation with regard to their plea for Sunday relief.

This policy, though well intentioned, and perhaps necessary in many respects, does not speak to that fundamental inequality of relationship that exists between employee and employer in this most sensitive constitution, the protective and divinely oriented aspect of our lives.

There is another aspect, Madam Speaker, that worries me, and it is this, that while we continue to have the school terms and the school hours remaining fixed, you are finding that we are adjusting the terms and conditions of the time of interaction between parents and children. I wish I was convinced that this legislation when it comes would allow the parents to take the children to school and take

on another time of going to work. I hardly see that. I see it as building in an insistence that you are here on my time and in my hours, and if you don't like that you don't get the work. That is the reality that too often our situation has given in household situations, in factory situations and elsewhere.

I urge that as we approve this and as we move towards a legislative code to embody it, that we bear in mind the social situation in Jamaica which affects employment and which is not amenable to reconciliation or easy bureaucratic amelioration, especially if it happens in the countryside, so far from a Ministry office, wherever that is, this is thick in its insensitivity to what that situation is.
Please bear in mind those issues.

May it please you.

Mr. CHARLES: Madam Speaker, I have listened to the Opposition's presentation.

First, I want to acknowledge the congratulation from the Opposition for us taking this Bill through. It was important.

(The Speaker resumes the Chair at 6:20 p.m.)

I was directed to do so by the Government and to make sure we have this on the book for recommendation as early as possible. I want to pass the congratulation to the members of the Committee from both sides who have been able to do this.

I am a little concerned with the Member from Central Kingston's presentation, because he is an attorney, and he is well aware that the Constitution of Jamaica gives certain rights to the worker of his day of rest. I have no complaint in my department. And I want to invite him or anybody who is being denied their constitutional right for a day of rest, to report it to one of the Ministry of Labour's office; one is in every parish.

Mr. THWAITES: Write it into the legislation.

Mr. CHARLES: And there is something I have to tell you. You can't legislate to tell a man that if he is opening a factory he must make sure that anybody who comes he hires them. You can't legislate that. But I can legislate against somebody who goes for a job and was denied that job because he does not want to work on Sunday. His constitutional right is being denied. I have no such complaint.

And I want to make it clear that the Government will take very strong action to back up the constitutional right of any worker who is being denied their day of rest, deliberately.

Government MEMBER: Talk, Pearnel, talk!

Mr. CHARLES: I make it absolutely clear. We are not going to stand by and let it go. And in fact, I have alerted the Ministry of Labour's Monitoring Department to open wide and search if any such thing is happening.

So the Member can be very, very assured that we are aware of the constitutional rights. We will see to its protection for all workers, and if anybody is having that problem we are ready to go in defence of them.

However, Mr. Speaker, this piece of recommendation must be recognized as such. It's not a law. But if we have to take legal - give legal support, this House will have to do it. Both sides will have to agree on the legal support. It will come here for both sides to discuss and to give recommendation to it.

This piece of recommendation is deliberately put there to create a partnership between worker and management at the workplace. We are promoting cooperation between both parties at the workplace. We want a woman to come in and say, look, I have to drop my baby at Campion at 8 o'clock, I would love to start work at 9:00, and instead of going to 4:00 I will go to 5:00.

Now, some work can't be one-sided. Some work is group work. In other words, one person can't decide they are going to work to 5:00 when everybody else is going to be off at 4:00. So there has to be a roundtable discussion.

We are opening the future to a partnership arrangement, cooperation at the workplace between management and worker, because we want to increase productivity and increase jobs. We want more jobs. In other words, we have to split up what we have. You can't have one man working 100 hours, killing himself, because nobody will guide him, health wise. So we are doing all of these things to protect the worker, to create productivity, and to create partnership at the workplace in a cooperative approach.

So Madam Speaker...

Government MEMBER: Mr. Speaker. (Laughter)

Mr. CHARLES: Oh, sorry.

Mr. Speaker, let me just say I think that this House must guide us as to how we can really expose the content of this Paper islandwide, expose it to employers and workers. We want to create this area of education. And as I said, we are going for education; we are not going for sanctions at this stage. But if we have to go sanctions, we will. Education, cooperation, partnership, productivity Jamaican style. Let's work it. Both sides, let's join hands.

Thank you, Mr. Speaker.

The SPEAKER: Could you move the motion, Mr. Charles.

Mr. CHARLES: I now move that this **Green Paper** as returned from the Select Committee, be accepted by the House.

The SPEAKER: The Report.

Members of the House, the resolution before you is for the adoption of the Report seen in Resolution Number 9 on the Order Paper.

Put to the House and agreed to.

The SPEAKER: Report approved.

House Leader?

ADJOURNMENT

Mr. HOLNESS: Mr. Speaker, it is not proposed to do any further business for today. Given that tomorrow is a public holiday, the House will not meet tomorrow. We will resume our sittings, Mr. Speaker, on the 23rd of February, and we will meet on Wednesdays, as well, thereafter. Providing, Mr. Speaker that we move apace with the matters on the Order Paper, the need for a Thursday sitting may not arise. So that really is dependent on how Members here conduct the business of the House.

Mr. Speaker, I now - and, Mr. Speaker, we will provide the questions that are ready for answering.

Mr. Speaker, I now move that the House do adjourn until the 23rd of February, when we meet again.

The SPEAKER: Members of the House, the motion before you is that this Honourable

House do adjourn until Tuesday, the 23rd of February at 2:00 p.m.

Put to the House and agreed to.

The SPEAKER: This Honourable House stands adjourned.

The Honourable House of Representatives was adjourned at 6:27 p.m. to resume on Tuesday, February 23, 2009, at 2:00 p.m.

TUESDAY, February 23, 2010

PURSUANT to Notice of Adjournment the Honourable House of Representatives resumed its sitting at Gordon House, Kingston at 2.15 p.m.

PRESENT

THE SPEAKER

HON. DELROY HAWMIN CHUCK, (JLP), St. Andrew, North Eastern.

MRS. MARISA COLLEEN DALRYMPLE-PHILIBERT, (JLP), Trelawny, Southern, Deputy Speaker.

MEMBERS OF THE CABINET

THE HONOURABLES:

ANDREW MICHAEL HOLNESS, (JLP), St. Andrew, West Central, Minister of Education, Leader of Government Business and Electoral Matters.

DR. CHRISTOPHER CHARLES TUFTON, (JLP), St. Elizabeth, South Western, Minister of Agriculture.

JAMES RUDOLPH EDWARD ROBERTSON, (JLP), St. Thomas, Western, Minister of Mining and Energy.

MINISTERS OF STATE

THE HONOURABLES:

DARYL WESLEY PHILLIP VAZ, (JLP), Portland, Western, Minister without Portfolio in the Office of the Prime Minister, Information and Telecommunication.

CLIFFORD EVERALD ERROL WARMINGTON, (JLP), St. Catherine, South Western, Minister of State in the Ministry of Water and Housing.

NEVILLE ANDREW GALLIMORE, (JLP), St. Andrew, West Rural, Minister of State in the Ministry of Labour and Social Security and Deputy Leader.

OTHER MEMBERS

MR. LUTHER BARTLEY MONTEITH BUCHANAN, (PNP), Westmoreland, South Eastern.

MR. PETER MURCOTT BUNTING, (PNP), Manchester, Central.

MR. ROGER HAROLD CLIFFORD CLARKE, (PNP), Westmoreland, Central.

DR. OMAR LLOYD DAVIES, (PNP), St. Andrew, Southern.

DR. DONALD K. DUNCAN, (PNP), Hanover, Eastern.

MR. COLIN ALFRED A. FAGAN, (PNP), St. Catherine, South Eastern.

DR. FENTON RUDYARD FERGUSON, (PNP), St. Thomas, Eastern.

DR. MORAIS VALENTINE GUY, (PNP), St. Mary, Central.

MS. LISA RENE SHANTI HANNA, (PNP), St. Ann, South Eastern.

MR. IAN DAVE HAYLES, (PNP), Hanover, Western.

MRS. MAXINE ANTOINETTE HENRY-WILSON, (PNP), St. Andrew, South Eastern.

MR. JOSEPH URIAH HIBBERT, (JLP), St. Andrew, East Rural.

MR. DERRICK FLAVIUS KELLIER, (PNP), St. James, Southern.

DR. KENNETH WYKEHAM MCNEILL, (PNP), Westmoreland, Western.

MR. CLIVE ARTHUR MULLINGS, (JLP), St. James, West Central.

MR. MICHAEL ANTHONY PEART, (PNP), Manchester, Southern.

MR. DEAN ALEXANDER PEART, (PNP), Manchester, North Western.

MR. TARN ANDREW PERALTO, (JLP), St. Mary, South Eastern.

DR. PETER DAVID PHILLIPS, (PNP), St. Andrew, East Central.

MR. DERRICK CHARLES SMITH, OD, (JLP), St. Andrew, North Western.

MR. ERNEST AUGUSTUS SMITH, (JLP), St. Ann, South Western.

REV. RONALD GEORGE THWAITES, (PNP), Kingston, Central.

MR. FRANKLYN ROBERT WITTER, (JLP), St. Elizabeth, South Eastern.

PRAYERS

Prayers were offered by Reverend Ronald Thwaites.

The House resumed its sitting at 2.15 p.m.

The SPEAKER: Please be seated.

This Honourable House now resumes its sitting.

CALL OF THE ROLL

(See Listing)

STATEMENTS BY MINISTERS

The SPEAKER: House Leader.

Mr. HOLNESS: Mr. Speaker, the Minister of Agriculture has a Statement.

The SPEAKER: Dr. Tufton.

SUGAR – DIVESTMENT

Dr. TUFTON: Thank you very much, Mr. Speaker.

Mr. Speaker, this Honourable House will recall that in June 2009 I announced the Cabinet's approval of the divestment of St. Thomas Sugar Estate to a consortium of Fred M. Jones and Seprod Limited and the Trelawny Sugar Company to the Everglade Farms Limited, as well as the restructuring of the operations of the remaining three (3) Public Sector sugar estates. At that time, I also announced, Mr. Speaker, to this Honourable House the conclusion of a prefinancing agreement with the Italian camps Eridania Suisse, for the sum of US$15Million, against the supply of 79,000 tons of sugar and that these funds were intended to finance the restructured operations led by SCJ Holdings Limited.

(MR. PHILLIP FEANNY PAULWELL, (PNP), Kingston Eastern and Port Royal, entered and took his seat.)

(HON. WILLIAM JAMES CHARLES HUTCHINSON, (JLP), St. Elizabeth, North Western, Minister of State in the Ministry of Agriculture, entered and took his seat.)

Mr. Speaker, I also advised this Honourable House in June 2009 that the negotiations with the other two short-listed entities Energen Development Limited and Eridania, relative to the divestment of Frome, Monymusk and Bernard Lodge were continuing while investors were conducting thorough due diligence and feasibility studies in respect of these assets.

This Honourable House is being asked, Mr. Speaker, to note that the prefinancing agreement with Eridania has yielded

significant benefits to Jamaica, including securing some 2,300 jobs at SCJ Holdings Limited, establishing over 1200 new hectares of sugar cane in less than five months, reduction in the cost of factory repairs by almost 40%, more the doubling, Mr. Speaker, that is, the productivity of workers for this crop compared to last crop; and most importantly, saving the Government of Jamaica and the taxpayers approximately $5 Billion in subsidies.

(HON. AUDLEY FITZ ALBERT SHAW, (JLP), Manchester, North Eastern, Minister of Finance and the Public Service, entered and took his seat.)

Thanks to this arrangement both Monymusk and Frome factories have been prepared on time, allowing for the commencement of the crop at Frome on the 7th of December, the earliest in recent years.

(HON. SHAHINE ELIZABETH ROBINSON, (JLP), St. Ann, North Eastern, Minister of State in the Office of the Prime Minister, entered and took her seat.)

Mr. Speaker, I am also pleased to announce to this Honourable House that the first shipment of some 19,000 tons of raw sugar from our 79,000 tons committed was forwarded to Eridania on Friday the 12th February, 2010.

Mr. Speaker, despite the abovementioned results in relation to the prefinancing agreement, Claudia Suisse, having conducted a profitability study between August and November 2009, to inform their decisions regarding acquisition of Frome, Monymusk and Bernard Lodge estates, advised the Government that while the production of sugar and molasses as well as co-generation at Frome, Monymusk and Bernard Lodge were viable, the projected production would fall short of the 200,000 tons of raw sugar required by that entity. As a result of this shortfall, Mr. Speaker, and given their strategic objective, Eridania was not prepared to make such a significant level of capital investment, which would value over US$10 Million with an internal rate of return of 12 to 17 per cent and a relatively long period of payback of approximately 9.5 years.

(MRS. SHARON MERLE HAY-WEBSTER, (PNP), St. Catherine, South Central, entered and took her seat.)

Mr. Speaker, Eridania conducted a comprehensive feasibility study on the three estates, at a cost of over €350,000. Even though they have decided not to invest in terms of direct investments, this study which is available to us, is of tremendous value as we move forward with the sugar divestment process.

Mr. Speaker, until these assets are divested the Government is obliged, in keeping with its commitment towards the sugar cane industry, to continue these operations, albeit without Government funds. In this regard, the Cabinet also gave approval for the Sugar Company of Jamaica Holdings Limited to negotiate with Eridania in respect of a further short to medium-term partial prefinancing arrangement. In this regard, Mr. Speaker, SCJ Holdings Limited has been having discussions with Eridania Suisse as well as Tate & Lyle, with the intent to enter into a partial preshipment financing agreement for the next two crops, or until the assets have been divested, whichever is earlier. Eridania has given a firm commitment, Mr. Speaker, to finance the next two crops.

(HON. PEARNEL PATROE CHARLES, CD,

(JLP), Clarendon, North Central, Minister of Labour and Social Security, entered and took his seat.)

(HON. LESTER MICHAEL HENRY, CD, (JLP), Clarendon, Central, Minister of Transport and Works, entered and took his seat.)

A MEMBER: What!

Dr. TUFTON: The agreement will be so structured to provide for termination in the year that the estates are divested.

(MR. FITZ ARTHUR JACKSON, (PNP), St. Catherine, Southern, entered and took his seat.)

(MR. ROBERT DIXON PICKERSGILL, (PNP), St. Catherine, North Western, entered and took his seat.)

A team headed by MR. AUBYN HILL visited Italy and London between the 13th and the 19th of February 2010, to further negotiations with Tate & Lyle and Eridania, regarding the partial pre-shipment financing agreement.

Mr. Speaker, I am happy to indicate that this partial pre-shipment financing agreement is now being finalized with the lawyers and will be signed shortly.

Consequently, Mr. Speaker, arising from the advice from Eridania mentioned above, Cabinet made the following decisions relative to the continuing operations of Frome, Monymusk and Bernard Lodge estates and their divestment.

Firstly, a new strengthened Board of Directors composed of nine (9) persons headed by a MR. IRWIN BURTON, a Senior Manager at Grace Kennedy, is now in effect for the operations of SCJ Holdings. This House may recall that up to this point Mr. AUBYN HILL was chairman of that Board. He has been replaced by MR. IRWIN BURTON.

Secondly, reporting to that Board, Mr. Speaker, of SCJ Holdings Limited, MR. AUBYN HILL has been appointed Chief Executive Officer of this entity. His principal roles will be to manage the operations of SCJ Holdings so as to ensure continued improvements in efficiency at Frome, Monymusk and Bernard Lodge estates without recourse to the public purse, as well as accelerate the divestment of these assets.

(HON. RUDYARD CONRAD SPENCER, (JLP), Clarendon, South Eastern, Minister of Health and the Environment, entered and took his seat.)

(MR. DESMOND GREGORY MAIR, (JLP), St. Catherine, North Eastern, entered and took his seat.)

Mr. Speaker, with respect to the management of SCJ Holdings, Mr. Hill will be paid annually $7.5 Million which is within the guidelines of the Ministry of Finance and the Public Service for executives. With regard to his role of finding equity investors to acquire the three (3) government estates, he will be paid a commission equivalent to one per cent of the proceeds realised from their divestment. This, Mr. Speaker, is being advised, this position has been advised by the Development Bank of Jamaica's guidelines for divestments of such assets which ranges in commission payments from one to three per cent (1% - 3%) of sales proceeds, where these exceed a Hundred Million Dollars.

Mr. Speaker, this Honourable House is being asked to note that SCJ Holdings Limited has received a number of unsolicited proposals and expressions of interest in respect of the acquisition of Frome, Monymusk and Bernard Lodge estates. Given the lengthy process

required for an open tender and the urgent and pressing need to conclude the divestment of the remaining public sector sugar estates, Cabinet has mandated SCJ Holdings Limited to negotiate directly with all entities that would have submitted proposals up to the 31st March, 2010.

Dr. TUFTON: Mr. Speaker, you may recall that the Government in pursuit of its objective to divest Public Sector sugar assets has to date divested two of the five sugar estates, the remaining three estates are being restructured pending investment.

Given the prospect of a sugar cane industry, dominated by private players and the changing sugar market situation in Europe, which has resulted from the ending of the Sugar Protocol, it is now critical that a review of the industry's regulatory institutional and cane-pricing arrangements be undertaken.

In fact, this Honourable House is requested to note that under the European Union accompanying measures for sugar programme, the Government of Jamaica has undertaken to restructure the regulatory and institutional framework of the sector. A review, Mr. Speaker, of the relevance of the current regulatory and pricing arrangement in this sector is part of the specific conditions for release of approximately 17 Million Euros of EU Grant Funds during financial year 2010/2011.

Mr. Speaker, since 1941, most of the significant and lasting changes to the regulatory institutional and pricing arrangements in the sugar sector has been generated through Commissions of Enquiry. The latest such Enquiry, the Mills Commission, was held in 1987, some 22 years ago.

Mr. Speaker, Cabinet has approved the appointment of a Commission to review, enquire and make recommendations to changes, if any, to the current regulatory, institutional and pricing Arrangements in the sugar sector.

Mr. Speaker, this Honourable House is being advised that the overall objectives of undertaking the review is to establish the relevance of the current regulatory, institutional and pricing arrangements in the sugar industry, given the changes in the domestic and international environment. This Honourable House will be advised of the name of the proposed Commissioner as soon as that appointment is made.

Mr. Speaker, the Government remains optimistic regarding the future of the sugar industry, which is an industry, if appropriately capitalized under private management and based on a multi-product module consistent with the versatility of the sugar cane, we believe can be successful, can be viable. We are greatly encouraged by the significant improvements in world sugar prices linked to the shortfall in sugar production in India.

We are further encouraged, Mr. Speaker, by the opportunities in our domestic and regional markets for both raw and refine sugar. We are also cautiously optimistic about the number of unsolicited proposals received related to the divestment of Frome, Monymusk, and Bernard Lodge estates, which have been driven by the factors I mentioned earlier. The sugar industry, Mr. Speaker, can be profitable and can once again be the driver for rural development and prosperity in the sugar dependent areas of the country. It is on the strength of this conviction, Mr. Speaker,

that I have been promoting investment opportunities in sugar over the last three weeks, in relation to restoring irrigated lands in the St. Catherine and Clarendon plains to sugar cane production.

Mr. Speaker, so far we have done well. We are not where we ought to be but we have done well in the 2009/2010 crop. We have been able to contain cost; we have been able to relieve the taxpayers of the subsidies that have burdened them for many years; we have been able to retain jobs, at the same time increase the efficiency of our operations. We have, through the engagement of the cane farmers and by opening the Frome Factory early significantly, Mr. Speaker, reduced the number of cane fires, illicit cane fires at Frome this year from 214 at this time last year to 32 so far.

Due to the cane fires last crop we lost, Mr. Speaker, some 71,205 tonnes of cane. So far this year we have lost 2,420 tonnes of cane. We have also significantly reduced down-time of the factories by ensuring there is less out of cane events.

Mr. Speaker, we will do it again next crop, now that we have all but secured financing arrangements for the next two years. However, the Government is very clear, the Prime Minister has stated it over and over that we are committed to ensuring that the assets of the Government controlled estates are divested, so that the investments and management of the private sector can be brought to bear to realize the enormous potential of the sugar industry.

Thank you, Mr. Speaker.

The SPEAKER: Thank you, Minister Tufton.

(Applause by Government Members)

The SPEAKER: Mr. Clarke, just give me a second, Mr. Clarke.

Before we continue, I would just like to acknowledge and welcome the presence of 52 students and three teachers and a tour guide from the Wolmer's Prep School. Welcome to the sitting of Parliament this evening.

(Applause by all Members)

(Students began to wave and they said hello)

(Laughter by all Members)

The SPEAKER: (Laughter) Your time, Mr. Clarke. (Laughter)

Mr. CLARKE: Thank you very much, Mr. Speaker.

Minister, I would like you to give me some answers based on what you have said. I want to find out the price per ton that we are going to be receiving from Eridania Suisse for the sugar supplied? Is the arrangement as was in place this year being contemplated for the next crop? Is it projected that we will have to import raw sugar to satisfy domestic needs? Will the 79,000 tonnes promised to Eridania be achieved and from which estates? What is the price being paid for the sugar that we supply to the United States? What is the price for sugar on the world market? What is the price domestic consumers are paying for sugar? Why did we commit, why did we commit to supply 79,000 tonnes of sugar for the payment or prepayment for 25,000 tonnes? And I have some follow-up questions.

The SPEAKER: Minister Tufton.

Dr. TUFTON: Thank you, Mr. Speaker, a number of questions, I thank the Member. Let me try and go through them in the order he asked.

The first issue of the price being paid. I

think we had addressed that issue before in this House, Mr. Speaker. The agreement with Eridania was for a guaranteed price of 335.2 Euros per ton, so we would be guaranteed that price. But in addition to that, if the price is higher on the world market, that payment would be shared 50/50 between Eridania and the Government of Jamaica, the estates owned by us, after expenses are taken out. So, we have a fixed price guaranteed and a moving target depending on what the market was offering at the time. And that secured us and we are better off for that now, because the World Market price is above 335 Euros per ton. I think, it's closer to 400, but it moves, so I saw it a couple days ago, I am not sure what it is now. But, suffice it to say the consumers and the investors in the sugar cane industry are secure based on that formula.

On the issue of payment for next year. The team just came back from Italy and London. They had extensive discussions with Eridania in Italy and with Tate & Lyle in London. Both entities have placed firm offers on the table as it relates to a prefinancing arrangement over the next two years, along the same lines of what we currently have. We have negotiated to secure additional funds in exchange for more sugar, because as you know a cane farmer yourself, we need the throughput in order to drive greater efficiencies in the industry, and a big part of that throughput is to put more acreages in the ground.

This week, into next week, the bankers representing Eridania will be coming into the island for the second time actually in three weeks and similarly the bankers for Tate & Lyle to continue and finalize those discussions. Now it can't go to both. So what we are happy for is that we have two interested players and what we will certainly do is seek to provide the best arrangement depending on the proposals from both entities. But that gives us some comfort that, at least for the next two years if we don't divest we have that in place.

The - whether or not we'll import raw sugar? I am not sure. As of now, the projections when we started suggested that we may not have to, given the expansion in production both on the private estates that we have divested. St. Thomas, I don't know if I am telling tales out of the school, but I have had a discussion with the new owners of St. Thomas and they are projecting to produce more sugar this year than last year based on the expansion in cane production. I know the Trelawny owners have been planting additional acreages but they have a more long-term plan. This year, they were focused on providing planting material to put more acreages in production the following year. I am not clear about what their output will be in terms of sugar.

But based on the calculations we made, given the fact that the local market consumes about 65,000 tonnes of raw sugar and another 65,000/70,000 tonnes of refined, obviously we have to import the refine we don't refine here, we felt that we could meet the target.

Remember though, in terms of context, that we have always been importing sugar under the arrangement with Europe. All our sugar that we produce over the last - in recent memory is normally sent into Europe and we normally import off the international market, so it wouldn't be unusual if that were to take place.

On the issue of why we committed 79,000 tonnes for the $15 Million. Well, it was

based on an analysis of what we thought we could do. I mean, it was a considered position with the experts, with the technocrats, with the management, with the team to say if we were to put some additional acreages in, get some efficiencies we could go up to seventy-nine, and we are on our way to that. I know there are some concerns that have been expressed, the fact is that, as you know in farming, farming is not a precise science, there are so many variables that could impact one way or the other the outcome. But so far, so far, we have used up 34% of the canes that are committed to the publicly owned estates, Bernard Lodge and Monymusk and produced approximately 25,000 tonnes of sugar. In other words, we are more than one third there and we still have approximately two-thirds of the cane to be reaped. Again, a lot depends, as you know, on the sweetness of the cane and so on. So I am not going to predict, what I'll say is that we are on the right track, we are on the right track.

In terms of the price paid by the US, unfortunately, I am not sure, but it would have to be linked to the world prices but I would have to give you those details. In terms of the price on the world market, again it fluctuates. If you had checked this morning you may have a better figure than I. But I know it's somewhere in the region of about 400 or somewhere up there. What I'll say, as you know, is that the price of sugar now on the world market is at a 30-year high, it's about 26 cents a pound. A year and a half ago it was 14 cents a pound, so there is a good price out there now and that's a good thing for us also.

In terms of the domestic price, I've answered you with the last comment. The price of sugar to consumers - the final consumers - went up significantly in about October of last year - I think about thirty-odd per cent - because of the challenges in the world market.

As you know, Member, India and Brazil are the largest producers of sugar, about 31/32 million tons. India had a major shortfall - weather-related issues - they had to import about 15% of their requirements for the first time. The fallout in Europe in terms of capacity, over five million tons, that drove up the price of sugar, or cane sugar, significantly. Those prices, because we've always been importers of sugar - particularly refine - affected the final price here to the consumers. It wasn't anything that was done locally, it was internationally driven.

But what I'll say is that since we've started to take off our local sugar, we have committed working with the other manufacturers to provide the sugar from the manufacturer to the marketplace at the same price, 31c a pound, and there have been no changes since that time. So any increase that the consumers would have been experiencing would have come from the international fluctuations.

Why did we commit 79,000 tons, I think I've said that already, it was really an assessment of what we could do.

Thank you.

(MR. ANTHONY GEORGE HYLTON, (PNP), St. Andrew, Western, entered and took his seat.)

The SPEAKER: Yes, Mr. Clarke.

Mr. CLARKE: Minister, the price we will be receiving from Eridania the committed base price is somewhere in the region of $448.00 US. I know the cost sharing is going to come at about $590.00 US. The price we

get from the sugar we sell to the US is $690.00. The price of sugar on the world market is...

(Inaudible comment by a Member)

Mr. CLARKE: I'm not speaking with you.

Mr. CHARLES: You are speaking to yourself. You are asking the question and you are answering it.

Mr. CLARKE: The price on the world market is $714.00 and the domestic price that we pay for sugar here is $724.00. Between Eridania and the US price here is a differentiation of about US$100.00. And between the price we get from Eridania and what we pay for locally, is about US$130.00.

The production this year is not going to be much more than 120,000, and when you give 80,000 approximately, to Eridania and about 14,000 to US market, we are going to have to import approximately 30,000 tons at the higher price. Minister it is saying that it would have been better if we had kept it, but you committed yourself to supplying 79,000 tons, when you only got prepayment for 25,000.

Dr. TUFTON: First of all, the prepayment is not the final payment and that needs to be clarified clearly. I've seen in the media where people are suggesting that we sold 79,000 tons of sugar for US$15 Million, it's obviously not the case, that's an initial payment of which was critical.

Now I'd like the Member to, through you, to tell us what would be his options and his alternatives, because he has to put in context...

The SPEAKER: No, he is asking the question, Minister. (Laughter)

Dr. TUFTON: Yeah I know, I'm just being rhetorical, I'm being rhetorical and I think….

(Inaudible comments by Mr. Holness.)

Dr. TUFTON: Give me the benefit of the doubt, House Leader and Speaker.

The fact of the matter is that the Member knows that these arrangements that we've had, including the one that is coming to an end with Europe, has always committed us to a quota arrangement, both with Europe as well as with the US. In other words, the lobbyists in the US have been successful in keeping our sugar out of the US market. We're given a limited quota of 14,000 plus tons. Now it so happens that today, because of the shortages internationally, the US may be willing to expand and open that out to take more. But that was not the case 12 months ago when we were trying to put this arrangement in place.

And the truth is too, that the alternative to putting that arrangement in place, as you know Member, which was the core objective of the Government, would be for the Government to either further subsidize so the taxpayers would have to upfront all this amount that they did the year before, or to shut it down, and the Government's position is quite clear. So all of these questions represent 20/20 vision, because it is hindsight.

When you were in the situation months ago, what you wanted to do, you wanted to rid the taxpayers of the subsidy? You wanted to get a price that had a flexible component so that if it goes beyond a certain price you could deal with it, but at least you got a minimum price and you wanted to keep the industry open until you are able to divest it?

Dr. DAVIES: You sound like you understand the futures market now, that's why you have JAMALCO.

(Inaudible comments/cross talks)

Dr. TUFTON: The results, Member, suggest that we have achieved those suggest that we have achieved those objectives. We have not subsidized the industry, we are likely to at least breakeven, and that for me would be in the best interest of the consumer.

Now, in terms of the local price for sugar, the Member also knows that that is an arrangement that is determined based on the discussions with the current structure. Which is why in this - and that has been there for a long time - which is why in the statement I made, I've said that Cabinet has approved the appointment of a Commissioner to now review those arrangements, because the alternative to taking advantage of cheaper sugar, when that cheaper sugar exists, Member, as you know, is going to be the impact on the industry, the alterative - the negative impact, because we have an inefficient industry - the alternative to buying more expensive sugar on the world market, which is the case now, is going to be a more expensive price to the consumer. So it is a matter of managing it and conceptualizing it at the point in time.

Thank you.

(HON. MICHAEL ANTHONY STERN, (JLP), Clarendon, North Western, Minister of State in the Ministry of Industry and Commerce, entered and took his seat.)

Mr. HOLNESS: Mr. Speaker, at Statements by Ministers, an extended period of questions should not be tolerated.

The SPEAKER: To be fair the questions are quite relevant, House Leader, and a few more questions ...

Go ahead, Mr. Clarke.

Dr. DAVIES: And the answers are so rare.

(Inaudible comments by Members/cross talks)

The SPEAKER: It's okay, go ahead, Mr. Clarke.

(Cross talks)

Mr. Clarke, go ahead.

(Cross talks)

Now, we don't need to debate the matter.

Mr. Clarke, go ahead.

(Cross talks)

Mr. CLARKE: Mr. Speaker ...

(Cross talks/sotto voce comments)

The SPEAKER: We don't need to debate the matter.

Mr. Clarke, go ahead.

(Cross talks)

Mr. CLARKE: Minister, Minister, what is going to be the new role of MR. AUBYN HILL in terms of the sugar company?

Mr. PICKEKSGILL: A nuh much money Audley earn out a dat yu nuh?

Mr. WARMINGTON: That's none of your business.

(Laughter/heckling)

A MEMBER: A taxpayers' money.

(MRS. NATALIE NEITA-HEADLEY, (PNP), St. Catherine, East Central, entered and took her seat.)

Dr. TUFTON: Mr. Speaker, that was a - I read that in the statement that Mr. Hill is no longer the chairman of the Board, he is going to be engaged, or he has been engaged as the CEO - the Chief Operating Officer – as a fulltime employee reporting to a board, in order to manage the operations of the estate going forward.

(DR. ST. AUBYN BARTLETT, (JLP), St. Andrew, Eastern, entered and took his seat.)

The SPEAKER: Mr. Bunting then Dr. Davies.

Mr. BUNTING: Mr. Speaker, I have two questions. The first one is really to ask the Minister, if he considers that the Commission of Enquiry is the most efficient vehicle to determine what the current regulatory requirements are. Given our recent experiences in the cost of these Commissions of Enquiry, given that we are not in the same adversarial environment that we were in pre-lndependence and immediate post-Independence, between workers and owners *et cetera*, I would really ask him to consider whether another way of examining and reviewing the arrangements for regulation and the better supervision of the sugar industry, could be found in a much cheaper way than a Commission of Enquiry?

The second question has to do with the Divestment arrangements. Mr. Speaker, as you'll recall, I've had some responsibilities in this area, and what the Minister is describing is obviously something new, because I'm not aware of there being arrangements, or it would be highly unusual for the CEO of an entity to be divested, also to be the one responsible for the divestment. It would appear to me that it would - a number of potential conflicts of interest would arise in that situation and the Minister advises in his statement that Development Bank of Jamaica gave him some guidelines as to what is normal. But in my experience it is highly unusual and I would ask the Minister to advise of other cases where CEOs, on salary of entities, have been responsible for the divestment of those public sector entities, and in addition, they get a success fee of a percentage of the price of the investment?

The SPEAKER: Minister.

Dr. TUFTON: Mr. Speaker, first of all on the issue of the Commission of Enquiry, I don't think the Member should get bogged down with terminology. The very reason you advanced for impacting cost on previous Commissions of Enquiry could also be advanced for the fact that this Commission of Enquiry, which essentially is to review what exists and make proposal for a more efficient system, will be a lot easier and less expensive. The fact that it's not an adversarial arrangement what we hope, based on the terms of reference, is for the consultation to take place in a less adversarial environment and therefore we can reach some conclusions in a much shorter time.

What we sought to do was to look at what has transpired in the past and the forum for that to take place. And we also recognize, Member, the importance of the industry and the impact on so many stakeholders, so many communities and we felt that it was important to continue on that route to get to a final position.

In terms of the second question, there are many examples of companies with CEOs that have been charged with divesting elements of operations that they preside over operationally. But they are subjected to supervision. Which is why the Board has been appointed. Mr. Hill is not on the Board. There is going to be a subcommittee of that Board that focusses on the divestment element, but he is going to be accountable, and ultimately all decisions related to divestment will be taken to Cabinet for their final approval. So we felt...

(Inaudible comment by a Member)

Dr. TUFTON: I'll provide you in writing.

The SPEAKER: Thank you.

Yes, Dr. Davies.

Dr. DAVIES: Mr. Speaker, two questions to the Minister. The first relates - I'll follow up with that question the Member from Central Manchester asked.

I was Minister with responsibility for the Development Bank of Jamaica and you indicate that you've been advised that there is a fee structure in one to three per cent of sales proceeds. Paid to whom, paid to the Development Bank, or paid to an individual? I was never aware of any such arrangement, in that the majority of divestment arrangements were delegated by Cabinet to the DBJ.

Now, is it that the one to three per cent was their charge? But I do not know of any percentage, anyone being appointed and paid such a percentage. I would like clarification on that matter now.

But there is a second one, very straightforward. It seems as if the intention is that SCJ Holdings should at least break even on operations, that's the mandate. What is the - what is your cost of production, and what is the receipt as per this 79,000 tonnes or whatever the total amount will be? What are you looking at for the 2009/2010 crop, in terms of your operational cost, as opposed - and it is most convenient - I am not a sugar man, but I think it would be most convenient in giving us the cost of production per pound of sugar or per tonne, and what you are receiving.

Dr. TUFTON: Mr. Speaker, on the first question, I'll repeat what I said earlier. DBJ was consulted on the issue of a bonus to motivate a divestment process. And we were informed that that is the informal rule that applies, that's what they indicated to us. And I am happy to engage the Member further and get DBJ to communicate what was communicated to us. But that is what was communicated to us, despite what your experiences were.

On the issue of the cost of production, I can again make those details available. But as you know, the cost of producing on the publicly-owned estates were quite high. It was around Twenty-six cents, up to two, three years ago, Twenty-six cents a pound. And the objective, based on the efficiencies that we have gained, which I have outlined earlier, is to take that well within Twenty cents a pound.

Now, again there is a margin of error. I can provide you with better particulars when the time comes. But we have done sufficient work, I believe, to significantly reduce those costs. But I can give you those details. And remember we have an annual report that has to be published.

Thank you.

The SPEAKER: Now, the last question, short question, Dr. Phillips, and last one. Thanks.

Dr. PHILLIPS: Just to – in relation to the agreement that you are seeking to enter, what is the likely duration? You have already firm commitments for two more years, and then an agreement is to - a further agreement extending that is being negotiated. Is that the case? That is question one. The point being to what extent can there be short-term agreements, such as what we now have. Will not this allow for an adequate planning horizon, particularly for your farmers, if acreages and the investment without certainty

of a sufficiently long amortization period is in existence?

So my question is, has the Minister and the team explored, even as you proceed with the divestment efforts, explored the possibility of a longer-term agreement, which would allow for greater predictability for the farmers and the other persons involved in the industry?

Dr. TUFTON: Quickly, Mr. Speaker, the agreement that is currently being discussed, hopefully to be concluded shortly, is for a two-crop period, two years. And those two offers are on the table, we will fine-tune it over the next week or two and decide who we go with.

The issue of longer-term planning is an issue. Frankly speaking, we would like to be out of managing the estates from yesterday.

(*Sotto voce* comment from Dr Phillips)

Dr. TUFTON: No, no, no, that's why I say from yesterday. So everybody knows that we have already passed the deadline for divesting fully. So we are moving apace to try and conclude. And that's why I said there are some other offers on the table, and we are going to continue, hopefully we will be successful, certainly long before this crop or the next crop. But in the interim, the objective has been - as was the case in the last crop that we are now working on taking out - to continuously improve the attractiveness of the estates. And we have been able to do that, so we have a more attractive asset, which hopefully is more marketable for divestment.

ANNOUNCEMENTS

The Clerk laid on the Table of the House a copy of the following:

- **Ministry Paper Number 15**, Public Accountancy Board Annual Report and Audited Financial Statements for the year ended March 31, 2009.
- The Criminal Justice (Plea Negotiations and Agreements) Regulations 2010, under the Criminal Justice (Plea Negotiations and Agreements) Act.
- The Legal Aid (Amendment) Regulations 2010, under the Legal Aid Act.
- The Legal Aid (Excepted Offences)(Amendment) Regulations 2010, under the Legal Aid Act.
- Report of the Standing Committee of the House of Representatives appointed to consider the delimitation of Constituencies.
- Report of the Special Select Committee of the House of Representatives to consider and report on the Bills shortly entitled: The Casino Gaming Act, 2009, and The Betting Gaming and Lotteries (Amendment) Act, 2009.
- Bath Corporation Annual Reports and Audited Receipts and Payment Statements for the years April, 1997 to March 1998, and April 1998 to March 1999.
- Certified Appropriation Accounts, Ministry of Information, Youth and Culture, for 2007/2008.

REPORTS FROM COMMITTEES

The SPEAKER: House Leader.

Mr. HOLNESS: Mr. Speaker, I beg to lay on the Table of the House a copy of the Report of the Standing Committee of the House of Representatives, appointed to consider the delimitation of Constituencies.

The SPEAKER: Minister Vaz.

Mr. VAZ: Mr. Speaker, I beg to lay on the Table of the House a copy of the Report of the Special Select Committee of the House of Representatives, which was set up to consider and report on the Bill shortly entitled: The Casino Gaming Act, 2009, and The Betting, Gaming and Lotteries (Amendment) Act, 2009.

The SPEAKER: Thank you, Minister Vaz.

Dr. McNeill?

Mr. SHAW: All right, McNeill, don't want talk, so go on.

The SPEAKER: Reports from Committees, you have...

Dr. McNEILL: No, the House Leader had indicated that are we to take the Reports, the nine (9) Reports from Appropriations now?

The SPEAKER: Lay it on the Table now.

Mr. SHAW: You have to lay it on the Table.

Dr. McNEILL: All the Reports were laid previously; today we are only debating it. They were all laid before. All the Reports have been laid.

The SPEAKER: Okay, Dr. McNeill, thanks.

Deacon Thwaites.

Rev. THWAITES: Mr. Speaker, would you indicate when the Report from the Standing Orders Committee will be taken?

The SPEAKER: House Leader, Deacon Thwaites is asking about item Number 2 on the Order Paper. Now, the Standing Orders Committee laid it on the Table on the 14th of May, 2008, and as Chairman, I had asked, I think Member Fitz Jackson, to, when the matter comes up, present the Report. And we just want to get some idea - I think Deacon Thwaites is asking about when do we expect the Standing Orders Report to be discussed in the House.

Mr. HOLNESS: Mr. Speaker, we have prepared a schedule...

The SPEAKER: From your schedule, when it is...

Mr. HOLNESS: ...of all the items to be debated, and this is tentatively set to be debated in the next sitting, next week.

The SPEAKER: That's next week Wednesday?

Mr. HOLNESS: Next week Wednesday.

The SPEAKER: Next week Wednesday, I think, Deacon Thwaites, will be the 4th.

Rev. THWAITES: Yes, Mr. Speaker, thank you very much.

The SPEAKER: Very well, much obliged.

NOTICES OF MOTIONS GIVEN ORALLY

The SPEAKER: Reverend Thwaites.

ARMADALE REPORT RE HORIZON REMAND

Rev. THWAITES: Mr. Speaker, at the next sitting of the Honourable House l beg to move the following motion:

> Be it Resolved that in the light of the Armadale Report, the findings of the United Nations Rapporteur on Torture, and the events recently taking place at the Horizon Remand Centre, that this Honourable House debates the state of the island's custodial institutions, the practices carried out therein, with special attention to the condition of children in custody.

May it please you.

The SPEAKER: Dr. McNeill.

Dr. McNEILL: Mr. Speaker, l beg to give notice that at the next meeting of the House I will move:

Be it Resolved that the Report of the Public Administration and Appropriations Committee of the House of Representatives, on its deliberations on the Ministry of Tourism, which was laid on the Table of the House on the 16th day of February, 2010, be approved.

Mr. Speaker, I further beg to give notice that at a later stage today I will move for the suspension of Standing Orders to enable ME to take this motion.

The SPEAKER: Minister Vaz.

CASINO GAMING

Mr. VAZ: Mr. Speaker, I beg to give notice that at the next meeting of the House I will move:

Be it Resolved that the Report of the Special Select Committee of the House of Representatives, which was set up to consider and to report on the Bill shortly entitled The Casino Gaming Act, 2009, and The Betting, Gaming and Lotteries (Amendment) Act, 2009, which was laid on the Table of the House on the 23rd of February, 2010, be approved.

Mr. Speaker, I further beg to give notice that at a later stage today I will move for the suspension of Standing Orders to enable the Minister of Finance to take this motion.

The SPEAKER: House Leader.

CONSTITUENCY BOUNDARIES - DELIMITATION

Mr. HOLNESS: Mr. Speaker, I beg to give notice that at the next meeting of the House I will move:

Be it Resolved that the Report of the Standing Committee of the House of Representatives, appointed to consider the delimitation of Constituencies, which was laid on the Table of the House on the 23rd day of February, 2010, be approved.

QUESTIONS AND ANSWERS TO QUESTIONS

The SPEAKER: Rev. Thwaites.

NIS FUND – DEBT EXCHANGE

Rev. THWAITES: Mr. Speaker, at the expiry of 14 days I beg to ask the Honourable Minister of Labour and Security the following question:

1. What is the effect of the Jamaica Debt Exchange on the National Insurance Fund and the benefits to pensioners and beneficiaries given existing and projected levels of inflation?

The SPEAKER: Mr. Peart.

JAMALCO – CAP ETC.

Mr. M. PEART: Mr. Speaker, at the expiry of 21 days I would like to ask the Minister of Mining and Energy to answer the following questions:

1. What was the production of alumina by Jamalco in 2009?
2. What was the cost (cash) of production in 2009?
3. What portion of the production was allocated to CAP in 2009?
4. What revenue was earned from the alumina allocated to CAP in did

2009?

5. What was the profit/loss by CAP from the sale of alumina allocated in 2009?
6. Did the Government of Jamaica make any payments in 2009 to Alcoa for infrastructure works to the Jamalco Plant carried out before 2009?
7. Did the Government of Jamaica make any payments to Alcoa for Plant expansion projects carried out before 2009?
8. What were the total payments made by the Government of Jamaica to Alcoa since January 2009 to present?

The SPEAKER: Mr. Kellier.

Mr. KELLIER: Mr. Speaker, the matter of the answering - timely answering of questions has been a vexed issue over many months. And while there is a schedule set out for the answering of questions, we are still having some difficulty in getting the questions answered according to the schedule. And when answers do come, they come at a time when they are virtually useless, because the events to which they relate would have passed overtime.

So I would like for the House Leader, Mr. Speaker, with your leave, to give us a definitive, final agenda for the answers of the rest of the questions. Because we only have a few weeks left in this period, and it appears as though some of these questions may very well fall off the Order Paper - the Question Paper, and we would not like to have that happen.

The SPEAKER: House Leader.

Mr. HOLNESS: Mr. Speaker, the Minister of Culture and Youth advised that she has two questions ready for answer. Unfortunately, she is not here today to present the answers. There are four other questions that are due. Those questions will be answered, I would suspect, as soon as she is in the House. So if she comes in the House today, Mr. Speaker, we will ensure that the answers are given today. That is the Minister of Youth and Culture.

(*Sotto voce* comment from an Opposition Member)

Mr. HOLNESS: We would do that, because the answers are ready.

Mr. KELLIER: When is she going to answer them?

Mr. HOLNESS: As it relates to Questions 30 and 35, Mr. Speaker, which I suspect are the two questions that pose great difficulty for the - or great concerns to the Opposition. You will see, Mr. Speaker, that these questions require significant research to guarantee the accuracy of the answers, and the Government, Mr. Speaker, is making sure that we prepare accurate answers.

Mr. Speaker, the question regarding....

A MEMBER: Gas tax?

Mr. HOLNESS: Not the gas tax, the one by the Member from Central Kingston.

Mr.VAZ: Ninety nine per cent (99%) of them are from him.

Mr. HOLNESS: Well, in particular that question, Mr. Speaker, you can imagine how difficult it would be to pull all that information together. So, Mr. Speaker, those questions will be answered as soon as we have compiled and are satisfied with the accuracy of the data that we will present.

Mr. WARMINGTON: Mr. Speaker, I believe the Standing Orders require twenty-one day notice for questions. l don't know if we could be assisted, but l believe the Member from Central Kingston awhile ago said that he

requires answers in fourteen days. The Standing Orders say twenty-one days, I believe. So I don't see where that Member can change the Standing Orders to suit his fancy. It has to be twenty-one days.

The SPEAKER: If he says fourteen days, it was an error. It's twenty-one days.

Mr. WARMINGTON: No, no, no, you can't say it's an error, Mr. Speaker, you have to ask him.

(Cross talk)

The SPEAKER: I say it's an error if he said fourteen (14) days.

(Cross talk)

Dr. PHILLIPS: Mr. Speaker, since the Member, the Honourable Minister, seems to have a very selective memory about the contents of the Standing Orders, because perhaps what has been honoured most in the breach by this Administration, and yours, Mr. Speaker, is that the delay, the extension of the period for answer, according to the Standing Orders, can only take place with the concurrence of the person, of the Member who asked the question. And they have been regularly postponed beyond the seven and the fourteen day extension without any reference whatsoever to the person who asked the question or to the Standing Orders. (Applause) So I would urge the Member who....

(Cross talk)

Dr. PHILLIPS: We always, if we delayed we would do the courtesy of getting the concurrence from the Member. And what worries me, Mr. Speaker....

(Cross talk)

Dr. PHILLIPS: There is no problem - you want us to get copies and give each of you, or you want me to read it?

(Cross talk)

The SPEAKER: Dr. Phillips, Dr. Phillips....

Dr. PHILLIPS: Mr. Speaker...

The SPEAKER: No, no, Dr. Phillips, there is no real need for this. I think...

Dr. PHILLIPS: Mr. Speaker, I haven't finished yet. If you will indulge me one minute.

(Cross talk)

Dr. PHILLIPS: The danger, Mr. Speaker - and I appreciate that answers have been given - the danger is that without observance of the Standing Orders...

Mr. SHAW: Yuh a look Derrick work.

Dr. PHILLIPS: No, I have done that already. I don't want it again. I am content. I am very content. I am very content. I want your own. (Laughter)

Mr. Speaker, the problem is that without observance of the Standing Orders, the Opposition, and indeed the House, cannot properly fulfil its mission as the watchdog and to hold the Government to accountability. So we are depending on you, Mr. Speaker, to ensure full observance of the Standing Orders.

The SPEAKER: House Leader, and Ministers, I think it is fair to say that, especially in relation to Question No. 30, we have discussed this before. It's November the 30th it was due - sorry, November 10.

Mr. Shaw, whatever material we have available we present it. And if it is only fifty per cent of the material that is available we can say that is the material available at this time and if more material is to come it can come at a later date. But in order to comply with the Standing Orders could we just try and see, especially those four questions from 2009, let us see if we can get rid of them in another couple weeks.

Mr. MULLINGS: Mr. Speaker, if I may. Mr. Speaker, on a point here.

Mr. PICKERSGILL: Point of what? What point?

Mr. MULLINGS: Mr. Speaker...

Mr. PICKERSGILL: Point of what.

The SPEAKER: Allow the Member.

Mr. MULLINGS: Mr. Speaker, the Standing Orders are very clear. The Standing Orders are very clear about the period of time for the answering of questions. However, Mr. Speaker, this House must get full information. Because the question can't be answered within the appropriate time I don't with respect, believe we want to get half of an answer, because the objective must be to get to the essence of the question and the issues that are there, with respect. Applause)

The SPEAKER: Well, no. with...

(Cross talk)

The SPEAKER: (Gavels) Members, Members, Mr. Mullings.....

(Cross talk)

The SPEAKER: …hold a while. About four (4) weeks ago we were told in this House that most of the information is available but that there were some outstanding ones still to come. It seems to me that if you have ninety or ninety-five per cent of the answers let us have those and let us admit that five, ten per cent of them have not been fully verified. So if we have ninety per cent of them, let us respond and at a later date you say the other five or ten per cent when they are verified they will come. But...

Mr. PICKERSGILL: We don't believe that.

The SPEAKER: Well, the point is that it's a straightforward question. We can easily verify the emoluments of the consultants and we just present them as soon as possible. Okay, we must move on.

PUBLIC BUSINESS

The SPEAKER: House Leader.

Mr. HOLNESS: Mr. Speaker, at Public Business today we will be taking the Minister of Transport and Works, a matter which started some time ago to be continued, relatively non-controversial matter. Then, Mr. Speaker, we would then move to the Minister of Finance and the Public Service who will move a Bill entitled *"AN ACT to Amend the Public Bodies Management and Accountability Act"*. This would be under the fiscal framework, the new fiscal management framework. And then the Minister of Finance will also now, Mr. Speaker, open the debate on the ....

Mr. SHAW: I have something on the FAA Act as well.

Mr. HOLNESS: Yes, and the FAA Act as well, will be taken under the fiscal responsibility framework. And then the Minister of Finance would then open the debate on the Casino legislation.

The SPEAKER: House Leader, how do you propose...

Mr. HOLNESS: We will take the Minister of Transport and Works first, then the Minister of Finance will take the fiscal responsibility framework and then the casino legislation.

The SPEAKER: Very well. Minister Henry.

Mr. HENRY: Thank you very much, Mr. Speaker.

Mr. Speaker, this matter was the Public Passenger Transport/Jamaica Urban Transport Limited Third Party Insurance Scheme which

I had promised to get some further information on in conclusion, and I thank the House for having waited until this moment.

At our sitting on December 8, Member Reverend Thwaites was concerned with the issue of the rights of the individual who may find cause to take action against the JUTC and to determine who is liable, the JUTC or the Crown, as the case may be. The Attorney General has assured me that the JUTC was constituted under the Companies Act and being a company, albeit a government-owned company, it has the relevant documents which establish legal personality. This, therefore, means that the JUTC is vested with the right to sue and to be sued in its own name.

The Crown Proceedings Act governs Central Government. In addition the Crown Proceedings Act is not applicable to claims made by or against the JUTC. Section 13(2) of the Crown Proceedings Act provides that civil proceedings against the Crown are to be instituted against the Attorney General. The restrictions in relation to the nature of relief that a person may have against the Crown would, therefore, not apply to situations where there is a judgment against the JUTC.

On the matter of the other questions raised by Member Thwaites, is the fund adequate? The fund started with a Hundred Million Dollars. However, Fifty Million was used in the JUTC's operations and the other fifty was used to secure the JUTC's overdraft facility at the National Commercial Bank. The Fifty Million being used for overdraft security on the NCB Capital Market and as of November 30, 2009, was at Sixty-two Million Five Hundred and Seventy-five Thousand Two Hundred and One Dollars. When the overdraft is discontinued the amount will be available for the fund.

How is the fund managed, was the other question. The fund is currently managed by a Committee, the Self-insurance Fund Management Committee. The committee is made up of individuals from the JUTC, the Ministry of Transport and Works, the Ministry of Finance and the Public Service, the Accountant General's Department and the Attorney General's Department. The administration of all claims are done by the private insurance company contracted by the JUTC. However, the JUTC settles third-party liability arising from the operations of the buses. Large catastrophic losses are secured by the excess of loss insurance placed with a private company. The insurance company will, therefore, be responsible for any claim in excess of Five Million and would also have the responsibility for the claim administration.

Are payments to the fund timely? The JUTC was unable to make payments to the fund due to financial constraints. Claims are settled out of its regular operating account. The JUTC, where necessary, has had to negotiate payment plans with claimants, ranging from six months to two years.

How much is now in the fund? Currently there is no money in the fund. However, recall that the Fifty Million which belongs to the fund is being held to secure JUTC'S overdraft facility which has grown to Sixty-two Million Five Seventy-five Three Zero one. The management has formulated an operational plan for the scheme and it will be process of drafting recommendations for a separate account to be established which is to be restricted and segregated from other JUTC

account sums and ought to be placed on the account on regular basis for the purpose of settlement of claims.

There are also some further questions raised by Member Pickersgill, this leads to how many cases have been settled and how many cases are outstanding? Claim settlement administered by Advantage General Insurance for the period of May 2005 to August 31, 2007, amounted to approximately two thousand three hundred and ninety-three recorded cases. Approximately five hundred and forty-five claims were returned when the contractual relationship between the Advantage General Insurance and the JUTC ended. Claim settlement administered by Guardian Insurance Brokers for the period September 1, 2007, to October 1, 2009, one thousand three hundred and fifty-nine case claims were recorded, of the amount a hundred and twenty-five were settled, leaving one thousand two hundred and thirty-four claims outstanding. The JUTC has been instructed and is pursuing to try and reduce these claims which, of course, relates in many instances to the realities on the ground. But in that context it's going to be a target of the JUTC to ensure that we keep improving on the situation. And I will keep the House updated on all of that as we progress.

The SPEAKER: Reverend Thwaites.

Rev. THWAITES: Mr. Speaker, thank you. Is the Minister able to say, is he advised, as to what the actuaries is or the....is the Minister advised by his actuaries or the underwriting insurers, who hold a catastrophic risk, as to the adequate amount that the self-insurance fund should be capitalized in?

The SPEAKER: Rev. Thwaites, remember that this is a debate, you know. You want to wait until Committee stage for that question or you want the Minister to answer that in his response.

Rev. THWAITES: No, I will be advised by you, Sir. Whatever....

The SPEAKER: No, no. Is that the extent of your presentation? Because you are putting it in the form of a question.

Rev. THWAITES: Yes.

The SPEAKER: If that is so he can, the Minister can respond in his closing, if that is the case, but other Members, may want to contribute. So are you finished with your presentation?

Rev THWAITES: No. I'd rather make a short presentation....

The SPEAKER: Continue then….

Rev. THWAITES: ...and then I will.

The SPEAKER: You can leave that question, which the Minister can respond to at the end in his closing.

Rev. THWAITES: Thank you for your directions, Mr. Speaker. I misconstrued the nature of the proceedings.

Mr. Speaker, I would like to thank the Minister for considering so carefully the questions that I and my colleague raised. I accept the interpretation of the Attorney General in respect of the Crown Proceedings Act, its non-applicability in this instance, but I would like to make the broader point that in the nature of a number of Government agencies which have different legal forms while the JUTC, being registered under the Companies Act, may indeed be falling outside of the purview of the Crown Proceedings Act, my perception is that there are a number of other agencies where the distinction is not clear at all and where an action may well lie against the Attorney General, which would

hardly see Justice being served if it were defended by a disclaimer that this fell outside of the Crown Proceedings Act, even when that was the only recourse, as might well have been the case here, of a public body who, although liable to be sued, in fact, has no assets to settle it. And this is an area of administrative law, broadly so called, that needs careful attention by the Attorney General. I am sure you, Mr. Speaker, given your professional background, will appreciate this.

Mr. Speaker, the idea of having a self-insurance fund is a justifiable one and I am also happy that there is a catastrophe cover, which we didn't know of before, which takes care of claims beyond $5 Million. But, Mr. Speaker, the truth is that in the circumstances of the JUTC, as the Minister is very frank in saying, there is no money because if the fund is in fact - that of the fund which remains is subject to being used for JUTC's operations or as collateral for an overdraft facility, which is more or less the same thing, then their ability to settle claims from operating revenue is highly dubious and puts the public at risk. The average person in the public who travels on the JUTC or haplessly is the victim of an accident caused by a JUTC servant would not be comforted by these answers at all, Mr. Speaker.

And therefore I repeat the question that I began with, is the Minister advised what is, having regard to the scope .of the JUTC's operations and its claims history, only part of which is set out here, though helpfully, what is the correct figure for a self-insurance fund to have as its capital? This is very, very important. I don't think it can be properly decided by a Board of Directors or even a Self-insurance Fund Managing Committee as is set out here. That requires a professional assessment in order that the company may not be embarrassed and the public may not be prejudiced.

Those are the main concerns apart from the obvious one, the answer to Question 4 which has to be highlighted. It's so embarrassing. Currently there is no money in the fund. And this goes to the very heart of the JUTC's operation and it will arise again, Mr. Speaker, in the Report of the Appropriations and Public Administration Committee, which in fact looked at the whole financial structure of the JUTC. This begs not only for the self-insurance fund to be topped up, to say the least, but also to a clear exposition of how this company is going to operate, what is its profit and loss position, its capacity to meet its daily expenses, including its insurance claims going forward. I think this is a major concern, especially of us Members of Parliament in the Metropolitan Area and indeed the nation as a whole. I am sure the Minister will respond to those Concerns.

Thank you very much.

The SPEAKER: Thank you, Rev. Thwaites. Mr. Pickersgill.

Mr. PICKERSGILL: Mr. Speaker, I too would like to follow up on some of the observations made by my colleague because I never really heard the Minister too clearly, but I thought he said that the fund is now depleted. My recollection is that about two and a half years ago over $100 million was in the fund and….

(*Sotto voce* remarks by Members)

Mr. PICKERSGILL: Well, as you said, perhaps the Minister can answer when he is closing…. and it was administered by an

insurance company, not by the JUTC, and those decisions were taken by the ministry for good reason.

(*Sotto voce* remarks by Members)

Mr. PICKERSGILL: Now I am really worried that there is a self-insurance fund that is administered by the JUTC that has no money in it. I need not remind you either, Mr. Speaker, about the promises that were made regarding a turnaround in the JUTC, one consultant said within three months, the Minister then revised that for 18 months, and now we are hearing what we are hearing.

Mr. VAZ: Pothole free. Sounds like the pothole them.

Mr. SHAW: Potholes galore.

Mr. VAZ: Potholes galore.

Mr. PICKERSGILL: Yes, that's why you used the gas tax money and patched all dem roads in Portland, so you can talk 'bout pothole free.

Mr. CLARKE: At least he admit it.

Mr. PICKERSGILL: Yes, spend off all the money in a by-election and buy vote.

Mr. SHAW: Come on you too out of order!

Mr. PICKERSGILL: Don't interrupt me or else you are going to hear.

Mr.VAZ: We never had a by-election in 2003.

Mr. PICKERSGILL: Don't interrupt me or else you are going to hear.

Mr. Speaker, this is very important, you know, sir, because as my colleague said the JUTC, it's on the road with a kind of frequency and you also heard what he said in terms of the backlog of cases. This situation cannot be allowed to continue because I know of lawyers who are trying to seize JUTC's property, seize the buses because, you know, they go to court and the courts rule in their favour and they can't collect, and the promises were made and we have not heard anything since. So I would really like to hear from the Minister why was it taken out of the hands of an insurance company that had the expertise, and I am told that it was done very summarily and when it was done the statement was that they would be better able to do it within the JUTC. As it has turned out, Mr. Speaker, no such thing, moving from over $100 Million to zero. 1 would really like to have those questions answered.

The SPEAKER: Thank you, Mr. Pickersgill. Minister Henry.

Mr. HENRY: Thank you very much, Mr. Speaker. Let me deal with the latter part first and hope that the hearing improves in time. I inherited, an inheritance is one hell ever thing. The fund started with $100 Million, I clearly stated, $50 Million was used in the JUTC operations. This all preceded my time, that's under your watch. The $50 Million being used for the overdraft security is on the NCB capital market. The $50 Million is now valued at $65 Million. What did I inherit? I inherited 600 abandoned buses scattered across depots. That is at a cost. I am now seeking to restore those buses which were going to be dumped in the sea to form a barrier reef, I am told. And I didn't come here to deal with these things. I came to move on and forward to improve a system which I inherited with a great deal of need for attention and I won't follow to go into it where the depots are related, I won't bother to go into the losses that relate to it. I won't bother to deal with the immediacy of the problems we have to face, which everybody has faced successively of where there is loss of fuel, breaking into the depots at night - right

now I have a serious security problem - stoning of buses, shooting of buses and l could go on and on. But the point is, I was elected to resolve these problems and improve them and I will come with that answer where the JUTC is going.

So I am not here to score simple political points because insurance is one of the highest costs of transport in this country. Insurance has never been addressed fully in the context of transport. We have on the Order Paper another question about the Act policy. We are debating how we would deal with that. You start to move away the Act policy for persons who are making a living by not being in a structured transport system, you are going to affect the earnings and the structure and you have to do it with a plan. I am intending to seek to roll out that plan as best as I can against that background. I inherited and have to pay out $1.5 Billion on that claim to NTCS, which is still to be addressed. Let me not go into that aspect and seek to score points overall.

I am as concerned as the Member and every Member in here of the insurance and the threat to the public, whether they be on a taxi that's not legally running, the one that doesn't have a seat belt in the rear, the one that isn't even recorded anywhere, is my greatest concern. Indeed when we talk about lawyers and seizing, that has been on the news. We are aware equally that there is a ring that operates, too.

(*Sotto voce* remarks by some Members)

The SPEAKER: It is not a question and answer session.

Mr. HENRY: So basically I will deal with all of that in my answer and in addressing the matter. So to the Member in terms of the insurance, I am greatly concerned that we need to address. I remind the Member that he promised to send me some guidelines, which I asked him in his capacity of his knowledge, that I can look to see how the insurance structure, as it relates to transport, can be improved. I don't think that I can go any further in relation to that and I invite the Member who first raised the questions to come to my office to guide me, to instruct me, to help me in any way because it is my great concern that the public must travel in safety.

I equally will now deal with his point or anyone in relation to it. The approach of the policy of the ministry, which Cabinet may or may not change because everyone is aware we are facing the whole IMF agreement and how it affects the public transport system. I am not one that advocates a public transport system of buses that makes a profit. I believe a public transport system has to carry a cost to the overall taxpayers because it is meant to deal with the level of the society that cannot afford their own transport. Therefore the physically challenged, the old age pensioner, children travelling to school, the unemployed seeking work, should be able to have access to a fare that makes them able to travel safely. I have to be looking at all of that against the structure of the fact that we are now saying we must reduce the operational cost of 40% of the JUTC and then move it into a better level of cost to the country.

The Prime Minister made a statement that it shouldn't cost us more than - I hate the word subsidy, that's why I started with the element of people we must serve - that it should be more than $600 Million a month. I have to therefore work within all of those parameters and come back to the House. And I

therefore say that - again I repeat, I am relating that to how many children we have to get to school, how many old age pensioners.

Mr. SHAW: Six hundred per year.

Mr. HENRY: Per year, I am sorry. How many children, how many old age pensioners, how many physically challenged. I am ordering buses now for the physically challenged specifically to be able to put their routes in place. I have a great problem. I inherited routes where Route Taxis were put in place to replace the JUTC buses. That was all done to facilitate the people who wanted to facilitate. I didn't come here to deal with that. I am coming with a comprehensive position as it relates – and the JUTC, as I said, has been specially targeted as a cost to the budget.

And in the final my approach is, that the user should ultimately pay as best as he can. So I am trying hard to address that. That is why we sent a bus - of the 500 abandoned there, that is why we had one bus sent to Brazil, which has been refurbished and air-conditioned, which is now here being tested for 90 days to give me the same guarantee as a new bus because I intend to make those 500 buses returned to 350 operational buses in the same new colour scheme fully air-reconditioned and not thrown in the sea. (Applause) That is recovering the assets of the company, which has been abandoned over the past, have been neglected over the time and has been treated with a great deal of disrespect and I thank you very much, Mr. Speaker.

The SPEAKER: No, no. Minister, could you move for second reading.

Mr. HENRY: I move the second reading, Mr. Speaker.

The SPEAKER: The question is that the Bill be read a second time.

Put to the House and agreed to.

Bill entitled:

AN ACT to Validate and confirm all acts for things done in good faith by the Jamaica Urban Transit Company Limited as if exempt from the provisions of the Motor Vehicle Insurance, (Third Party Risks) Act by virtue of its establishment and maintenance of a Self-insurance Fund from the 1st day of April, 2004 to the 20th day of November, 2008; and to discharge and indemnify the Jamaica Urban Transit Company Limited, its officers and all other persons against all consequential liability, actions and legal proceedings of any kind in respect of its operations as if exempt from the provisions of the Motor Vehicles Insurance (Third Party Risks) Act,

read a second time.

The SPEAKER: The House will now resolve itself into a Committee of the whole House to consider the Bill clause by clause.

COMMITTEE STAGE

The CHAIRMAN: Mr. Hylton, you wanted to pose a question, or make a point?

Mr. HYLTON: No, Mr. Chairman, I just wanted to ask the Minister, having regard to the seriousness of the situation, the Minister made the point that he will be bringing a report to Parliament. I was trying to get some indication as to a timeframe in which that report will be brought. And that was the simple point I wanted to raise with the Minister.

The CHAIRMAN: Minister.

Mr. HENRY: I intend, in the next year of Parliamentary sitting to bring that, because I am looking at the transport plan in a complete

way because we have to amend the...

(*Sotto voce* comment by Opposition Members)

Mr. HENRY: ...now, multi modal will link. But, I don't like the word holistic as it relates to a specific area, okay, because I deal with those things and I am not dealing with rail in that context now. But what I am really saying is, you have things like the revision and other questionnaires - the Island Traffic Authority, in terms of new rules and regulations, driving, how you impose tickets *et cetera.* I am trying to bring all of these as near to a point that they can relate to each other, licence plate recognition, the whole aspect of things that are working, cameras at traffic light. So, I am coming with an overall transport plan for the road network of the county.

(*Sotto voce* comment by Members)

In this coming year - coming Parliamentary year.

(*Sotto voce* comments by Members)

Mr. HYLTON: Mr. Speaker...

The CHAIRMAN: Yes, Mr. Hylton.

Mr. HYLTON: I think that... the Minister has made... put a very ambitious plan forward. What I am saying is that this particular matter on the insurance...

Mr. HENRY: Oh, the insurance matter is going to be addressed within the next two to three months. We are working on all the details of it. And any help again, that you can give of gaps in it, I am happy to accept the legal positions that deal with the matter, and guidance from it.

The CHAIRMAN: Okay, are there any other questions or concerns from Members at this Committee Stage? No.

I now put Clause 1, one change is 2010 instead of...

Mr. FAGAN: Mr. Chairman...

The CHAIRMAN: Sorry, Mr. Fagan. (Gavels) We have a Committee meeting, not subcommittees, please. A Committee meeting is in... Yes, Mr. Fagan.

Mr. FAGAN: The question that I wanted to ask of the Minister, he said that there was a private insurance to take up the excess of $5 Million, what I wanted to find out is if the insurance is with the Attorney General or is it with the JUTC?

The CHAIRMAN: Minister.

Mr. HENRY: The Attorney General, not with the JUTC. It is covered under the broader aspect of the Act.

The CHAIRMAN: That's okay?

Mr. FAGAN: At what point does the client... the... request the funds through the... well, what I really want to find out, who seeks the funds for the client? Is it the Attorney General or the client, to the instance company?

Mr. HENRY: Depending on the magnitude of the claim, it is either dealt with automatically at a certain level or comes through the legal framework of claims and reports which follows all the investigations. So, it comes through the JUTC, to the insurance companies.

The CHAIRMAN: Okay, we know... Members, please, a consequential change in Clause 1, we have 2010 instead of 2009.

Clauses 1 and 2 put to the House and agreed to.

The CHAIRMAN: I put the Title and Enacting Clause.

Put to the House and agreed to.

The CHAIRMAN: The question is that I do report the Bill as having passed Committee stage without amendment.

Put to the Committee and agreed to.

RESUMPTION

The SPEAKER: I do report the Bill as having passed Committee stage without amendment. Minister.

Mr. HENRY: I now ask that the Bill be read a third time.

The SPEAKER: The question is that the Bill be read a third time.

Put to the House and agreed to.

Bill entitled:

AN ACT to Validate and confirm all acts or things done in good faith by the Jamaica Urban Transit Company Limited, as if exempt from the provisions of the Motor Vehicles Insurance (Third Party Risks) Act by virtue of its establishment and maintenance of a Self-insurance Fund from the 1st day of April, 2004 to the 20th day of November, 2008; and to discharge and indemnify the Jamaica Urban Transit Company Limited, its officers and all other persons against all consequential liability, actions and legal proceedings of any kind in respect of its operations as if exempt from the provisions of the Motor Vehicles Insurance (Third-party Risks) Act,

read a third time and passed.

The SPEAKER: (Gavels) The Bill debated and passed. Minister Shaw.

Mr. SHAW: Thank you very much, Mr. Speaker.

Mr. Speaker, the Honourable House is asked to consider and approve the proposed legislative amendments to both the Financial Administration and Audit Act and the Public Bodies Management and Accountability Act to establish a fiscal responsibility framework for Jamaica.

Mr. Speaker, you will recall that on 17th December...

The SPEAKER: Minister, are you doing both together?

Mr. SHAW: Yes.

The SPEAKER: Well, you need to get the leave of the House.

Is it the wish of the House that the Minister be allowed to do both Acts at the same time?

Put to the House and agreed to.

The SPEAKER: Proceed Minister.

Mr. SHAW: Thank you very much, Mr. Speaker.

Mr. Speaker, you will recall that on the 17th December we Tabled in this House, a Ministry Paper, 127/09, which sets out the basic framework for the fiscal responsibility Legislation. The specific amendments which are before us today is in furtherance, Mr. Speaker, of the objectives that were set out in that Ministry Paper.

In order to inform the process of developing the fiscal responsibility framework, the Ministry of Finance and the public service held consultations with stakeholders within a timeframe, taking into account the commitments made by the Government of Jamaica for implementation of a number of critical international agreements and loan-based agreements. The European Union Finance Debt Reduction and Growth Enhancement Programme budget support, which, Mr. Speaker, I will indicate, was in the region of $9 Billion in support last year, and in this calendar year 2010, the support from the

European Union in grant funding is expected to be in the order of J$10 Billion this year.

The Inter-American Development Bank with its Finance, public financial, and performance management/Policy-based loans; the World Bank Finance Fiscal and Debt Sustainability Development Policy Loan, the Caribbean Development Bank, Finance Fiscal and Debt Sustainability Policy-based loans, Mr. Speaker, these are critical loan programmes that are no longer based on specific projects but are based on the commitment to the Government to fulfill important policy initiatives that relate to accountability, it relates to increased transparency and as will be demonstrated in these laws, Mr. Speaker, are important changes that will require stronger Parliamentary oversight of government.

And I should indicate, Mr. Speaker, that our commitment - I mentioned before the European Union amount. Last year, we signed a Development Policy Loan with the World Bank for US$100 Million. And that came in at that time at approximately 1.57 per cent interest rate. Last week, we signed a US$170 Million policy-based loan with the Inter-American Development Bank, Mr. Speaker, and that loan came in at an interest rate of 1.23 per cent, 1.23 per cent interest rate for US$170 Million.

(Applause)

A MEMBER: Clap Omar, clap him!

(*Sotto voce* comments by Opposition Members)

Mr. SHAW: Mr. Speaker, I am to indicate that today in Washington DC, the Board of the World Bank met and considered a US$200 Million Development Policy Loan for Jamaica and they approved that loan today. And the interest rate will be just over 1 per cent in a similar fashion as the other.

(*Sotto voce* comments directed at Dr. Davies/Applause)

I should indicate also Mr. Speaker, that - I should indicate, Mr. Speaker, that the IDB will also be considering a further $45 Million tomorrow; one, in a development policy loan of $30 Million, and another of US$15 Million loan for the Education sector. And that will then total, from the IDB by Friday of this week US$215 Million, and from the World Bank, $200 Million. I should indicate that I am travelling to Washington tomorrow to sign those loan agreements with the World Bank and the IDB on Thursday, and to have discussions with the International Monetary Fund before I return to Jamaica.

Mr. VAZ: ... lock off after that, too much, too much!

Mr. SHAW: I want to indicate that between the signing of the IMF Agreement and their disbursement of US$640 million, which has pushed the gross reserves up to US$2.2 Billion, and the amounts that, by Friday of this week, will come up to US$415 Million from the IDB and the World Bank would mean that, Mr. Speaker, since the IMF Loan Agreement, by the end of this week we would have brought into the accounts of Jamaica close to US$1.1 Billion at interest rates of below 2 per cent. And I think that this is an important point of departure.

(Applause/*Sotto voce* comment)

The recently signed Stand-By Agreement with the IMF requires that Jamaica, Mr. Speaker, implements a medium term Fiscal Consolidation Plan with precisely defined quantitative targets. The Fiscal Responsibility Framework will directly support this

requirement, and more broadly confirm the commitment of the Government to institute a culture, to institute, Mr. Speaker, a culture and process that will promote fiscal discipline overtime.

One of the tools frequently used by countries that face significant fiscal difficulties, and later successfully achieved economic stability was the introduction of legislation requiring Government to act in a fiscally prudent manner, fiscal responsibility legislation. In those countries, Mr. Speaker, the process of introducing such legislation raise the profile of the problems and spark public debate on how it could be best addressed. The successful conclusion of the debate required transparency on the state of the economy, on the finances of Government and on macroeconomic and fiscal policies.

However, introduction of such Legislation does not of itself guarantee fiscal prudence, Mr. Speaker. Experience shows that once a broad political consensus for fiscal prudence emerges from the debate, it is essential to have political commitment to ensure that the rules and sound budget institutions and financial management systems to enable this commitment to be honoured throughout Government and in the wider public sector.

This framework will operate as the centrepiece therefore, Mr. Speaker, of a series of reforms being undertaken to improve the management of public financing. The purpose of the proposed framework is to address areas of weakness in the existing fiscal policy and fiscal administrative systems in Jamaica. Our unacceptably high level of public debt is hampering the country's efforts to achieve a level of growth sufficient to meet the expectations of its people and suggest that there are serious weaknesses in the country's fiscal management framework. Further, studies have highlighted, Mr. Speaker, various shortcomings in the fiscal policy and administrative framework relating in particular to the control of expenditure, reporting of financial performance, accountability and transparency, enforcement of relevant laws and oversight of macro-economic and fiscal policy and programmes in Jamaica.

The framework being proposed is based on international best practices and a critical assessment of Jamaica's main fiscal challenges. The institution of a framework in Jamaica requires the enactment, Mr. Speaker, of legislation. It is proposed that the fiscal responsibility framework be integrated into the Financial Administration and Audit Act as a new part and that the Public Bodies Management and Accountability Act be amended to ensure consistency with the fiscal responsibility framework.

The Honourable House is presented with two Bills. *AN ACT therefore, to Amend the Financial Administration and Audit Act* and *AN ACT to Amend the Public Bodies Management and Accountability Act*. These Bills seek to establish the legal framework for the establishment of a fiscal responsibility framework for Jamaica and to empower the Minister of Finance to improve the management of public financing.

The Act, Mr. Speaker, to amend the Financial Administration and Audit Act, I'll speak about that briefly. The Government has taken that decision. The proposed amendment seeks to correct shortcomings identified in the existing fiscal policy and administrative systems relating in particular to the control of expenditure, reporting of financial

performance, accountability, transparency and oversight. This Bill seeks to give effect to that decision and includes provisions that:

1. Impose a duty on the Minister responsible for Finance to lay before both Houses of Parliament a fiscal policy paper, containing among other things, a macro-economic framework providing an overview of the state of the economy and assessing the prospects for future growth.
2. Providing a fiscal responsibility statement articulating the principles of fiscal responsibility to which the Minister will adhere in the management of public finances through a signed declaration of intent.
3. And a fiscal management strategy setting out the fiscal targets and enunciating the plans and policies to be pursued to achieve those targets.
4. Imposing on the Auditor General a duty to review the fiscal policy paper and to report to Parliament thereon.
5. Making it clear that the authority to receive loans and grants, for and on behalf of the Government, vests solely in the Minister responsible for Finance.
6. And authorizing the Minister responsible for Finance to withdraw, to suspend or to impose conditions on any expenditure authorized under a warrant issued pursuant to section 117 of the Constitution, if the exigencies of the financial situation so require, Mr. Speaker.

In other words, to make that clear in terms of that final point, that once...

Dr. DAVIES: What kind of circumstances?

Mr. SHAW: Circumstances would be a catastrophic event that affects the revenue in a very serious way. And if it affects the revenue in a serious way and there is no ability to find other revenue streams then there has to be a curtailment of expenditure. And this would make it absolutely clear that it's not up for debate. It just has to be cut.

AN ACT to Amend the Public Bodies Management and Accountability Act is the second one, Mr. Speaker, in which we have taken the decision to make amendments consistent with the principles of the fiscal responsibility framework.

The Bill includes provisions - and this is very critical, Mr. Speaker, because we have seen where public bodies over the years have invariably, on some occasions, become laws unto themselves. They have felt... In fact, Mr. Speaker, you will recall that the genesis of the Public Bodies Management and Accountability Act which was passed by the previous Administration in the early parts of the 2000 period, came directly, first out of the Public Sector salaries issue, you will recall, Mr. Speaker, when it was determined that many of the institutions were saying, well, they are operating under their own laws. They have their laws that set them up as a company, as a statutory body or a quasi-government institution, and they didn't feel that they had any obligation to abide by the rules and regulations set down by the Ministry of Finance.

And so the purpose of the PBMA Act was to override, was to put an override, an automatic override against any legal

framework within which any company was established. All of that is overridden. You must abide by the rules and regulations of the Ministry of Finance.

These amendments today are to further cement into the sensibilities of public bodies that not only are they responsible to the Ministry of Finance in terms of following their rules and regulations, Mr. Speaker, these that I will now enumerate are cementing also the idea that public bodies are also accountable to Parliament. And in being accountable to Parliament by presenting their corporate plans and by presenting their budgets to the Minister who takes it to Parliament, that it requires the approval of Parliament, Mr. Speaker. It then puts the limelight onto public bodies to let them understand they are not laws operating on their own, they are not free agents out there that are operating with all due respect to their Boards of Management, that they have a larger duty to be responsible, not just to the Minister in charge of Finance in terms of financial matters, but importantly, they have a responsibility to Parliament, Mr. Speaker.

And so, the Bill prohibits public bodies from taking steps to enter into negotiations to borrow money by way of the issue of bonds without prior approval of the Minister of Finance. Very important, Mr. Speaker, because oftentimes we hear of entities that have entered into vast, wide-ranging discussions about borrowing money without realizing that entities that borrow money out there even if it ultimately gets the approval of the Ministry of Finance sometimes retroactively as we have seen in the past, Mr. Speaker. Can't happen anymore, because part of the new way going forward in measuring Government expenditure is that the IMF with the agreement of this Government, we are now saying you can't look at deficits within Central Government alone. You have to look at deficits and surpluses within the entire Government machinery, which includes the operations of public bodies in terms of whatever surpluses and whatever deficits that are built up in the system. So there is no longer a Central Government deficit that is of concern to the IMF. It is the overall public sector deficit, Mr. Speaker, because really what we are talking about is the overall public sector debt. And let us understand that when we speak of the stock of debt of some $1.3 Trillion at this time, I must indicate to you that the true stock of public debt in Jamaica is considerably higher than that; because when you take into account the stock of debt from all the public entities combined, then you are looking, Mr. Speaker, at a stock of debt in excess of $2 Trillion in excess of $2 Trillion.
And so, the time has come for us to - we have to rein in public sector entities. And we have to bring them under strict management, tight control, even as we divest some, those that are not divested must be brought under tighter management.

It is within this context as well, it is not specifically stated in here, but it is part of the Letter of Intent, as you know, with the IMF and we are working on it. There's a special team now that is visiting Jamaica from the IMF, Mr. Speaker, that is looking at the whole question of a Central Treasury Management system that is going to ensure...(Applause)

(Inaudible comments by Opposition Member)...

It is going to ensure that we have better management of the resources of Government. We are going to rein in all of the renegades

out there that are having expenditure in various shapes and form, oftentimes below the radar of the Accountant General, or below the radar, adequately, of the Ministry of Finance. And so, the Central Treasury Management system, Mr. Speaker, is going to ensure that all of the resources of Government are directed to work better for Government and in the interest of Government and the people of the country. So, no one is to take steps to enter - even enter into negotiations to borrow money by way of the issue of bonds without prior approval of the Minister.

For corporate plans, Mr. Speaker, of public bodies and any subsequent modification of such corporate plans to be submitted to the Minister for endorsement and laid before the House of Representatives and Senate for approval. It means that the work of the Committees of this House is going to be elevated, where we are going to be looking at the corporate plans of public bodies and we are going to have to approve them as a Parliament.

Requiring the Minister to cause to be prepared and laid before the House of Representatives and. Senate for approval before the end of each financial year, Estimates of Revenue and Expenditure in respect of all public bodies, including a summary of their corporate plan. So that not just corporate plans, but how is the budget of that entity going to be expended. And obliging public bodies to supply to the Financial Secretary, such information as the Financial Secretary may require as to their financial operations.

Mr. Speaker, these are the highlights of the proposed amendments to both the Financial Administration and Audit Act and the Public Bodies Management and Accountability Act. We believe that the approval of these important amendments to those two Acts will form a fundamental point of departure in overall fiscal management of the country's affairs.

We are committed to fiscal consolidation. We are committed to transparency and accountable governance and we are committed to making sure that critical features, the debt problem that we have, we've made an important start, Mr. Speaker.

The Debt Exchange that will be formally ended tomorrow has been a symbol of high participation by all of the stakeholders, large and small, institutional investors and individual bond holders who have taken their bonds and come to the Bank of Jamaica and the Ministry of Finance. (Applause)

And I'm proud to tell you that as of last week Friday, Mr. Speaker, the participation rate in the Voluntary Debt Exchange where people voluntarily have accepted lower rates of interest and extended maturities on their bonds, that the participation rate has reached 99.2% participation rate. (Applause) Virtually unprecedented. Not just in Jamaica but in the region and I daresay in the world in terms of domestic debt. (Applause)

Mr. Speaker, I just want to end by saying that this . . . (*Sotto voce* comments) Mr. Speaker, I want to end by saying that this requires our support on both sides because going forward we are obliged as a country. Whether the IMF or other multilateral institutions had asked for it or not, it's good for us and good for our country that we should adopt these international best practices, because in the long run, Mr. Speaker, it is the people of Jamaica…

Government MEMBER: Long overdue.

Mr. SHAW: …that benefits from better quality governance.

Thank you very much.

(Applause by Government Members)

The SPEAKER: Thank you, Minister Shaw. Dr. Davies.

Government MEMBER: Caan touch you again.

The SPEAKER: Dr. Davies.

Mr. WARMINGTON: I wonder what Omar going to say now.

(*Sotto voce* comments by Government Members)

Dr. DAVIES: Bribery won't get you anywhere.

Thank you, very much, Mr. Speaker. (laughter)

Mr. Speaker, we agreed with the decision to take both Bills, both amendments together because they relate to the issue of increasing accountability, as well as the capability of the Ministry of Finance, and indeed, the overall government to monitor financial activities within the public sector.

Let me begin by looking at *AN ACT further to Amend the Financial Administration and Audit Act*. While it's written up as a Bill, many of the requirements - I can understand the value of formalizing it - many of the clauses relate to activities which were done as a matter of course but not as required by legislation. And I am going to get back to the issue of what additional clout does this legislation provide us because that remains an issue for me. And I look in Clause 48(c) and it speaks to the issue of the fiscal balance for Central Government, not for the total public sector. And there is a peculiarity about it, Mr. Speaker. Clearly, we need to examine on an annual basis the issue of the fiscal balance, the debt to GDP ratio, an interesting new one the one of the ratio of wages paid by the Government as a proportion of the GDP, as well as - so these are three specified.

What is strange about this clause, and 1 think we need to discuss this seriously and the Minister should indicate, it's unusual to have in legislation targets set for a specific date, March 31, 2016, the end of the fiscal year 2015/2016. I know why it's done, but it's unusual and I do not know whether this is appropriate legislation in the sense that, this is a companion piece to the IMF Agreement in which they are saying, we are going to be lending you money for this period and we want certain targets to be enshrined. And the challenge there, Mr. Speaker, legislation should be more generic, the lawyers here can speak to it. To have a specific reference within generic legislation to a particular point in time, does not look to me to be appropriate legislation. You can achieve the same objectives without this, because, what then - the manner in which this is phrased, you are going to have a zero - a balanced budget by March 31, 2016, so what happens between now and then, what is the requirement? The legislation is useless in that regard, in that all it does is to set you a target at a particular point in time.

And, I understand the IMF needing this to present to their Board, but I do not see the benefit to us, if indeed what we are seeking is constant monitoring of the fiscal performance, year by year, quarter by quarter, what is the benefit to enshrine in legislation as is presented here, specific targets for a particular point in time. 1 think the Minister needs - a

particular look at page 6 of the Bill, it's Clause 48(c)(1) says:

> "The Minister shall take appropriate measures;
>
> a) to reduce the fiscal balance to nil by the end of the financial year ending on March 31, 2016;
>
> b) to reduce the total debt to GDP ratio to 100%, the year ending March 31-, 2016; and

It seems very, very strange way to enshrine in law. I understand the objective, but this seems a very idiosyncratic and clumsy way to achieve it.

But then, having gone through all of that and the lawyers can speak to it, it then gives you the escape clause and it says - 48(c)(1) speaks to the specifics. Then (2) says

> "The target specified in subsection 1 (a) to (d) maybe exceeded on the grounds of national security, national emergency or such other exceptional grounds as the Minister may specify in an order subject to affirmative resolution".

Translate that mumbo jumbo is that, if you miss it or if you are on your way to missing it, then the Minister may say listen, this is happening, because there is no specific notion of what national emergency or such other exceptional grounds.

So, Mr. Speaker, I am not trying to - I understand the time constraints within which the administration is operating, but I think this is bad law. It doesn't serve the objective and then it gives you an escape clause which almost makes the specificity of 48(c)(1) useless, and we need to look as to why this is being asked, but seek to address the greater objective of a monitoring of the situation.

The other issue I want to raise specifically with regard to that, that amendment, this piece of legislation relates to 48(d)(2) and it says:

> "In taking measures under subsection (1), the Minister may reserve any information which, in the opinion of the Minister:
>
> a) is confidential commercial information;

And I know exactly what that is. For example, once we spoke about the issue of what is the implied interest rate or what is the implied exchange rate. And…

> b) If disclosed could prejudice national security of defence or have a substantial adverse effect on the Jamaican economy or the Government's ability to manage the Jamaican economy.

I understand the reason for those caveats, but let us therefore not build up this piece of legislation to deliver much more than it can if you have these caveats. Why do I say this? I believe that there is a practice in the House whereby the Minister of Security consults with the Opposition at budget time in terms of speaking to special aspects of the budget of the Ministry of National Security.

It would seem that if the objective, the real objective of greater transparency, greater ability to monitor that which is presented, if that is where we are going, it seems to me - and I say this knowingly because the Bank of Jamaica and the Ministry of Finance work together and they build into these different numbers assumptions about exchange rate, assumptions about the interest rate persons within the trade can have that information because they are part of the trade. But then the

Opposition which sits in Parliament - or more than the Opposition, even Members of the Government sitting in Cabinet are denied access to the assumptions on which a whole budget is being structured. What is the interest rate, what's the interest rate?

And it seems to me, therefore, if we are speaking about greater empowerment to Parliament, lf we are speaking about greater transparency, if we are speaking about greater accountability, some way has to be found to ensure that the knowledge about the basis of the assumptions being made - and my friend and colleague here, a case in point relates to the assumptions made about interest rates in the budget of 2009/2010. He has skillfully - like he has done for every other question I have posed him, avoided answering, but there must have been something fundamentally flawed about the assumption on interest rates. And it would seem to me that the country could have benefitted if we are seeking towards greater accountability and greater transparency, get away from this notion of this assumption is known only to a few persons and expose it to greater - not public, necessarily public assessment, but a fundamental improvement could have been made to those assumptions.

And this is not any attempt to denegrate what has happened recently, but a major cause of our problem this year in terms of the - resulted from the higher than expected increase in interest payments relative to that which had been projected. And therefore l want to take first 48(c) and I say in blunt terms, to put in specific targets in a Bill for one point in time does not make sense to me and does not look like good law. And two, we need to have a re-examination of the critical assumptions, the fact that critical assumptions being made in terms of putting forward a budget, the information on these assumptions are denied to the Parliament in general, but could be denied even to Cabinet, and I think we need therefore, if we are going to speak about greater accountability to address that issue also.

(Applause by Opposition Members)

Mr. Speaker, I turn to the second Bill and I would like - I genuinely would like the Minister to respond to both issues why are these specific targets established for one point in time in a Bill? We need to look at it and I do not know what would be involved in, whether your drafting people are here and I know your timetable, but it is something I'd have difficulty in supporting. I understand the power of money and the IMF but I do not believe that it should extend towards I would say corrupting our legislative process in this way.

(Applause by Opposition Members)

PUBLIC BODIES MANAGEMENT/ACCOUNTABILITY ACT

I now turn to the issue, Mr. Speaker, of the companion Bill, the Public Bodies Management and Accountability Act. And I was the person responsible for guiding the original Bill through, and there was - as the Minister indicated, the Bill was not welcomed generally by many of the public bodies because many have developed a habit between their Board and their CEO or President, whereby they see themselves as being outside of the realms of a ministry. In fact, the issue of the Permanent Secretaries, the relationship between the Public Bodies and the Permanent Secretary is one which has not been solved

because normally, the best way for a board of an entity and its CEO to operate is to be friends with the Minister. And it goes both ways, Ministers like to have a Board and an entity which they can deal with on a special basis, and then the Permanent Secretary, who ostensibly has responsibility for that particular, the operations of that Ministry, ostensibly is then outside of that loop, that's outside of that loop. And I say ostensibly deliberately.

Now, the difficulty with this Public Bodies Management and Accountability Act, the reality is, Mr. Speaker, there is very little improvement, there is nothing new being brought here. Why do I say this? The mere tabling of a budget for a year at a particular point in time, that is neither here nor there, you can put that together and table it. The discipline of pulling together the numbers is useful, but that doesn't need anything.

There are already existing rules that the financial statements for an entity must be tabled by six months, the latest by September 30 of each year, if the fiscal year is to March 31st. How many abide by that? And the question is, what if someone tables a projection of expenditure and revenue which is nonsense, what are the penalties, what does this bring, what is the improvement here?

And this is a critical issue which we, the Members of the Public Accounts Committee, we are faced, cause we identify omissions, we've seen where people have done strange things, wrong things and then what is open to us? And this - neither of these Bills, but the one related to the public bodies, there is nothing new in that regard, in terms of bringing greater accountability in a tangible form.

One of the Members of the PAC or the Member from Central Kingston, who is slightly more revolutionary than most of us ...

(Inaudible comment by Mr. Mair.

Dr. DAVIES: Well ...

A MEMBER: Radical!

Dr. DAVIES: Radical, you are the revolutionary okay I see. (You can claim kudos.)

... has made a suggestion and it has not yet found favour, but it's something which we should consider. He says that if an institution fails to abide by the tabling of the accounts or whatever, then there should be no budget approved for the New Year. That may be radical, but this Bill takes us no further than where we are.

There is a lot of pieces of paper being produced and tabled in that regard, but there is also a situation where you have the Financial Secretary - this is the new Clause 7(8) - may from time to time request the Board of a public body to supply information on its financial operations and the Board shall comply with the request within such time as may be specified in the request by the Financial Secretary. Where does that take us?

It would seem to me, Mr. Speaker, that to be frank, this is being prepared to meet a particular objective, we know that; and we can understand that need to meet that particular objective. But let us not fool ourselves that this issue which we have, the issue of accountability within the Central Government itself as well as the issue of accountability in the public bodies, that these two pieces of legislation are going to represent the silver bullet, because they still do not provide us with the basis on which we can rein in those

public bodies and the violations can take many forms.

We have done significant work and I'm interested in why the issue of the loans, the borrowing is repeated here, because that to my certain knowledge has been in place. But there are other ways in which there can be violations for example, the nonpayment over of statutory deductions, either HEART or wherever, that should be built-in as non-negotiable and there should be clear penalties in that regard. And why do I speak of the NIF, the NIS payments and the NHT payments and it....

Inaudible comment by a Member.

Dr. DAVIES: I know, and I'm not trying to give lesser levels of violations, but I do know in specific instances where in terms of government institutions, these payments are not made over and someone goes to receive a benefit and they've discovered – I've discovered, I've worked between the University and Central Government for all of my time since returning to Jamaica, and the Permanent Secretary in the Ministry of Labour and Social Security told me that they were all computerized and so you could send in to them and they'll give you your full history of NIS payment. I did that and found that my contributions for several years to the NIS were missing.

A MEMBER: Nonexistent!

Dr. DAVIES: Yes, I'm not accusing the Minister of having taken it, but it's just missing. And they are unable to - I worked at the Planning Institute with a different period, I was in the Office of the Prime Minister or the Ministry of Finance and Planning and there my contributions were missing. Now, I'm not suggesting that the...

Mr. MULLINGS: Or you didn't ... (Inaudible)

Dr. DAVIES: Yes, just blanks. You can try it. I don't know whether lawyers make payments, but...

Mr. MULLINGS: You paid nothing.

(The Speaker leaves the Chair at 4:38 p.m. and the Deputy Speaker presides.)

Dr. DAVIES: Well I had no option, just like the Minister now goes into my pocket before I can get the - I have no option in that regard. That's why I made the point Counsel that I worked in the public sector, you don't have an option in that situation.

But there are situations - and I don't think that was deliberate - which meet their other obligations by simply not making these payments and there is nothing in this new piece of legislation, Minister, which speaks to nitty-gritty. There are - the global objectives are fine, but when you get to the - cut to the chase, what specifically, apart from the production of more paper which will be tabled at budget time, what specifically can we see as being the concrete results, which will come from our passage of this legislation?

So, Madam Speaker, I support - this Opposition supports the objectives, but I think we run the risk, Madam Speaker, of building up the expectations of what these two pieces of legislation will deliver, too greatly. But in particular, I would like us to look at Clause 48(c) - as I said, I'm no lawyer, but this is bad legislation that we would seek to enshrine in the legislation targets for one particular point in time, which they neither tell us what will happen before, or what will happen after.

Thank you very much, Madam Speaker. (Applause)

Mr. HOLNESS: Madam Speaker, I recall

that for several budgets, the Member who just spoke presented several Ministry Papers with targets. And one year I did the exercise of comparing the targets in the Ministry Papers and none of them were ever met.

Dr. DAVIES: Some were exceedingly better.

Mr. HOLNESS: I will check again, I'll check.

Dr. DAVIES: I'll give you one.

Mr. HOLNESS: I'll check.

The point I want to make is not a political point, and I should preface my contribution that it's not to be interpreted in a political way. But many countries like Jamaica, like many other developing countries, suffer from some structural deficiencies in policy setting. And the economist will define it, Madam Speaker, as a kind of conflict between discretion and rules. The Ministers of Finance want discretion and the economists want rules. It's two sides of the some coin and that coin being risked.

The Minister of Finance, in a developing country faces a political risk and so he wants discretion to mitigate against political risks. The economist says well, in the event of risk, you need to set rules, you need to be transparent so that everybody has information so information is complete; you need to have mechanisms that in the terminology for the fiscal responsibility framework, they call it surveillance, but you need to have institutions that will oversee, have oversight of the enforcement of the rules, and you need to set clear targets and police those targets. Jamaica has been in this tug-of-war between whether or not we take on a rules-based approach to our macroeconomic policies, or we still allow discretion.

The problem with discretion, especially in developing countries, Madam Speaker, is that discretion is susceptible to not just the economic cycle, because the economy has ebbs and flows, but it is also susceptible to the political cycle. And let me just explain those two, Madam Speaker.

Mr. MULLINGS: One minute.

Mr. HOLNESS: Who is talking? (Laughter/inaudible comments)

Mr. HOLNESS: The first one, the economic cycle, is that Ministers of Finance will find that in times when they are beginning to see a surplus, they spend more. And in times when the economy is contracting they begin to contract as well, they enter contractionary policies, they raise taxes and cut spending.

A MEMBER: A tell you.

Mr. HOLNESS: No, but that is procyclical. What that does is to exacerbate the problem, instead of being countercyclical. When your economy is contracting that is when governments ought to spend. When your economy is expanding that is when governments ought to retreat, because you want to balance out your economy and secure growth. But governments that are susceptible to this are usually governments with significant discretion in their ministries of finance.

And that is the critical thing - and I would just want to declare again, I'm not casting any political aspersions, this is just the structure of our economy that has gotten us into this problem.

But then there is the political cycle that we

have to pay attention to, because make no mistake, the Minister of Finance is usually a politician. In fact, in our Constitution the Minister of Finance must be an elected member of Parliament and he as always has to consider the political consequences of his economic actions. But then worse, he will have to face this consideration, can I use economic policy to advance a political end. So that is the problem, the economic cycle and the political cycle. When a government gets in, it has to time, when do I put in certain policies that will match the economic cycle.

And we know the famous event that has happened in this House with the former Minister of Finance's famous statement that - even though the statement was made, but I'm trying to give you the context, Madam Speaker, that laid the foundation for such statements to be made. So I'm not saying it's a creation of the Minister of Finance, the, Minister of Finance is an actor in a script that is written.

What we have done here with this piece of legislation - I know some of my Members think I'm letting off the former Minister, but there's a greater point to be made. What we are doing here...

Mr. VAZ: It's not how we doing it again.

Mr. HOLNESS: ...we have just changed the script...

Dr. DAVIES: How?

Mr. HOLNESS: ...Madam Speaker, so there will be no more Ministers of Finance who will be able...

Mr. M. PEART: A true? A true? Yu soon find out. (Laughter)

Mr. HOLNESS: …to run with it.

Mr. GALLIMORE: With or without it.

Mr. HOLNESS: There is no more run with it.

Dr. DAVIES: Tell me what has stopped you.

Mr. HOLNESS: ...Madam Speaker, there is no more run with it.

And I felt that I had to intervene and bring this point to the debate, Madam Speaker, because it's critically important, critically important. You say it's an academic point, that means it escapes you.

Madam Speaker, the Ministers on this side understand clearly...

(*Sotto voce* comments from Opposition Members)

Mr. SHAW: Congo worm, keep quiet!

Mr. HOLNESS: The Ministers on this side, Madam Speaker, understand clearly that we will have to engage in a period of fiscal discipline that will straddle not just economic cycle, but will straddle election cycles as well. We are not depending on legislation to keep us in check, we understand that. But we are putting in place the legislation as a show of good faith to our international development partners, and to secure a different and new dispensation in the management of our macro-economic affairs. (Applause)

I want it to be understood fully, Madam Speaker. The Member raised the question, and I am not going to answer the questions, because the Minister of Finance will answer the questions. But cold water was being poured on the legislation as if to say, well, it's legislation without teeth, it's legislation that will have no consequence.

I want to say, Madam Speaker, that once we come to Parliament, as a Government - and we are not just going to be tabling a Ministry Paper which we probably don't even refer to in

debate - now the Minister of Finance will have to come and almost make a solemn oath, that's almost what it comes down to, a declaration of targets. What that does - and the Minister of Finance would well understand - is that to the market, to the players this is now a clear and unequivocal signal of the economic operations of the Government.

Mr. VAZ: Streamlined.

Mr. HOLNESS: A clear and unequivocal signal. Of course, there is built in that there could de *force majeure* events over which we have no control. So, you know, Member, for you to raise that question about well, see you have escape holes in the thing, there are issues over which we have no control, and we have to legislate for them in law.

But the principle in operation with the fiscal responsibility framework is that once we place this on the table - and this meaning our targets - and we put in place the framework to invigilate those targets, any breach of target amounts to a breach of faith, it now becomes a matter of confidence. And that goes directly to the heart of Government arrangements.

What we have now done, Madam Speaker, is that the Minister of Finance has now taken on this very - and there is no better man at a better time to have taken on that responsibility than our Minister of Finance - (Applause) - to place his integrity and his management skills on the table to make sure that we do everything in our power to meet our targets.

So Madam Speaker, these are not targets that will be hidden in a Ministry Paper, these are targets that will bind the Minister of Finance.

But I want to say another thing and then I will wrap up, Madam Speaker. You mentioned, Member that the framework seeks to deal solely with or mostly with Central Government. Again, there is a structural problem with our economy and in the growth of our debt. And that problem, Madam Speaker, is that the decentralization of our Government causes what the economists call a "common pool problem". It's just one tax pool, but it's divided in several funds. And each person has control over his funds so they use their fund out of basically a common pool, but they are not looking at the impact on the overall fund, that is, the overall tax pool and the Consolidated Fund. So agencies with their own funds engage sometimes in their own spending and their own acquisition of debt without reference to the impact on the national deficit.

And what has happened - you know, a case in point, Air Jamaica. It's not just Air Jamaica. Because the actors in those decentralized agencies doing their own things, they don't face the consequence that the Minister of Finance faces, the consequence for them probably doesn't even amount to separation from their jobs.

Now, it is important to understand, too, that sometimes they have a view that the Government is going to adopt what we call a pro-compensatory policy. That is, they can incur the debt, because we know that the Government is going to pay it, operating on the principle that locally-generated debt will become centrally responsible debt, that the Central Government will become responsible for that debt. That has to change. And effectively, Madam Speaker, this piece of legislation breaks that.

There is no more pro-compensatory policy for debt that is entered into by decentralized agencies. So the executives in those agencies

can forget about taking on debt without reference to the central deficit. Again, Madam Speaker that is a fundamental change in economic policy and management in Jamaica. (Applause)

So in those two ways - I won't go any further, but in those two ways I just felt impelled to respond to say that this is not a simple piece of legislation that has no moment on the direction of the country's economic policies.

So, Madam Speaker, undoubtedly of course, I support the legislation. And I would - and as the Opposition Members have already said, they support the legislation. I just felt compelled, Madam Speaker, to add my contribution.

Thank you. (Applause)

Rev. THWAITES: Madam Speaker, the House Leader is speaking to the converted. The records of this House will indicate that this Member and many others have in Committee as well as in the plenary of the House, called for the rectitude and the strictures that this legislation entails.

And I think it is a misconception of the contribution of the Member for South St. Andrew to indicate that the legislation is of no consequence. On the contrary, the burden of his presentation, as I heard it, Mr. Speaker, was that in fact, it required certain additions and certain strengthening in order that it might have its required effect.

In the spiritual life, Mr. Speaker, there is a maxim that "Where the love of God cannot prevail, the fear of the Lord constraineth". And my only regret, in this instance, is that we should have been constrained into this kind of legislation, rather this adopting it ourselves, without any kind of external pressure.

But be that as it may, the important thing for us to do is to see to the effectiveness of what has been long required. And I wish to make a small contribution to point out some areas where I think we need to be particularly vigilant.

First of all, Mr. Speaker, it is not at all clear in anybody's mind what constitutes the totality of government machinery. All of the agencies - there are so many modalities that have existed and emerged since the Nineteen Sixties where there is partial shareholdings, where there is a semi-statal agency. The range of them is going to require some amount of discipline and I trust that this is part of the remit of the Committee that the Prime Minister often speaks of, to reorganize the public service. But there needs to be some common form, and not a variety of forms that can be made subject to these legislative provisions.

It's not going to be an easy task. There are a variety of entities that will need to be categorized. And it would be the requirement, I think, of this Honourable House, that they are aware of that tidying-up procedure.

There is an issue, too, that maybe can easily be resolved; but it arose, and I took some counsel with my friend from the nether parts of St. James. But to place these restrictions on public companies, interferes with the - or may interfere with the legal responsibilities and privileges of a company director. And this requires clarification, because there are certain legal responsibilities that a company director has, and they must be squared with these very necessary aspects of public responsibility, having regard to the particular nature of many public companies.

(*Sotto voce* comment from Mr. Holness)

Rev. THWAITES: Yes. We need to be

clear as to that. The responsibility to the shareholder is only one aspect. There are other responsibilities enshrined in other laws which we need to make sure are calibrated adequately.

The legislation, Mr. Speaker, creates the Minister of Finance into a super Minister. It is perhaps unavoidable, having regard to the asperities of our times and the need for particular fiscal rectitude. But it also places a commensurate huge responsibility upon this Chamber.

The Minister was quite correct, though he didn't expatiate, that the role of, for example, the Public Administration Committee is specifically mentioned in this legislation, as it was in the Ministry Paper. And an occasional meeting, and with the greatest of respect, a report which was tabled in this House a year and many more moons before, and is just now being taken and perhaps can't even be fitted into this session, or may be hurried over in the exigency of other things, that's not going to be adequate. That, indeed, is the kind of issue that I believe my colleague from St. Andrew was speaking about.

We need to be sure that in fact the surveillance that can only be responsibly done by the representatives of the people on whom additional requirements are now placed, are given the facilities and are fully understood by the Members themselves, by the remainder of the legislation, indeed by the public, so that this can have more meaning the some suspect it might have.

Mr. Speaker, there are history of overruns in government's arrangements. And I look carefully and with sympathy, because I am supportive of the terms of this legislation.

You know, one area that is going to require particular attention, Mr. Speaker, it has to do with the overruns on contracts. A contract is entered into, and all of the facilities and all of the reporting is done, but the contract usually, which may have some kind of international funding, has an escalation clause in it. And to my certain knowledge - I could give you several that I am particularly familiar it, where escalations are added and the way the contract is drafted, the government ends up having to pick up the escalations with scant regard to the additional value, and with certainly none of the reporting and the strictures and safeguards that this legislation carries out or calls for. It's going to be something that has to be extremely carefully monitored. And it is an area which can be abused, and it is an issue which may break that separation between economic rectitude and political expediency, that the Member from the other parts of St. Andrew spoke of earlier.

The Central Treasury is something that, an issue, an institution, Central Treasury management, which I certainly have raised several times in this House, pointing to the absurdity of government borrowing money at punitive interest rates while receiving penny half a penny in interest, if at all, for huge current account balances.

There are more than one financial institutions in this country, Mr. Speaker, who are laughing. Their shareholders in foreign parts and locally are happy at the absence of this policy and we must be glad that this is now part of our own self-appreciation and our own strictures.

The corporate plans and budgets, of which the Minister speaks, I would hope in his reply he could tell us when we can expect these. Is it

going to be prior to this budget which we are coming close to? Is it next month, Minister? Because, Mr. Speaker, it won't do to postpone them for another year. And then the arrangements, I conclude by saying once again, the arrangements that are going to have to be made in this House in terms of its appointments, its sitting, its staffing and the diligence and application of its members in order to carry out the provisions of 48(3) and 48(g) in particular, and onwards, are going to be of particular importance.

The intent and spirit of the legislation are in order, Mr. Speaker. The modalities remain our challenge to work out. We are taking a step in the right direction. Let us make sure that it is not toothless but in fact has the desired effect of giving the assurance to the Jamaican taxpayer that every dollar that we collect from them, every dollar that we borrow in their name is properly spent.

May it please you. (Applause)

The SPEAKER: Thank you, Reverend Thwaites.

Minister Tufton.

Dr. TUFTON: Thank you, Mr. Speaker. My intervention will be quite brief, Mr. Speaker.

I wanted to first of all support, like my colleagues, the legislation that is being put forward by the Honourable Member. I think it's timely, l think it's appropriate and given the context and the history of governance in Jamaica, post-Independence and certainly post-Adult Suffrage, it is required. I think though, Mr. Speaker, it is important for us to recognize that while these restrictions, which essentially are put in place to guide behavior and proper governance, are necessary, the legislation it should be pointed out also recognizes that we exist, all of us, in a dynamic process. The purpose of governance is to respond to existing situations and to respond in a manner that serves the best interest of the people who elected us to serve. And while we have to plan to provide that good governance, planning will have to accommodate or facilitate margins of error based on the dynamic nature of any environment. And I think that point is important to be raised because the point was advanced earlier, that while the legislation in principle is important, there are questions as to whether too much flexibility has been allowed. And I refer here specifically to Section 48(c)(2) which speaks to targets and the flexibility to adjust those targets based on some broad criteria of security issues, national emergency, and so on. And I think, Mr. Speaker, it is important to say that that allowed flexibility in the legislation shouldn't be interpreted as a weakness, it should be interpreted as proper thought going into putting this legislation together, which accounts for the margins of errors which we all have to experience as a government as we do in our personal lives. And I give the example of natural disasters. And I am speaking here, Mr. Speaker, from the perspective of Minister of Agriculture.

The facts are, that as a country we have seen, we have experienced, we have felt the impact of a range of natural disasters. Hurricanes, of course, we are in an important hurricane belt. Since 2004 we have seen Charlie, Ivan, Dennis, Wilma, Dean and, of course, Tropical Storm Gustav and the extent of those disasters, Mr. Speaker, runs into literally billions of dollars. They have had significant impacts on industry, on personal

lives and commerce and it would be irresponsible for any government in advancing legislation, recognizing the potential for those risks that we have not to account for those risks. And so I want to just say that we shouldn't interpret the clause that allows for some flexibility under certain specific circumstances as a weakness. Indeed we should interpret it in the direct opposite. It is an indication of a recognition of the challenges that we face.

Right now we are going through a drought, Mr. Speaker. Farmers, and residents, I mean all of us, are experiencing a crisis. That's what it is. Nine months out of the last twelve months, ending December 2009, we have seen less than average rainfall and all projections suggest that it will continue. It is a crisis.

Now do you want to advance a piece of legislation that is so restrictive that it does not give the Minister the opportunity to make adjustments in response to that crisis? And I want to just make that point, Mr. Speaker, to suggest in support of what is being advanced here, that we have to account for those circumstances which we have proven, we have experienced as being part of the realities that we face, and in that respect, Mr. Speaker, it is a strong point, not a weak point, and I advance that to my colleague on that side.

Thank you very much. (Applause)

The SPEAKER: Thank you, Minister Tufton.

Mr. Kellier.

Mr. KELLIER: Mr. Speaker, I will be very short.

First of all I just want to endorse the points made by the Opposition spokesman on Finance and to say that we are supportive, in most part, to the measures being put forward by the Minister. However, Mr. Speaker, there are some numbers that the Minister quoted when he made his presentation that I would like him to extend upon when he closes the debate on the matter.

We have a habit in this House to quote figures in US Dollars, and the way we borrow the money is in US Dollars, but 1 believe the currency of the country is still in Jamaican Dollars; and I would wish to see us, Minister quoting the figures in Jamaican Dollars so that the man on the street, and every person in this country, will know exactly what is the figure in Jamaican dollars we are talking about when we borrow this one point - was it one point two?

A MEMBER: One.

Mr. KELLIER: One point One something Billion dollars. My rough calculation tells me, Minister, it's rough, that talking about nearly One Hundred and Eight Billion Jamaican Dollars. And while we say the interest rate, Minister, is maybe one or two per cent, which is commendable, and it is clear that the conscience of the multilaterals are getting much more amenable to countries of our stance, and that is good, and your efforts have been good as well in this regard. So One Hundred and Eight Billion Dollars, at two per cent is still a whole heap of money. So we mustn't get the impression that when we get one per cent, or two per cent, or three per cent is like we get it free. It's still a whole lot of Jamaican dollars we are talking about that we will have to convert to pay back this money, and it is debt.

And the other thing, Mr. Speaker, is that it is important for us to know - I am not sure Minister of the timeframe of the repayment of

this money, if you said it was two years? I am not sure. But I don't think we are talking about paying back all this money in two years. You need to just explain that for me. And when we're paying back the money - because we are converting dollars again to pay out, unless we *gwin*e borrow again to pay out - the Jamaican dollars, what rates do we project? By the time we finish pay out this money, what is the - based on where the economy is going, what is the sort of projected rate at which we will have to calculate the money that we have to pay back? And that will determine how much we're really paying. So we don't want it to appear as though we borrowed One point One something Billion US, a Hundred and Eight Billion Jamaican Dollars and we are paying back one per cent of that, which is maybe One Billion something now. But by the time you do the exchange rate figures, do the maths and so forth, Minister, I would like to know by the time the life of this loan is over, what you project is the amount that we are going to have to pay and that will really give us the real picture of what it is that we are really calling on the taxpayers of this country, what is the effect of this debt burden on the taxpayers of this country over the long or medium term that we are going to have to deal with this issue?

The SPEAKER: Minister Shaw.

Mr. SHAW: Mr. Speaker, a number of questions and points have been made and l would like to thank the Honourable Members for their contribution, and I would like to just make an attempt to answer as many of the questions that have been posed as possible and just make a few general comments on some of the other points that have been raised.

Mr. Speaker, let me start by just indicating to the Member from Central Kingston that it is proposed that starting with this fiscal year coming up, 2010/2011, that the corporate plans and budgets of self-financed public bodies will need to be approved by Parliament. Entities that have always been supported by budget support have implicitly been involved in the approval process but as of this new fiscal year self-financed public bodies are going to have to be part of this new responsibility framework. And I want to, in that point that you made, I want to emphasize that in as much as we have committed ourselves to greater transparency, Mr. Speaker, we are also committing Parliament to much more work and we need to accept that.

The Chairman of the Appropriations Committee you are nodding the head, and I am happy. Because let's remember that this is all part of a fiscal responsibility framework that assumes higher levels of scrutiny, of transparency, Mr. Speaker, and accountability within, I want to remind the House, within the framework of a commitment of the Government to the chairmanship of critical committees, not just the Public Accounts Committee, but critical committees like the Appropriations Committee, to be chaired by a Member of the Opposition. And I think that it is an important feature of this transparency going forward that we remind ourselves, Mr. Speaker, of this. So that we are going to - we are on both sides implicitly, in approving this legislation, accepting that there is more work that will have to be done. It is not the Minister of Finance alone that is going to be called upon now to ensure that we do not have renegade public bodies that are out there operating on their own excursion without adequate scrutiny, Mr. Speaker.

And I think this bespeaks what a real

democracy ought to be about. It doesn't get to maybe a more perfect system like the American system, but if we apply our self diligently it certainly can be moving in that direction.

Let me indicate also, Mr. Speaker, that in relation to the question of the - and I am going to deal with the two pieces of legislation, let me start with the Financial Administration and Audit Act. A number of issues have been raised and the Minister of Agriculture responded, in part, to the point that has been made by the former Minister of Finance, and 1 would like very much - if he can hear what I am saying - that he referred to section 48(c) in which he has made the suggestion that after these targets that are set, and l will come back to the question of quantitative targets in a moment, but after the targets are set that in 48(c)(1) subsection (d) - correction, 48(c)(2), the former Minister refers to it as an escape clause. The Minister of Agriculture mentioned circumstances that would be exceptional in any manner of interpretation.

I want to bring it to the attention, I don't know if it has escaped the Member's attention, and I read the clause. **"The target specified in subsection (1) (a) to (d) may be exceeded on the grounds of national security, national emergency or such other exceptional grounds."** Now once we accept that that is so, it goes on, I can't remember if the former Minister has read on but I will have to read on, **"as the Minister may specify in an order subject to affirmative resolutions."** So in other words it's not something that is going to be subject to the arbitrary or the capricious whimsical attitude of a Minister. It has to come back to Parliament and it is going to be subject to affirmative resolution of Parliament; and I think that that is a very important, maybe an oversight on the part of the former Minister.

Dr. DAVIES: Majority.

Mr. SHAW: And Mr. Speaker, let me address the issue of the quantitative targets because the former Minister refers to it as a corruption of the legislative process.

Mr. WARMINGTON: Bad choice of words.

Mr. SHAW: I want to suggest, Mr. Speaker, that it is very strong language. It is very, very strong language. Call it a point of departure in how we frame legislation, Mr. Speaker, because on the contrary without pinning ourselves to specific measurable performance objectives, we are leaving open-ended, Mr. Speaker, adequate room and latitude for indiscipline and perhaps even corruption to continue to take place. And I want to say that the question of imposing quantitative limits in legislation is not a new phenomenon. It might be new ground that is being broken in Jamaica, but I want to remind the Honourable House that it is certainly not new ground that is being broken in terms of legislation globally. One that comes to my mind immediately is the legislation in the European Union which commits Member States of European Union to fiscal deficit limits by law. Now it is a fact that with the global implosion that recently developed, and even before, it is a fact that they have perhaps come up on glitches and problems. But that is not, Mr. Speaker that is not to take away from the effective principle of being able to commit yourselves to these specific kinds of legislation. I think it is important. In our kind of atmosphere and history of discipline we need to have it.

And, Mr. Speaker, let me put the point that it is 2016, because it anticipates that the process of getting a debt to GDP ratio that is going in the right direction and aiming at 100% - and we want to go lower, because the rest of the world they are sub 60% debt to GDP ratio. Majority of our partners in the Caribbean region, their Debt to GDP ratios are 30% and 40%. So the desirable objective is to go in the right direction and so this is a process that we are saying that by 2016 these are the areas in terms of deficit, in terms of Debt to GDP ratio, in terms of wages to GDP ratios and that we ought to accept as part of the international best practice system, Mr. Speaker. And it is important that we also recognize that the issue is that going forward – it is going forward from there that is important, you know, because going forward it specifically states that you want to not only achieve the 2016 level but beyond that you want to be improving, you are not going to go into the bad habit again but you are going to continue to improve it. And I would like to suggest that perhaps in 2016 we might want to consider imposing new downward targets for another date in the future, we should come to amend the laws at that time. Perhaps another Minister of Finance would want to do that.

Mr. PICKERSGILL: You should say you instead of we.

Mr. SHAW: Pardon me!

Mr. PICKERSGILL: You should say you instead of we.

Mr. SHAW: Well if God should give me the strength and fortitude to be here at that time. I would want to be certainly – and I think all of us together would be very happy to know that we would have come back to say how the objectives for 2016 were achieved, let us now set a new threshold of even better performance going forward.

Mr. Speaker, let me indicate, let me indicate that I don't know of any legislation that is perfect, but for the fiscal responsibility framework to have a modicum and a semblance of credibility it is the feeling and opinion of the Government and framers of the legislation that we have to put in there some of the specifics that we have sought to put in there.

The former Minister makes reference to another clause in 48(e) in which he makes reference to the question of certain market sensitive issues. He put it, and I think he also answered the question even as he has put it. And I wouldn't say anything more on it at this stage, Mr. Speaker, except to say that this Government has been moving irretrievably in the direction of greater and greater transparency. The Letter of Intent to the IMF that was tabled in the Parliament, unprecedented. Subsequently, I have seen details of the IMF agreement being printed in the Press and talked about, kinds of details that has never before ever been seen in discussions and debate taking place in Jamaica. (Applause)

Mr. VAZ: By so-called analysts.

Mr. SHAW: So, Mr. Speaker, I think that it is very important that we give the impression of certainty going forward, certainty of details, certainty of targets so that we have a more fixed purpose in terms of our direction where we are going.

Let me indicate in terms of the Public Bodies Management and Accountability Act - here again I am a bit disappointed at the suggestion by the former Minister that it amounts to no improvement at all. And I am

very happy that at least one of the members on that side didn't appear to join in, didn't support it because the truth is, there is improvement. If we are saying to public bodies you are not operating on your own anymore, in fact even with the PBMA, the promulgation of that Act, merely fulfilling the requirements of regulations with the Ministry of Finance alone, is no longer good enough; and we are now saying come to Parliament and let the Member of Central Kingston, from Central Kingston look you in your face and ask you question and you must answer the questions because he is a duly elected, constitutionally elected Member in the House of Representatives.

(*Sotto voce* remarks by Mr. Buchanan)

Mr. SHAW: Bushman can do it too. Mr. Speaker, the point is if we are serious about transparency and accountability we can't give it lip service anymore. And I am saying, yes, I agree with the former Minister that there are certain things that have now been enshrined in this legislation, once it is passed, that were in fact in practice already, it's just they were not formally put into legislation. But I think putting them into legislation I think gives the kind of permanence and fixity of purpose that is required going forward. And let me say that there are changes, don't say it's no improvement, specific changes. For an entity to go borrow money and to launch bonds they are now going to require, according to this law, the written approval of the Minister of Finance, written approval of the Minister of Finance.

We spoke of the approval of the corporate plan and the budget by the Parliament that brings greater accountability; annual reports to be submitted within - on certain prescribed forms. We already have the system where the compensation of executive and directors, that has to be made public. Public bodies whose financial years are different from that of Central government are now going to be required to bring their corporate plans and their budgets to Parliament consistent with their own fiscal year arrangements.

On the question of performance contracts with Chief Executive Officers that, too, must also be part of public scrutiny. Because we hear about all these people and the salaries out there and what is the performance, what is the specific measurable performance to which these executives themselves are committed to in order to be getting these handsome salaries with increments here, there and everywhere and all kinds of benefits. It's a game-changing time, Mr. Speaker, and everybody - transparency is not just about in this House but everybody out there that is spending government money must understand it's time for them to be more transparent. (Applause)

So, Mr. Speaker, I suggest to you that there is a lot of work to be done, a lot of work to be done. The Member from Central Kingston mentioned contract overruns, that's still a problem. The question of the overhaul of the government machinery, it's a major task that is now underway. And the former Permanent Secretary in the Prime Minister's Office, MRS. PATRICIA SINCLAIR-MCCALLA, Mr. Speaker, she has already met with most ministries. She met with me and my ministry recently and she is due to make a report to the Prime Minister and to the Cabinet in a matter of weeks. But I must tell you I am thoroughly impressed with the quality of the work that she has been doing. (Applause) And Members will find the quality of her work and the committee that works with her to be a very, very

impressive piece of work. It also includes - let me remind you there is a committee under the Chairmanship of MR. PETER MOSES - an advisory committee that is also giving advice to Mrs. Sinclair McCalla.

So, let me end by saying, Mr. Speaker - former Minister said that we need more nitty gritty, and I agree. And we can, over time, improve and make the Legislation more perfect. I happened agree, by the way, with the point having to do with putting in legal straight jackets, in terms of statutory deductions. One of the things that was started by the former administration and which we are continuing, is that we have had to find ourselves in a position where we are withholding the statutory deductions because they were not coming back, and so we are withholding them now.

But, of course that doesn't apply, for instance to self-financed public bodies and so on. So, instead of having to be using that instrument of withholding it perhaps improving the law as we go along, Mr. Speaker, to give it more teeth and to ensure that they fulfill these obligations, that that is something we can look at.

Let me just say that this is a journey, it is a process. And indeed the journey of a thousand miles as they say, begins with the first step that we take.

A MEMBER: Amen!

Mr. SHAW: William Penn, we must remind ourselves, over two hundred years ago, he said: *Though good laws do well, good men do even better*. Good men do even better.

(*Sotto voce* comments/Applause)

We have to commit. It is about political will to do the things that are right. Whether they are popular or not, Mr. Speaker, it is the commitment to do the things that are right for the country and not to do the things that are politically necessary for an event, two or two-and-a-half years from now…

A MEMBER: Run with it.

Mr. SHAW: …to take those decisions that, into the future, from 2016 and beyond - the future, our children, young people who are now looking at all of us on the public broadcast system...

(*Sotto voce* comments)

Mr. SHAW: ...they will be able to look back at the few years from then and say, yes, they made the right decision, not for the future of a political party, but for the future of Jamaica Land We Love.

(Applause)

The SPEAKER: Minister, could you put the Bill one by one. Could you put each Bill, one by one.

Mr. SHAW: Mr. Speaker, I beg to move for second reading of the Financial Administration and Audit Act, and I beg to move for second reading...

The SPEAKER: No, no, could you hold a minute.

Members, the question is that the Bill entitled, AN ACT further to amend the Financial Administration and Audit Act be read a second time.

Put to the House and agreed to.

Bill entitled:

AN ACT further to Amend the Financial Administration and Audit Act,

read a second time.

The SPEAKER: The House will now resolve itself into a Committee of the whole House to consider the Bill, AN ACT to Amend the public - sorry, AN ACT to further amend the Financial Administration and Audit

Act, clause by clause. (The Marshal was about to remove Mace) No, no, hold Marshal, could you go to the second one, please.

Mr. SHAW: Mr. Speaker, I beg to move for second reading of the Bill, AN ACT to Amend the Public Bodies Management and Accountability Act...

COMMITTEE STAGE

The CHAIRMAN: I am being advised; let us finish this one first. You are right.

We are now dealing first with the Financial Administration and Audit Act, the amendment to this Act,

Clauses 1, 2, 3, 4, 5, 6, 7 and 8 put to the Committee and agreed to.

The CHAIRMAN: I put the Title and the Enacting Clause.

Put to the House and agreed to.

The CHAIRMAN: The question is that I do report the Bill as having passed Committee stage without amendment.

Put to the Committee and agreed to.

RESUMPTION

The SPEAKER: I do report the Bill as having passed Committee stage without amendment.

Mr. SHAW: Mr. Speaker, I beg to move for a third reading of the Bill.

The SPEAKER: The question is that the Bill be read a third time.

Put to the House and agreed to.

Bill entitled:

AN ACT further to Amend the Financial Administration and Audit Act,

read a third time and passed.

(Applause)

Mr. SHAW: Mr. Speaker, I beg to move for second reading of the Bill, AN ACT to amend the Public Bodies Management and Accountability Act.

The SPEAKER: The question is that the Bill entitled: AN ACT to Amend the Public Bodies Management and Accountability Act, be read a second time.

Put to the House and agreed to.

Bill entitled:

AN ACT to Amend the Public Bodies Management and Accountability Act,

read a second time.

The SPEAKER: The House will now resolve itself into a Committee of the whole House to consider the Bill clause by clause.

COMMITTEE STAGE

The CHAIRMAN: We are now dealing with Public Bodies Management and Accountability Act.

Clauses 1 and 2 put and agreed to.

The CHAIRMAN: I put Clause 3... (Dr. Davies raises his hand) sorry... Yes?

(*Sotto voce* comments/Laughter) Yes, Dr. Davies, Clause 3.

Dr. DAVIES: Mr. Chairman, Clause 3(c)(3) - C(3) on page 3...

The CHAIRMAN: Yes.

Dr. DAVIES: The Minister may, in accordance with subsection (4), exempt from the provisions of subsection (1), any public body that exercises borrowing powers in the performance of functions relating to monetary policy. There is only one such body, why is it written that way?

(*Sotto voce* comments by Government members)

Dr. DAVIES: Calm down... tell him to calm down nuh. Well, unless there is any good reason... essentially you were speaking about the BOJ.

(*Sotto voce* comments)

So, you want to keep it as is?

A MEMBER: Yes.

(Laughter)

Mr. SHAW: That is the advice given by the CPC, but that is in effect what it means, Mr. Chairman.

Dr. DAVIES: Well, I don't want to be seeking to draft here but how about exempt from the provisions of subsection (1), the Bank of Jamaica in its - in exercising its powers in performance of functions relating to the monetary policy? It's just one institution.

(*Sotto voce* comment by Mr. Warmington)

Mr. SHAW: Mr. Chairman, I am taking advice and perhaps I suggest we should go on and come back to that.

The CHAIRMAN: We then leave Clause 3 pending?

Mr. SHAW: Yes.

Mr. WARMINGTON: Get the legal advice.

Clauses 4, 5, 6, 7, 8, 9 put and agreed to.

Mr. SHAW: Title and Enacting?

The CHAIRMAN: Clause 3 pending.

(The Chairman had consultation with the Clerk and other Members)

The SPEAKER: Okay, Members, we are still on Clause 3, subsection (3).

Mr. SHAW: Mr. Chairman, we accept that the point made by the Member has merit and that the only institution that is concerned with monetary policy in Jamaica is the Bank of Jamaica. So, we have decided to amend it to just - to make that specific reference to the Bank of Jamaica and the amendment will be as follows. Delete subsection (3) as it now reads and substitute the following: "The provisions of subsection 4 shall not apply to the Bank of Jamaica in the exercise of borrowing powers in the performance of functions relating to monetary policy."

The CHAIRMAN: You have to go a little slower. Not apply...

Mr. SHAW: To the Bank of Jamaica...

The CHAIRMAN: To the Bank of Jamaica, umhuh...

Mr. SHAW: In the exercise of borrowing powers, in the performance of functions relating to monetary policy.

The CHAIRMAN: Okay. What about subsection (4)?

Mr. SHAW: That would be deleted.

Mr. WARM1NGTON: But you know at least sometimes Omar speaks some sense, him emulating Peter sometimes. You following Peter's example.

(*Sotto voce* comments)

The CHAIRMAN: Members, just for - please note, in subsection (3), subsection 3(iii) will read the provisions of subsection (1) shall not apply to Bank of Jamaica in exercise of borrowing powers in the performance of functions relating to monetary policy. Subsection (4) will be deleted and now subsection (5) will now become subsection (4).

The amendment as read put to the Committee and agreed to.

The CHAIRMAN: I put Section 3 as amended.

Put to the Committee and agreed to.

The CHAIRMAN: The question is that I do report the Bill as having passed Committee stage with one (1) amendment.

Put to the Committee and agreed to.

RESUMPTION

The SPEAKER: I do report the Bill as having passed Committee stage with one (1)

amendment. Minister.

Mr. SHAW: Mr. Speaker, I beg to move for third reading of the Bill.

The SPEAKER: The question is that the Bill be read a third time.

Put to the House and agreed to.

Bill entitled:

AN ACT to Amend the Public Bodies Management and Accountability Act,

read a third time and passed.

The SPEAKER: (Gavels) The Bill debated and passed. (Applause)

House Leader. Minister Vaz.

Mr. VAZ: Mr. Speaker, I now move for the suspension of Standing Orders to enable me to take the motion, notice of which I gave earlier.

The SPEAKER: Members, the motion before the House is for the suspension of Standing Order to allow the motion as indicated by Minister Vaz to be taken at this time.

Motion put to the House and agreed to.

The SPEAKER: Minister Vaz. Oh, sorry, Minister Shaw.

Mr. SHAW: Thank you very much, Mr. Speaker. And I would like to first of all in recalling that both Bills, the Betting, Gaming - the Casino Gaming Act and the Betting, Gaming and Lotteries (Amendment) Act, 2010, that these Bills were referred to a Special Select Committee of the Houses of Parliament on November 17, last year, 2009, and the Committee having met in accordance with the rules has tabled its Report on February 23, today.

I want to start, Mr. Speaker, by thanking the Honourable Member from - Minister without Portfolio in the Office of the Prime Minister, for kindly chairing the Committee that reviewed this legislation, Mr. Speaker. (Applause) And, of course, to thank all the Members on both sides of the House for their diligent work in expediting the Bill and the consideration of the Bill at Committee stage.

Following on notices placed in the printed media and announcements on radio inviting submissions from the public on the Bills, Mr. Speaker, I'm to point out that the Committee received written submissions and heard oral presentations in relation to the Casino Gaming (firm) Myers Fletcher and Gordon, representing The Tavistock Group, as you know are the investors in the proposed Harmony Cove Project in Trelawny, MR. JOHN THOMPSON, MR. KEITH RUSSELL and Members of Parliament for North Trelawny.

In relation to the Betting, Gaming and Lotteries Act....(Inaudible comments from a Member)... No, no, Members of Parliament for North Trelawny. Separate from Keith Russell. Betting, Gaming and Lotteries Act, Mr. Richard Lake gave testimony, Fortune Gaming Limited, Cayamas Track Limited and The Jamaica Racing Commission, the joint submissions from the Jamaica Racehorse Trainers Association and the Grooms Association of Jamaica, Mr. Speaker. And we want also to thank them for having taken the time to come to Parliament to make their representations to the Select Committee.

Mr. Speaker, in relation to the Casino Gaming Act, the deliberations started with an overview of the Bill and an outline of the Policy perspective which guided the drafting of the Bill. The Casino Gaming Act will provide the regulatory framework for the business of casino gaming on the island. The activity will take place within approved integrated resort developments with casino

gaming comprising one component of the overall activity.

The Act proposes that only three (3) Integrated Resort Development Orders will be considered for approval at this time, but that the Minister may by order, subject to affirmative resolution, increase that number. The proposal excluded the approval of stand-alone casinos. In other words, Mr. Speaker, casino must be part of an integrated entertainment and development, that is, has a minimum number of hotel rooms that have critical mass so that it has significant impact on not just a community in which it is based but an entire region of Jamaica in which it is based, Mr. Speaker.

Another significant feature of the Act is the grant of exclusivity status to an approved Integrated Resort Development with the Order clearly stating the exclusivity period and the geographical area to which it applies. Further, the Act provides for the establishment of a Casino Gaming Commission which will have oversight responsibility for the administration of the Act. And in accordance with that, Mr. Speaker, I am to indicate the number of changes, the significant changes that the Committee has recommended in relation to the Bill.

I should indicate, Mr. Speaker, before I mention those changes that the Casino Gaming Act is amended in companionship with amendments to the Betting, Gaming and Lotteries Act because they are important amendments to the BGLC Act which in fact complements the Casino Gaming Act, Mr. Speaker.

This Casino Gaming Act is very important in terms of laying the groundwork, Mr. Speaker, for a whole new dimension for investments in Jamaica.

(Inaudible comments)

Mega investments in the tourism sector. And as you know, the first such mega investment which was started in concept from the previous Administration and has been continued by the present Administration involves the proposed investment by Tavistock Group in the Trelawny area, the Harmony Cove area, an investment that ultimately, Mr. Speaker, will lead to multi-billions of United States dollar investments. Multi-billions of US dollars. (Applause) And against this background, Mr. Speaker, we feel that the time has come for the introduction of casino gaming legislation with the assurance that adequate provisions are in place for the proper management and regulation of the industry to ensure that it is good for Jamaica in every way possible.

Mr. Speaker, in Clause 6 of the legislation, based on the recommendation from the Bank of Jamaica, this clause had been amended to recognize Jamaica's obligations in respect of money laundering and terrorism as it relates to casino gaming.

(Inaudible comments)

l mean, that is one of the concerns that has been expressed and we have taken on board the recommendation of the Bank of Jamaica to ensure that sufficient transparency is in place to avoid casinos being used as a conduit for either money laundering or terrorism-related financing.

In Clause 9 of the Bill, as it relates to the specified period, the commencement date should be from the date of operation of the Order that declares the first Integrated Resort Development to be an approved Integrated Resort Development. That amendment has

been put in place.

Another amendment in Clause 15 is to ensure that both the applicant and associates are captured for the purposes of the Fit and Proper criteria. Both the primary applicant and the associates with whom the applicant will deal, they all together must fulfill the Fit and Proper requirements.

In Clause 7, this clause has been amended in accordance with the recommendations from the Bank of Jamaican in respect of the obligations for money laundering, here again, and terrorist activity. The proposal is to include that as grounds for disciplinary action, contravention of any aspect of this law or regulations relating to money laundering or the financing of terrorist activities or for a breach of any such directives issued by the Casino Gaming Commission.

In Clause 38, Mr. Speaker, the clause has been amended to give to the casino operator directives on measures that can be implemented to prevent money laundering and the financing of terrorist activities. A lot of emphasis, Mr. Speaker, is being placed on that subject.

In Clause 62, this has been proposed to be amended to make provision for a patron to lose all rights to claimed winnings after 90 days and to prevent the casino operator from avoiding the payment of winnings because the sums remain uncollected. The term 'uncollected' has therefore been amended to read: 'unclaimed', instead of uncollected.

In Clause 70, this clause deals with....

(Inaudible comments by Mr. Pickersgill).. confidentiality... and came in for detailed scrutiny as one of... I was giving highlights, my son...as one of the presenters was of the view that the standard was too low. Consequently an amendment has been proposed by substituting: ‘is necessary’ for the words: ‘for the purpose of assisting'.

In addition to the above specific changes, Mr. Speaker, that I have mentioned, further amendments are being proposed that will allow the Casino Gaming Commission to share information with other State agencies including the Financial Investigations Division and the other gaming regulators. A list of the full amendments, of course, is attached and amendments as a result of typographical errors...

Mr. PICKERSGILL: Oh, apology.

Mr. SHAW: ...those were not highlighted.

Mr. Speaker, in relation to the Betting, Gaming and Lotteries Act, these amendments to the BGLC Act have been in the making since 2003. The objective is to enable the Betting, Gaming and Lotteries Commission to regulate the industry more effectively to ensure that betting, gaming and lotteries is conducted fairly and remain free from criminal influence. In addition, the amendments have incorporated advances in technology and therefore the adequate provisions for modern technology have been put in place.

Several of the amendments were highlighted by the interest groups that made presentations to the Committee as these will impact the Horseracing industry significantly. Consequently, a number of amendments have been recommended.

In section 7 of the Bill, the Commission is recommended to be given the authority to charge the applicant fees that will cover the cost of conducting investigations on matters relating to the sector.

Sections 18 and 31(a), these two

provisions attracted intense debate, Mr. Speaker, among Members, as well as from the groups that made presentations to the Committee. In an effort to remove the perceived inconsistency between the two provisions, the Committee concluded that the non-promoter of pool betting would be excluded from participating in pool betting on horse races or greyhound races.

In addition, it is further proposed that the definition of non-promoters, which is currently in section 31(a) be placed in section 18 subsection (3) as section 18 subsection (3), subsection (a).

In section 20 Clause 20 of this Bill introduces the concept of **betting lounges**, and after the Committee received explanation on the basis for the new provision, the following changes were recommended.

> The Commission may grant a licence to the person who made the application under subsection (2) instead of to any person;
>
> section 20(c)(4), should refer to betting lounge licence instead of any bookmakers licence. And a betting lounge licence shall remain in force for a maximize period of five (5) years.

In section 24, Mr. Speaker, of the Bill is being further amended to allow Cayamas Track Limited to operate a maximum of 500 machines and that the approval will allow the machines to be located off the track. The condition of the agreement is that the machines should not be located in the exclusive geographical area as declared under the Casino Gaming Act and that the licensee should remain as Cabanas Track Limited.

Section 28, after deliberations the Committee agreed that the new provision is not necessarily given that the provision already exists in section 28 subsection (2). It was recommended that this new provision be deleted.

Section 38. In addition to the amendment which now defines unlawful gaming, if carried out on premises not licensed to do so are approved by the Commission or done by a promoter who is not licensed or approved by the Commission or carried on by persons under 18 years of age, it is proposed that specific provision be made in respect of cruiseships while they are in Jamaica's territorial waters. The proposed amendment is that no games will be allowed to be played while the ship is in Jamaica's territorial waters.

Section 43 provides for a change in the definition of a gaming machine to provide for the new concept of a gaming machine with a fee. In addition, the new section 43(a)(1) provides for the licensing of persons who manufacture, test, sell, supply, repair or operate gaming machines or parts thereof. 'The Committee also recommended that provision be made for lease so that a person who lease machines would also need to be licensed by the Commission. A penalty provision has been included for breach of this section.

And section 44, it has been expanded to require owners and operators of prescribed premises on which gaming machines are operated to ensure that they receive a licence to operate both the gaming machine and the premises. A breach of the provision constitutes a breach for which penalty is payable. In addition, owners and operators of prescribed premises on which gaming machines are located are required to pay to the Collector of Taxes an annual levy for the location of the

machine and the payment of a contribution to the Commission accordingly, to cover the expense in regulating the machines.

In section 58, Mr. Speaker, currently there is provision for the Minister to authorize prize competitions under the Act. The Committee has recommended that the power be given to the Commission instead of the power being retained by the Minister.

In section 65, the Minister - we are to note, that in keeping with the policy position as recommended by the Attorney General's Chambers, the Bill provides for a fixed penalty regime in the 7th Schedule. The Committee has recommended that provision be made for section 65 to enable the making of regulations that will prescribe offences for which the fixed penalty may be imposed and that such regulations be subject to the affirmative resolution of the House of Representatives.

In the Second Schedule, Mr. Speaker, currently, the opening hours for licensed betting offices is specified in this section. The provisions are that no such premises shall be open to the public between the hours of 11 p.m. and 7 am. In addition, the premises shall be closed to the public on Good Friday, Christmas Day and every Sunday. The Committee has recommended that provision be made to allow the Minister to prescribe the periods within which a licensed premises shall be opened to the public.

And in the Seventh Schedule, Mr. Speaker, during the deliberations there were many discussions on the penalties as contained in that Schedule. After the deliberations the Committee recommended the following new penalties: In 8(e) subsection (3), to break or remove seal or other device affixed to a gaming machine or other equipment without the consent of the Commission, a penalty of a Million Dollars. In section 20(a), to carry on licence of pool betting or bookmaking without being authorized or licensed. a penalty of $1 Million; 20(b), to permit a minor to bet, negotiate or participate in any betting, gaming or lotteries activity or to be in a room where gaming machines are located, a penalty of $500,000.

In addition to the above - and course, you would understand that these penalties have been significantly increased over what they were before. In addition to the above, new fixed penalties were included for section 44. A copy of the full list of amendments taking into account all of the typographical and drafting changes, Mr. Speaker, are attached to the report that has been tabled.

Against this background, Mr. Speaker, I simply indicate that first of all the Betting, Gaming and Lotteries Act should have been amended long time ago; and the Casino Gaming Act has been a long time in gestation and it took quite a bit of effort by a lot of people to put it together. I know that they were guided by - since we are not reinventing the wheel so to speak, the framers of it were guided by best practices in other jurisdictions where the casino gaming business has been pretty well developed. And I can assure you, Mr. Speaker that these best practices are very much contained in the proposals that are put forward today.

I beg to move for the adoption of this Bill, Mr. Speaker.

(Applause)

The SPEAKER: Thank you, Minister Shaw. (Applause) Minister Bartlett

Mr. BARTLETT: Mr. Speaker, I rise to

support the Bill shortly entitled "AN ACT to Amend the Casino Gaming Act, 2009 and the Betting, Gaming and Lotteries (Amendment) Act, 2009."

(Inaudible comment by Mr. Pickersgill)

Mr. BARTLETT: They were a little late. (Laughter)

Mr. Speaker, it will be recalled that very early in the life of this administration, and certainly within the first three months of my appointment as Minister of Tourism, and having looked at the landscape in terms of how we should structure the way forward in increasing tourism arrivals and indeed to increase tourism spending, we identified casino gaming as an important enrichment to the tourism offerings of Jamaica that would allow for us to be able to bring a level of diversification to the product, and indeed, to attract a higher level of spenders and a level of investment that would also be able to drive a kind of product that would give us increase in the ratio of employee to rooms.

It is well known that hotels that have tourism, and particularly the product of casino, attract a higher-end clientele and in fact, have a higher ratio of employee per room than ordinary hotel rooms. In fact, it is felt that hotels which have casino are somewhere at the ratio of three to one while the efficiencies of the ordinary hotels are somewhere in the region of point seven five (.75) to one up to two to one. So it was a definite policy determination by this administration to move towards enabling gaming and casino gaming in particular as an important development strategy.

In doing so, Mr. Speaker, we were very careful to indicate that Jamaica would not be a casino destination. That is to say, we would not be an island landscape dotted by stand-alone and other casinos all across the country.

We also took advice in formulating that policy position. Because in addition to the fact that we did not want our destination to be so categorized, we also recognized that new destinations, new casino destinations, particular island states have to be very careful in terms of density or else it would shy away important investors.

And in the discussions that we have had with a number of potential investors, it became very clear that one of the incentives to coming to your destination to invest was the number of licenses that you were intending to make available.

And so, Mr. Speaker, we were careful when the team formulating the Casino Bill and the laws relating to it went to work to take those matters into consideration. And, therefore, issues such as geographical definitions are in the Bill and they speak to the fact that casinos cannot be spotted all over the island, and that there would be a geographic distance as it spoke, of course, to the absolute number of licenses that would be made available or issued by the Commission within a period of time.

Whilst it recognized that it also, Mr. Speaker made the point that the Minister may in fact increase the number of licenses but under special conditions, after of course the Commission has given such guidance.

The strategy also, Mr. Speaker, sought to create a special type of regime that would guide the operations of casino gaming in Jamaica. And we were careful to look at what obtained in other jurisdictions. And we were careful to not make the mistakes of the destinations that we were looking at because

we know that there are downsides to this particular activity as there are very power and strong upsides.

And so our model really is a hybrid, is a hybrid of the Singaporean model, the Bahamian model and also the Atlantic City model.

And so when the point is being made in relation to what the necessary outturn may be, I want it to be recalled that ours is a new model, is a hybrid model, which is drawing from the best - from the models that have worked, and the models that have had the lowest fallout, as our information has directed us.

We also, Mr. Speaker, sought in the process to develop a regulatory mechanism that would in fact be so foolproof that anyone who operated a casino in Jamaica, would be able to be accepted in any jurisdiction around the world, because of the rigidity of our Commission and the strength of our laws and regulations. And that is deeply enshrined in the Bill that we are debating today.

There are those in the discussions and the formulation, Mr. Speaker, who thought that we were being a little too tight, that we were being too stringent, that we were too strong in terms of the regulatory framework that we were creating. But we were prepared to err on the side of caution, because we wanted to ensure that casino operation in Jamaica was done, not only under the most scrupulously acceptable conditions, but that Jamaica would be seen as a fair destination where equity and integrity in all aspects of casino activity were available.

Mr. Speaker, we took careful note also of the fact that there are some social implications. And although the Bill itself has not spoken to the institutional framework that is to be structured in order to deal with the downsize, the regulations and certainly the action of the Commission, will provide that kind of a guideline. And indeed we are conscious, fully conscious, that we have to put aside resources for that kind of capacity building, to enable institutional support for whatever fallout there may be from it.

Several destinations, Mr. Speaker, avoid the issue of nationals participating, or locals participating in gaming. We have not taken that position, because the particular model that we are pursuing, one which the casino itself will be no more than 20% of the total experience of the visitor coming, indeed, no more than 20% of the value of the entire development. In other words, what we are saying is that the casino will be embedded in a huge investment, integrated development involving more than 1,500 rooms with varying other investment activities including marine activities in some cases, depending on what the particular development configuration is, including attractions such as may be seen for example, in the particular case that we looked at in the Bahamas, where *Atlantis* for example, the largest part of that development attraction, is the world's biggest **seaquarium.**

And then the opportunities for music and entertainment and shopping. So that within that integrated development, all those things would be there, including casino game. So that the opportunities exist also for Jamaicans to become part of all of that development. And we also are very careful in the law to indicate, that guests of those facilities - locals who are guests of those facilities, yes, and perhaps those facilities will have their own rules and regulations in relation to how locals are

engaged. But certainly, there is no prohibition by law, for locals to enter and participate in the game.

Mr. Speaker, we went further in terms of protecting locals, by ensuring - and some members who were on the committee with us were concerned, for example, about the claim that we want to make that this facility will bring more jobs, more and more jobs to the Jamaican locals, and we agree that it must bring more and more jobs. But we know also that casino operation is highly specialized and requires a certain type of employee with a certain skill and so you have to train them.

And so while the law itself does not indicate that, the provisions have been made and the hospitality school that we are putting together in Montego Bay will have a faculty dealing with the gaining of croupiers and other specialized workers for the casino industry. (Applause)

(Inaudible comment by a Member)

Mr. BARTLETT: Well, it will serve Trelawny, it's just across the border.

A MEMBER: Well put it in Trelawny.

Mr. MONTAGUE: No, no, no!

Mr. STERN: Yu want too much, yu want everything.

Government MEMBER: It caan work, craven kill puppy yu nuh, yu never now that?

Mr. BARTLETT: So, Mr. Speaker, what we wanted to point out, is that great thought has been put into this piece of legislation. And we have gone a far way, not only to ensure that the laws themselves, the regulations themselves and indeed, the mechanism for monitoring i.e. the Commission, and we have separated the Commission as you know, from the regular Betting and Gaming and Lotteries Commission. And some people are a little unsure about that, and wondered why we should do it, but there is good reason for doing it.

The good reason is that all the destinations or jurisdictions that have casino and other forms of gambling have sought to separate them, and that it makes for greater transparency and for greater acceptance, of the pristine nature of your approach, for there to be a single-mindedness in the management, monitoring and control of casino activity.

And I think, Mr. Speaker, that we will find in the end, that our decision was well thought through and indeed, the process well ordered, because that's one of the reasons why investors are going to come to us in greater numbers, because of the quality of the mechanism for control and monitoring and management that we have in place.

Finally, Mr. Speaker, I want to make the point that those who have fear of the model need to look at the fact that in the last six months the level of inquiries that we have had from would-be investors, have more than tripled. And this is at a time when the world is experiencing an economic turmoil, when the capital market is upside down and in some cases...

Mr. STERN: Nonexistent.

Mr. BARTLETT: Well, he said nonexistent. Not quite, but it is so low that nobody wants to even talk about investment.

But the increases have been coming. They've been coming because note has been taken of the trouble that Jamaica is going through to ensure that there is this level of management and control of the industry. Because they've also been advised that we are setting up a single Commission that is going to be responsible for gaming and equally, that we

have drawn the best from all the models that have worked well, in the jurisdiction that we have encountered.

So, Mr. Speaker, already there are two investors on the horizon...

Mr. PICKERSGILL: How far on the horizon?

Mr. WARMINGTON: Oh, keep quiet!

A MEMBER: Right around the corner.

Mr. BARTLETT: One of which you are aware of, as it sets the tone for what has happened. And the Member from North Trelawny, is particularly excited about that.

Mr. STERN: He's very excited.

Mr. BARTLETT: Yes, in fact he is even finding his own verbiage - eminent is the word, yes.

And, Mr. Speaker, those two so far that we've been talking about, coming on board will mean an addition of pretty close to 10,000 additional rooms in the hotel sector. And provide, as he said, multiply that by three, 30,000 employees and workers in the area...

Mr. STERN: Permanent workers.

Mr. BARTLETT: Permanent workers.

... and will bring earnings to the country, Mr. Speaker, because we in our own planning for the outturn of the tourism industry develop what we call a 'drive for five'. That is, to get 5,000,000 visitors in five years ending US$5 Billion. And this particular development in casino gaming is an important ingredient in achieving that.

Already we are almost there in terms of where we are today, four years down the road to the five years we are talking about. And we are at the moment, Mr. Speaker, up to 2,753,446 visitors that we had last year and we are expecting 2,000,000 stopovers this year, and a little over 1,000,000 crews. So we would be over 3,000,000 at the end of 2010.

(Inaudible comment by a Member)

Mr. BARTLETT: Quite so, because that was a great year. And I'm going to say it for you. We are back to 2006, and 2006 was an unusual year when Hurricane Katrina and Wilma devastated the entire Caribbean as you remember, Cancun and those places, and all the ships were diverted to Jamaica and all those beautiful passengers came to us and we had a great year. And we increased by 13.5% that year and the next year we increased by 2% - just to make the point. So to go back to the year when the whole world around us literally caved in and we benefitted from it, that's where we are now in terms of the growth that we have had. And what a phenomenal growth we have had over that period! (Applause)

And, Mr. Speaker, in pursuance of that five by five by five, this winter season so far, this winter season so far - and I'm very pleased to say that - this winter season so far, we are halfway through the season and we have welcomed 350,000 stopover arrivals to Jamaica, halfway through the season. And if we pursue along this line, as we will, we will make a record of some 700,000 in a winter season that would be the first in the history of Jamaica if we continue as we are. (Applause)

But, Mr. Speaker, last weekend, or rather, the weekend before, was a particularly historic weekend for us in tourism. In three days the 11th, 12th and 13th, we welcomed 25,000 visitors to Jamaica, a record over any three days in the history of Jamaica. (Applause) So strong was the bookings and so strong in fact, was the occupancy, that we had to get 25 JUTA tour buses to carry nearly 300 people from Montego Bay into Kingston, because

there was no room anywhere from Negril to Port Antonio to the South Coast. (Applause)

And on the Sunday night I had to call the Minister of Security, and the Minister of Security gave me the number for the Commissioner, and we asked them to provide escort cover for the 23 busloads of tourists that had to leave Kingston early Monday morning at 4 o'clock to go to Montego Bay to get their plane and to go back on their ships to their destinations. And this morning, this morning, Mr. Speaker, I got this particular e-mail from one of our - and if you will permit me to read from a document that is not distributed.

Mr. PICKERSGILL: Is your budget presentation?

Mr. E. BARTLETT: No. We are really talking about why the strategy is going to be enhanced by casino.

And Mr. Speaker, what in fact it said, in essence...

Mr. PICKERSGILL: Point of Order, he is reading his speech. (Laughter)

Mr. VAZ: He is making reference.

Mr. CHARLES: He is quoting from a document.

Mr. E. BARTLETT: He sought and got permission to read this piece.

What it says here, Mr. Speaker, is that NASHARA says she is down to second-tier product for Jamaica, having difficulties finding space in Jamaica. She is working on having her RSV people recommend people book in advances as good space is disappearing fast...

Mr. PICKERSGILL: What kind a space?

Mr. E. BARTLETT: ...trying to get it - good space is disappearing fast. Then he went on to say, hotels are booking so fast that we can say goodbye to price points. You know what goodbye to price points means? All right. You know what goodbye to price points means?

Mr. PICKERSGILL: No.

Mr. E. BARTLETT: What it means is that the arguments that we are. . .

(*Sotto voce* comments by Opposition Member)

Mr. E. BARTLETT: You understand me, the argument that we are discounting, discounting, discounting, that that one now is giving way, is giving way, bye-bye to price points.

And, Mr. Speaker, the fact is that, that same period I mentioned, two weekends ago, one hotel was over-booked by 350 rooms. And this week another one is over-booked by 150 rooms. Not a good thing to do, you know, not a good thing to do at all. But it tells you that the destination is hot. (Applause) That people are coming to Jamaica.

Mr. Speaker, this new development with casino will allow us also to expand the infrastructure, the aviation infrastructure, for example. And I am pleased to advise that we have been able to get from the Minister of Finance a waiver on the cost - through the Civil Aviation Division - a waiver on the cost of landing for small, lighter aircraft. So that we can be able, in the process, to now bring into Jamaica some of those heavy rollers, these high rollers, as you call them, who are coming, flying their own little jets and their light aircraft into Jamaica, so that the whole business now, of ensuring that the top spenders can get a chance. That's why we are spending $107 Million further on Boscobel, yes, in order to create that kind of infrastructure capacity. (Applause)

Mr. Speaker, we support the Bill, because

the advent of casino gaming will see a new product emerging on the tourism landscape. A product that will significantly enrich the quality of our offerings and will go a long way in increasing arrivals into the country, but more importantly, increasing our spending. I thank you. (Applause)

The SPEAKER: Thank you very much. Thank you, Minister Bartlett House Leader.

Mr. HOLNESS: Mr. Speaker, it's not proposed to - well, Mr. Speaker, we will now suspend the debate to allow...

Mr. PICKERSGILL: And suspend the sitting.

Mr. HOLNESS:

We will adjourn the sitting - to allow other Members who may want to contribute tomorrow - the debate will continue tomorrow, Mr. Speaker.

ADJOURNMENT

Mr. HOLNESS: Mr. Speaker, it is not proposed to do any further business today. I therefore move that the House do adjourn until Wednesday, the 24th of February, when we will resume the debate.

Mr. PICKERSGILL: When is that?

Mr. HOLNESS: Tomorrow.

The SPEAKER: Members, the motion before the House is that this Honourable House do adjourn until Wednesday, the 24th of February at 2:00 p.m., 2:00 p.m.

Put to the House and agreed to.

The SPEAKER: This Honourable House stands adjourned.

The Honourable House of Representatives was adjourned at 6:35 p.m. to resume on Wednesday, February 24, 2010, at 2:00 p.m.

THE HONOURABLE HOUSE OF REPRESENTATIVES

SESSION 2009 – 2010

WEDNESDAY, February 24, 2010

PURSUANT to Notice of Adjournment the Honourable House of Representatives resumed its sitting at Gordon House, Kingston at 2.19 p.m.

PRESENT

THE SPEAKER

HON. DELROY HAWMIN CHUCK, (JLP), St. Andrew, North Eastern.

MRS. MARISA COLLEEN DALRYMPLE-PHILIBERT, (JLP), Trelawny, Southern, Deputy Speaker.

MEMBERS OF THE CABINET

THE HONOURABLES:

ANDREW MICHAEL HOLNESS, (JLP), St. Andrew, West Central, Minister of Education, Leader of Government Business and Electoral Matters.

AUDLEY FITZ ALBERT SHAW, (JLP), Manchester, North Eastern, Minister of Finance and the Public Service.

OLIVIA ATAVIA GRANGE, (JLP), St. Catherine, Central, Minister of Youth, Sports and Culture.

DR. CHRISTOPHER CHARLES TUFTON, (JLP), St. Elizabeth, South Western, Minister of Agriculture.

JAMES RUDOLPH EDWARD ROBERTSON, (JLP), St. Thomas, Western, Minister of Mining and Energy.

MINISTERS OF STATE

THE HONOURABLES:

DARYL WESLEY PHILLIP VAZ, (JLP), Portland, Western, Minister without Portfolio in the Office of the Prime Minister, Information and Telecommunication.

MRS. SHAHINE ELIZABETH ROBINSON, (JLP), St. Ann, North Eastern, Minister of State in the Office of the Prime Minister.

WILLIAM JAMES CHARLES HUTCHINSON, (JLP), St. Elizabeth, North Western, Minister of State in the Ministry of Agriculture.

CLIFFORD EVERALD ERROL WARMINGTON, (JLP), St. Catherine, South Western, Minister of State in the Ministry of Water and Housing.

NEVILLE ANDREW GALLIMORE, (JLP), St. Andrew, West Rural, Minister of State in the Ministry of Labour and Social Security and Deputy Leader.

MICHAEL ANTHONY STERN, (JLP), Clarendon, North Western, Minister of State in the Ministry of Industry and Commerce.

OTHER MEMBERS

MR. ROGER HAROLD CLIFFORD CLARKE, (PNP), Westmoreland, Central.

DR. FENTON RUDYARD FERGUSON, (PNP), St. Thomas, Eastern.

MS. LISA RENE SHANTI HANNA, (PNP), St. Ann, South Eastern.

DR. ESMOND VERNAL PATRICK HARRIS, (PNP), Trelawny, Northern.

MR. JOSEPH URIAH HIBBERT, (JLP), St. Andrew, East Rural.

MR. DERRICK FLAVIUS KELLIER, (PNP), St. James, Southern.

MR. DESMOND GREGORY MAIR, (JLP), St. Catherine, North Eastern.

MR. PHILLIP FEANNY PAULWELL, (PNP), Kingston, Eastern and Port Royal.

MR. TARN ANDREW PERALTO, (JLP), St. Mary, South Eastern.

THE MOST HON. PORTIA LUCRETIA SIMPSON MILLER, (PNP), St. Andrew, South Western, Leader of the Opposition.

REV. RONALD GEORGE THWAITES, (PNP), Kingston, Central.

MR. FRANKLYN ROBERT WITTER, (JLP), St. Elizabeth, South Eastern.

PRAYERS

Prayers were offered by Mr. Gregory Mair.

The House resumed its sitting at 2.19 p.m.

The SPEAKER: Please be seated.

This Honourable House now resumes its sitting.

CALL OF THE ROLL

(See Listing)

The SPEAKER: Members, this evening we would like to welcome to the sitting of Parliament 43 students and two teachers from Excelsior High School. Welcome to the sitting. (Applause) Also from Shortwood Teachers College 26 students and one teacher, welcome to the sitting of Parliament. (Applause)

Just like to advise, however, while you enjoy the sitting of parliament from the Gallery, if you have a cellphone please make sure it is on vibrate or off. You don't want to interrupt the sitting of Parliament. But do enjoy this afternoon's sitting with us.

NOTICES OF MOTIONS GIVEN ORALLY

The SPEAKER: Rev. Thwaites?

Rev. THWAITES: Not to my knowledge, Mr. Speaker. (Laughter) I won't disappoint you next time.

The SPEAKER: House Leader?

Mr. HOLNESS: Mr. Speaker, I am sure you deliberately asked the Member.

Mr. Speaker, I have several notices - several Motions of which I want to give notice. This relating, Mr. Speaker, to The Criminal (Justice Plea Negotiations and Agreement) Act:

> Whereas under the provisions of section 21 of the Criminal Justice (Plea Negotiations and Agreements) Act, (herein referred to as the Act), the Minister may make regulations generally for the purpose of giving effect to the provisions of the Act;
>
> And Whereas under that section the Minister made The Criminal Justice (Plea Negotiations and Agreements) Regulations, 2010 on the 11th day of February, 2010;
>
> And Whereas this section provides that regulations made under the section shall be subject to affirmative resolution:
>
> Now Therefore Be it Resolved by the House of Representatives:
>
> 1. The resolution may be cited as The Criminal Justice (Plea Negotiations and Agreements) Regulations, 2010 Resolution; and
> 2. The Criminal Justice (Plea Negotiations and Agreements) Regulations, 2010,

which were laid on the Table of the House of Representatives on the 23rd day of February, 2010, are hereby affirmed.

(MR. DERRICK CHARLES SMITH, (JLP), St. Andrew, North Western, entered and took his seat.)

Resolution No. 2, Mr. Speaker, which would be The Legal Aid Act and now we are dealing with The Legal Aid (Excepted Offences) (Amendment) Regulations, 2010:

Whereas under the provisions of subsection 1(a) of section 28 of the Legal Aid Act the Minister, after consultation with the Legal Aid Council, may make regulations prescribing the offences, matters or proceedings or the categories of offences, matters or proceedings in respect of which legal aid shall not be granted;

And Whereas under those provisions the Minister made The Legal Aid (Excepted Offences) (Amendments) Regulations, 2010, on the 11th day of February, 2010;

And Whereas subsection (3) of the section provides that regulations made under subsection 1(a) of this section shall be subject to affirmative resolution:

Now Therefore be it Resolved by the House of Representatives as follows;

1. The resolution may be cited as The Legal Aid (Excepted Offences) (Amendment) Regulations, 2010 Resolution; and
2. The Legal Aid (Excepted Offences) (Amendment) Regulations, 2010, Regulations, 2010

which were laid on the Table of the House of Representatives on the 23rd day of February, 2010 are hereby affirmed.

(MR. LUTHER BARTLEY MONTEITH BUCHANAN, (PNP), Westmoreland, South Eastern, entered and took his seat.)

(DR. MORAIS VALENTINE GUY, (PNP), St. Mary, Central, entered and took his seat.)

(MR. ROBERT DIXON PICKERSGILL, (PNP), St. Catherine, North Western, entered and took his seat.)

Mr. Speaker, I also beg to move:

Be it Resolved that The Legal Aid (Amendment) Regulations, 2010 under The Legal Aid Act which were laid on the Table of the House of Representatives on the 23rd day of February, 2010 be referred to the Regulations Committee of the House of Representatives for consideration and report.

Mr. Speaker, I further beg to give notice that at a later stage today l will move for the suspension of Standing Orders to enable me to take the motion, notice of which I gave earlier.

The SPEAKER: Thank you very much, House Leader.

QUESTIONS AND ANSWERS TO QUESTIONS

The SPEAKER: House Leader?

Mr. HOLNESS: Mr. Speaker, you were about to call on the Member from Central Kingston.

Mr. Speaker, there are two questions ready for answer by the Minister of Youth, Sport and Culture. The Minister's voice is challenged at the moment and we would seek leave of the House if she would be permitted to Table the answers to the questions, if it is acceptable by Members opposite.

(MR. ANTHONY GEORGE HYLTON, (PNP), St. Andrew, Western, entered and took his seat.)

Mr. KELLIER: Mr. Speaker, the Member who asked questions...

The SPEAKER: What questions are those, 38 and 43?

Mr. KELLIER: The Member whose name the question stands in is here and we understand the difficulty that the Minister has, but if the Member has follow-up questions when he reads the answers, how do we treat that at this time? Because it is going to be a problem if he has follow-up questions.

The SPEAKER: Rev. Thwaites.

Rev. THWAITES: Mr. Speaker, I thoroughly understand the Minister's position. I will be happy if the answers were tabled, but you would give me leave when she is able to take the inevitable follow-up questions to ask them perhaps at another sitting?

The SPEAKER: For good order can we, House Leader...

Mr. HOLNESS: The Minister has agreed to...

The SPEAKER: Rev. Thwaites, Question 38, could you just present it and we will present you - the Minister will present you with the answer. Could you go with Question 38.

Rev. THWAITES: Mr. Speaker, would the Minister of Youth, Sport and Culture be kind enough to answer the question listed at No. 38 on the Question Paper in my name.

The SPEAKER: Have you had the answers yet, Rev. Thwaites?

Rev. THWAITES: No, Mr. Speaker, I really don't wish to stress the Minister if she...

The SPEAKER: But have you had the answer?

Rev. THWAITES: No, I haven't.

The SPEAKER: Orderly. Could we also, Rev. Thwaites, go to Question 43.

Rev. THWAITES: Mr. Speaker, would the Honourable Minister of Youth, Sport and Culture kindly respond to Question 43 on the Question Paper in my name.

The SPEAKER: Very well. May I suggest, House Leader, with your concurrence, Opposition Leader, that once it has been tabled if the Member, Rev. Thwaites, would like some follow-up questions we will recommit the item.

Is that okay?

Rev. THWAITES: Certainly. Whenever the Minister is in a position to.

The SPEAKER: In other words we could recommit it later today or at a later time.

Rev. THWAITES: At a later time I am sure.

The SPEAKER: Very well, much obliged.

PUBLIC BUSINESS

The SPEAKER: House Leader?

Mr. HOLNESS: Mr. Speaker, at Public Business the Minister of Finance will take Item No. 7 under Public Business. This is the matter having to do with an amendment to The Industrial Provident Societies Act. And then, Mr. Speaker, we will continue debate on the Casino legislation which we started in our sitting yesterday. After those matters are complete, Mr. Speaker, we would then move to various Private Members Motions, which we have arranged for debate today.

The SPEAKER: Minister Shaw.

Mr. SHAW: Mr. Speaker, the matter has to do with the Act to Amend the Industrial and Provident Societies Act.

Mr. Speaker, by way of background, an Industrial and Provident Society is a society that is established to carry on any business or

trade that is governed by agreed rules.

The Industrial and Provident Societies Act was enacted first in 1903 and provides for the registration and monitoring of Societies which carry on a wide range of activities. Currently Industrial and Provident Societies are registered by the Registrar of Companies. Some of these Societies are registered under other Acts such as the Agricultural Credit Board Act.

In 1997, the Act was amended in order to restrict Societies from carrying out banking activities except with the authorization of the Minister. This was done to ensure that these types of institutions did not operate in a manner that could facilitate commercial banking.

(MR. OTHNEIL DAMION ST. ELMO LAWRENCE, (JLP), St. Ann, North Western, entered and took his seat.)

The current amendments to the Acts are to introduce a monitoring regime for organizations that are Industrial, and Provident Societies, and to update monetary limits which have become outdated. On the following, therefore, I will go through a brief description of the main provisions that are contained in the Bill which is entitled *"AN ACT to Amend the Industrial and Provident Societies Act "*.

I should indicate also, Mr. Speaker, that in relation to Provident Societies you will recall that at the time when there was the issue of the issues surrounding OPERATION Pride and National Housing Development Company and the issue of contract awards to a number of Provident Societies, that the operation of Provident Societies was also brought into question and so generally it is perceived and considered necessary to improve the regulatory regime surrounding the Industrial and Provident Societies.

The main provisions of the Bill, Mr. Speaker, in Clause 2 of the Bill it seeks to amend Section 2 of the principal Act to delete the existing definition of 'committee' and 'registrar' and replace them with "committee" means "*the governing body of a society that has been registered*" and "registrar" means "*the Registrar of Cooperative Societies*". In others words, currently Industrial and Provident Societies are registered by the Registrar of Companies. But under that system the Registrar of Companies is not really equipped, Mr. Speaker, to properly supervise and to manage the Industrial and Provident Societies. So the supervision and management of Industrial and Provident Societies is now going to be transferred from the Registrar of Companies to the Registrar of Cooperatives.
These changes reflect the introduction of a management committee to manage the affairs of the society and the introduction, as I said, of the Registrar of Cooperatives as the supervisory authority of Industrial and Provident Societies.

Clause 3 seeks to amend Section 3 of the Act to change the limit of a member's interest in shares from a dollar value to a proportion of the shares. Consequently, Four Hundred Dollars which is no longer realistic, is being changed to twenty per cent (20%) of the total shares. And this will prevent the need for periodic adjustments of the dollar value through amendments to the legislation.

Clause 5 seeks to amend Section 6 of the Act by giving detailed procedures for refusal of an application by the Registrar. This revision allows a society the right to appeal if

the Registrar refuses its application for registration. The Registrar is also obliged to notify the Society within thirty (30) days of the refusal.

Clause 6 introduces Section 6(a), and this provision establishes an Appeals Tribunal to deal with hearings under Sections 6 and 53 of the Act.

Clause 7 of the Bill, Mr. Speaker, amends Section 8 of the Act by deleting "*agricultural credit board*" and the "Agricultural Credit Board Act" and inserting *"Registrar of Cooperatives*" and "*the Cooperatives Societies Act*"'. Because, of course, the Registrar of Cooperatives operates under the Cooperatives Societies Act. This is being done in order to remove references to the agricultural Credit Board and the Agricultural Credit Board Act. The Registrar of Cooperatives under the Cooperatives Act will be responsible for Societies that are involved in agricultural lending. These Societies will not fall under the Industrial and Provident Societies Act. That is to say the agricultural entities.

Clause 8 of the Bill amends subsection (4) of Section 9 of the Act by deleting "*a sum not exceeding ten cents*" and replacing it with "*such fees as may be determined by the Society*". This removes the fees of ten cents for the rule book that the Society is required to deliver to each member, and allows the Society to determine the cost of the rule book. It is impractical for the monetary value of a rule book that is to be issued to each member of a Society to be in the legislation, Mr. Speaker. In addition, each Society would be better able to determine the fee for the book.

Clause 9 amends subsection (3) and (5) of Section 12 of the principal Act. These amendments remove the authority of appointing an auditor from the Minister and allows the appointment of an approved auditor by the shareholders at an annual general meeting.

Clause 10, subsection (1), of Section 17 of the principal Act is amended by deleting "*ten members*" and substituting it with "*not less than one-third of the members*". This will facilitate a proportionate representation in circumstances where members request the Registrar to have the books of the Society inspected. The proportionate representation will allow for ease of application by all Societies notwithstanding the size of their membership.

Clause 11, subsection (4), of Section 18 of the Act is also being amended to change the figures with respect to the monetary limits that would be considered banking business for the purposes of the Act. The figure is now being prescribed instead of using a fixed value. This will facilitate easier amendment to reflect movements or realistic changes as market conditions dictate.

Mr. Speaker, in Clauses 12, 13, 14 and 16, Sections 23 to 25 and 27 are also amended to use a proportionate figure instead of monetary value for share capital as in these sections the values are unrealistic. Here again it's consistent throughout.

Clause 15 repeals Section 26 of the Act, and this provision which relates to the payment of succession and legacy duty is outdated and is therefore being removed.

Clause 17 repeals Section 36 of the Act. This section is outdated as it allows a Society to invest in the Workers Savings and Loans Bank, which no longer exists.

Clause 18 subsection (2) of Section 40 is being amended by changing the fee for the

discharge of a mortgage from twenty-five cents to a prescribed fee. This will allow the Registrar to adjust fees in keeping with market conditions.

Clause 19 amends Section 50 of the Act by changing the value of shares by which a company registered under the Companies Act may convert to a Society. Presently the share value should not exceed Four Hundred Dollars for any member. However, this is being changed to a proportionate figure of twenty per cent (20%) of the shares of the Society.

Clause 20 amends Section 51 for clarity. It replaces the words "*and registered*" and inserted instead "*for approval and registration*"

Clauses 21 to 23 amend Sections 53 to 55 of the Act, which contain provisions that deal with an instrument of dissolution of a Society. These sections are being amended to introduce a more transparent procedure, Mr. Speaker, for dissolving a Society.

A Society can only be dissolved after the Registrar holds an enquiry, or upon the receipt of an application by three-fourths of the members of the Society. The sections also contain provisions for members to appeal a decision to dissolve a society. The amendment also specifically states that a Society cannot be wound up without an order by the Registrar. These changes will require the oversight of the Registrar and, Mr. Speaker, will prove to be less cumbersome.

Clauses 24 to 26, Sections 58 to 60 and 62 of the Act, which speak to fines, have also been revised to include more realistic figures.

In Clause 27, Section 54 is amended by including a new subsection (2)(a), which stipulates that regulations are subject to affirmative resolution.

Clause 28, a new Section 64(a) has been inserted to give the Minister the authority to amend the fines or monetary penalties by affirmative resolution.

And Clause 29, a new Section 66 has been inserted. This new provision is to restrict the use of the title "*People's Cooperative Bank*". This title can only be used by a Society registered under the Act, with the approval of the Minister. Contravention of this provision is an offence.

Clause 30, a Fourth Schedule has been inserted in the Act. This Schedule sets out how the Appeals Tribunal should be established and the procedure that should be followed.

Mr. Speaker, the foregoing amendments are intended to update the Industrial and Provident Societies Act and to strengthen the institutional and legislative framework governing these Societies. I should also indicate, Mr. Speaker, that in addition to the initiatives here the Bank of Jamaica is now completing its rearrangement to bring in under its own regulation the operations of credit unions. And that is now a matter that is actively under review and the Bank of Jamaica, subjected to the final review of Cabinet, will be taking over the regulation of the credit union system as pretty much a sort of near bank institution.

We recognize, of course, that the peculiarity of a credit union and the particular unique status of a credit union we have to preserve that because credit unions really have a special role to play in our economy. Historically they have played a very strong and stabilizing role and so that the intention is not to have the regulation by the Bank of Jamaica to stifle the initiative and the enterprise of the credit unions but at the same

time it represents, Mr. Speaker, the need for a balance in terms of having a sufficient amount of regulation to ensure proper prudential practices as it relates to the practices of deposit-taking institutions as they are and lending institutions as they are.

Thank you, Mr. Speaker.

The SPEAKER: Thank you, Mr. Shaw. We will have Mr. Paulwell, then Reverend Thwaites.

Mr. PAULWELL: Mr. Speaker, the Opposition supports the amendments being brought by the Minister of Finance in relation to the Industrial and Provident Societies Act. We support it for a number of reasons. I think the framework which is now enabling the Registrar of Cooperatives to ensure stricter supervisory and regulatory standards over the bodies in this movement and to take that responsibility away from the Registrar of Companies is commendable.

I want to remind this House of the significance of the bodies that fall within this Act and the importance of them to our people, and also to remind the House that during the problems we had with the financial sector the bodies that fall under this Act, the credit unions, stood up.

And just to comment on the Minister's final remarks about bringing credit unions within the framework of the BOJ. Well, he is well aware that the credit unions have been lobbying heavily against that and some of us do support them, in that, they have been able by way of their own self-regulatory system been able to keep themselves above some of the dangers that some of the institutions fell into during the banking debacle. And we want to caution that as you now change that, to remember that they are a special breed, that they do cater to a particular family, because you have to be a part of a body to be able to establish accounts with them, and to warn that you do not want to do anything that is going to in anyway fragment the essence of a cooperative collaborative movement.

So as we support these amendments, the increase in the ceiling for members, the increase in the amount of the fine of the Act to more realistic monetary levels, and then to see a restriction of the use of the title Peoples Co-operative Bank, we want to urge the Registrar of Co-operatives, as that institution now receive these greater responsibilities, to carry them through with the same level of diligence that they have been doing in the other areas of regulatory responsibility over the many years of existence and to commend them for maintaining their significant presence on behalf of their very many, and there are thousands of customers within this framework. So that is my comment, Mr. Speaker. Much obliged.

The SPEAKER: Thank you, Mr. Paulwell. Reverend Thwaites.

Rev. THWAITES: Mr. Speaker, it would be very helpful in considering this piece of legislate if we knew how many Industrial and Provident Societies were registered and what the state of their compliance with the existing regulations were. This is important because the history of Industrial and Provident Societies has taken many different forms over the century or more since the legislation was enacted. Some Industrial and Provident Societies are more into co-operative societies. Some are more akin to companies limited by guarantee and still others are - except in name and regulatory focus - virtually the same as private companies limited by shares.

Because of the differing reporting-requirements and at one time the differing rubrics regarding taxation over the years, you have had this vessel used as a receptacle for a variety of these different purposes: families have used them for holding property, family-owned property, groups of intending traders, purchasers have formed Industrial and Provident Societies, whereas larger groups have used them for semi-charitable or entirely philanthropic purposes.

I am hesitant, Mr. Speaker, to think that we can, in reforming this legislation, find one size that fits all. The Industrial and Provident Society legislation has, in fact, been a law of convenience under which all of these different types could find a congenial umbrella.

(*Sotto voce* remarks by some Members)

Rev. THWAITES: Has it been abused, perhaps on some occasion, yes, sir, over the years and the statistics to set out the mischief which this legislation is intended to correct would be, in my view, an absolutely essential prerequisite of this legislation being taken.

The staff and capacity of the Registrar of Co-operative Societies will have to be considerably enhanced in order to properly regulate the numbers and different types, objectives of these Industrial Provident Societies, and I hope that the Honourable Minister in his concluding remarks will give assurances in that regard. Already it is to my knowledge that that department is heavily pressed with the regulation of full co-operative societies of which, of course, the credit unions are the major elements. And therefore I do not know why it is that the Registrar of Companies, which is a much enhanced body these days with the status of an executive agency and which functions, to the best of my knowledge, in a very efficient fashion, has it wanted to be divested of the burden of these Industrial and Provident Societies? Is there a history that perhaps this Parliament needs to know why this move is being taken?

Finally, on the issue of the intention to bring the credit unions under the surveillance of the Bank of Jamaica there is a simple aphorism, Mr. Speaker, if it ain't broke don't fix it. The credit unions have a settled and well-established internationally respected form of governance which has served them very well during the most turbulent times. I support their caution, extreme caution in respect of regulation. It is not that they wish to do as they please but it is their wish to continue with an essential form of autonomy, which is subscribed to by the over 800,000 Jamaicans who are members of credit unions. The credit unions are the poor man's bank in Jamaica. Those who cannot approach the commercial banks and other institutions have chosen the credit unions, and if you have ever been to an annual general meeting of a credit union, you will understand the extraordinary way in which they regulate themselves and this is something that is not to be trifled with at all.

I am hoping that the institution, for example, of character lending, Mr. Speaker, which is an essential feature of the Credit Union Movement from its earliest days that this particular aspect of it, which I understand is one of the areas of contention in respect of supervision by the Bank of Jamaica, is not sacrificed in any movement, well intentioned though it may be, to reform. And therefore I am trusting, Mr. Speaker, that the questions that I have asked and the caution that I have

bespoken will be taken into account by the Minister in presenting this Bill for our approval.

The SPEAKER: Minister Shaw.

Mr. SHAW: Thank you, Mr. Speaker, and thank the Honourable Members for their intervention.

Let me say, Mr. Speaker, that the Member from Central Kingston has asked some questions concerning the status of Industrial and Provident Societies. And I want to give you, Mr. Speaker, and the Member the undertaking, a member of staff is here from the ministry, I am simultaneously giving her the instruction that we are to get the information required concerning the status of Industrial and Provident Societies, a full list of all of them and in essence a report on the status of all Industrial and Provident Societies.

Certainly, Mr. Speaker, for whatever reason it's deemed the more important area for the Industrial and provident Societies to be domiciled at the Registrar of Co-operative Societies. Now - assuming of course, as of now it is the intention to bring the credit unions under the regulations of the Bank of Jamaica which would certainly free up administrative space at the Registrar of Co-operative Societies to take on board the supervision of the Industrial and Provident Societies. But on the question of the credit unions, I want to say that that's an issue that has been a legacy issue from the previous administration . . .

(*Sotto voce* remarks)

Mr. SHAW: It is a legacy issue in the sense that it was a policy decision made from the previous administration that the credit unions should fall under the regulatory regime of the Bank of Jamaica. Admittedly, I am to admit, that when I saw the first cut of the proposed regulatory regime that was put forward by the Bank of Jamaica, I thought that it was just too harsh and that it would virtually push a dagger into the heart of the sort of . . .

(*Sotto voce* remarks)

Mr. SHAW: Yes, the whole concept of thrift and promoting thrift and promoting the sort of the integrity of the community spirit that surrounds credit unions. You have to understand that I grew up on credit union. I used to go to credit union AGMs with my mother and my mother bought a bread shop using credit union loans. She had bought her bread shop in Christiana for 2,000 Pounds (£2,000). She got the first 1,000 Pounds (£1,000) to borrow in 1968 and she paid well on the 1,000 Pounds (£1,000) and in 1969 she was able to get the other 1,000 Pounds (£1,000) to complete the transaction and that was the genesis of Shaw's Bread Shop in Christiana and sent me and my twin sister to high school. That's credit union.

Mr. CLARKE: And you eat out the bread. (Laughter)

Mr. SHAW: Those that you never got to. (Laughter)

(*Sotto voce* remarks by some Members)

Mr. SHAW: Not to speak of the rice. Anyway the point I am making is that what I saw, because it had to come to me as Minister and in my own view it has to be signed off by Cabinet because it is an important decision that is being made. So we had to, notwithstanding the previous policy decision, I have taken the position that it's not something that must be only signed off by the Minister, I want the Cabinet to take a look at it because I want a collective decision that relates, as you say, 800,000 members lives could be affected

by it. So in the long run we are also sympathetic to the view that was taken by the then Cabinet and my instruction to the Bank of Jamaica, and now under the new leadership there, is take another look at it, see how some of the areas can be softened and more custom, tailor made to the peculiarities and the idiosyncrasies that relate to the Credit Union Movement. So just as soon as that second cut is taken, I give the assurance that not only will we share it with Cabinet but we will share it with Parliament before we make a final decision.

Thank you very much, Mr. Speaker.

The SPEAKER: Minister, second reading.

Mr. SHAW: I beg to move for second reading of the Bill.

The SPEAKER: The question is that the Bill be read a second time.

Put to the Committee and agreed to.

Bill entitled AN ACT to Amend the Industrial and Provident Societies Act, read a second time.

The SPEAKER: The House will now resolve itself into a Committee of the whole House to consider the Bill clause by clause.

COMMITTEE STAGE

The CHAIRMAN: Members, we have before us the amendment to the Industrial and Provident Societies Act.

Clause 1 put with a consequential amendment that we are now 2010 instead of 2009. Clauses 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16 and 17 put and agreed to.

Mr. FAGAN: Mr. Chairman.

The CHAIRMAN: Sorry.

Mr. FAGAN: I would like to give Member Warmington a copy of the Bill.

Mr. WARMINGTON: I don't need yours because you can't read it. I have read it through before.

The CHAIRMAN: You are not raising a substantial point, Mr. Fagan.

Mr. FAGAN: I don't understand, he is saying aye, aye.

Mr. WARMINGTON: Mr. Speaker, it was laid in the House before and it is the duty of all Members to read through before they come here. I have read through and I have studied it. (Applause) You never read yours yet because you can't read it. So shut up! You can't read yours! I read it through and studied it. I know what is there.

Mr. PICKERSGILL: You overhead anything, tell us what the clause says.

The CHAIRMAN: We have to go through the procedural requirements. Clauses 18, 19, 20 and 21 put and agreed to.

Clauses 22, 23, 24, 25, 26, 27 and 28, put and agreed to.

The CHAIRMAN: I put Clause 29.

Mr. CLARKE: Minister...

The CHAIRMAN: Clause 28... 29, sorry, 29...

Mr. CLARKE: Minister, 29...

The CHAIRMAN: Yes, Mr. Clarke.

(*Sotto voce* comments by some Members)

The CHAIRMAN: (Gavels) Mr. Clarke, Mr. Clarke!

Mr. CLARKE: Minister, in terms of the Peoples Cooperative Banks, I see here that: *Subsection (1) shall not apply to any association formed by People's Cooperative Banks for the purpose of representing the common interest of the members of such an association.* What is going to apply to the PC Banks, are they coming under a different kind of…?

Mr. SHAW: The Agricultural Credit Board Act.

Mr. CLARKE: That will come under the Agricultural Credit Board Act.

Mr. SHAW: Yes, yes.

Mr. CLARKE: That means it won't be coming under...

Mr. SHAW: That is correct.

The CHAIRMAN: Very well, thank you.

Clauses 29 and 30 put to the House and agreed to.

The CHAIRMAN: I put the Title and Enacting clause.

Mr. PICKERSGILL: What about Clause 31?

The CHAIRMAN: There is none. You found one?

(Laughter)

I put the Title and Enacting Clause.

Put to the Committee and agreed to.

The CHAIRMAN: The question is that I do report the Bill as having passed Committee Stage without amendment.

Put to the Committee and agreed to.

RESUMPTION

The SPEAKER: I do report the Bill as having passed Committee Stage without amendment. Minister Shaw.

Mr. SHAW: Mr. Speaker, I beg to move for third reading of the Bill.

The SPEAKER: The question is that the Bill be read a third time.

Put to the House and agreed to.

Bill entitled:

"AN ACT to Amend the Industrial and Provident Societies Act,"

read a third time and passed.

The SPEAKER: Bill debated and passed.

(Applause)

House Leader.

Mr. HOLNESS: Mr. Speaker, we will now continue the debate on the Casino Legislation which is before us. The debate was opened yesterday by the Minister of Finance and we are expecting responses from the Opposition.

The SPEAKER: Mr. Paulwell.

Mr. PAULWELL: Thank you very much, Mr. Speaker.

Mr. Speaker, I would like to first of all, Mr. Speaker, join you again in welcoming the students from Excelsior, my *alma mater*.

(Applause)

(Laughter)

A great institution.

(*Sotto voce* comments)

Age animo, age animo!

Can the JC people be quiet?

(Laughter)

.

CASINO, GAMING, (contd.)

Mr. Speaker, l welcome this opportunity to speak on these two very important Bills, and to thank the Minister of Finance for allowing me a copy of his presentation prior to my departure yesterday because I had another important activity, and I will be here for the will debate today.

Mr. Speaker, it is quite clear to me that in the various discussions we have had - and I think I attended all of them - that there is still a level of ambivalence in this country in relation to the whole subject of gaming and gambling and perhaps, Mr. Speaker, it might be useful for some time in the future for us in this House to have a discussion on this whole issue of gaming/gambling.

There are some of us who believe that it is a legitimate industrial activity - economic

activity that falls adequately within the services sector. There are some of us who believe that it is an immoral activity, and because there is this ambivalence there is a sense that you will never be able to get the country to move in one accord on issues relating to gaming/gambling. And I don't want to put that on the Table without at this stage positing my firm view on it.

In relation to the operations of the Committee, firstly, Mr. Speaker, I had, from the outset, indicated my unease that this was a Special Select Committee of the House of Representatives to consider the two Bills. I think we learned so much over the period that we now run the risk of repeating the entire work that was done at that level because the Senate wasn't a part of this.

1 think the Senate should have been, and that the Committee should have been a Joint Select Committee of both Houses, to deal with these important Bills. And 1 am sure that when it gets to our Colleagues in the Upper House they are going to want to have their own say; they are going to want to have persons come before them to probably go through the same process, laborious as it was, to enable them to be in a position to form the same kind of informed view that we had earlier.

(*Sotto voce* comment)

I am not pre-empting them, I am just saying from the outset that we should have really had a Joint Select Committee of both Houses.

Mr. Speaker, I am sure all the Committee Members will agree with me that the presenters who came before us all did very well, and we want to commend them. I want to thank the Chairman for opening up the time to allow for presenters because we were operating on a strict timeline and we had to prevail on him the absolute importance of enabling the widest possible cross-section of participation in this debate. And so, he eventually relented, and we were able to benefit from the many presentations that were put to us.

I also want to commend the technocrats who participated...

(Applause)

...whether it was from the BGLC, whether it was from the Ministry of Finance, the AG's Office, the CPC'S Office, I think they all did very well. But above all, I want to commend the Clerk who sat with us, because there was a time when I was thinking that I would do a Minority Report. But I find the Report to be so comprehensive, to take into account those of us who had other views, those views are well stated in the Report. And so, there is no need for me to do a Minority Report but to commend the Clerk for a well-written Report and to commend it to the Members' reading.

(Applause/*Sotto voce* comment)

Yes, yes, and that's the reason why I won't delay the House too long.

(*Sotto voce* comment by Mr. Pickersgill)

Mr. Speaker, I will just go through one or two major issues that some of us had with the Bills, and even at this late stage as we seek to enable passage, to see if there can't be any accommodation.

In relation to the Betting, Gaming and Lotteries Commission Bill, we were first presented with a Bill that was quite admirable as far as I was concerned, because it was seeking to open up the horse racing industry to the utilization of greater technology to enhance competition or to enable competition.

And we thought that the original provision that will not make a distinction between promoter and non-promoter was good. But eventually, the lobby got its way, and we now have in the Bill a preservation of the Caymanas Track Limited special position in the market place so that nobody will be able to compete with them in relation to simulcast activities, pool bettings involving horse racing.

I believe it is not the wise way to go. I always believe, Mr. Speaker, in competition because unlike the view expressed by the CTL people that this is going to kill us if you open the market, that this will lead to the ruination of our industry and the loss of 20,000 jobs, I believe, on the contrary, competition enhances, and in most cases that I have witnessed, expand markets. And rather than shrinking markets and shrinking economic activities within particular markets, competition would lead to the dramatic opening of this market to bring on board people who are not going to go and sit on a Saturday at the track site, people who are different in their orientation; they might very well want to go to a lounge, they might want to go and have drinks with their friends to view and to participate in simulcast betting.

What has happened with these amendments to the Amendment is to close that gate on those investors who might wish to invest in that segment of the industry and more importantly those participants, those gamblers who might wish to have an alternative arrangement. So, I really believe that it is a backward step, that it is closing opportunities for the country. It is denying the Government of tremendous revenues from an expanded market opportunity, derived from better competition, and that it was a bad decision.

We have been told that the CT'L is to be divested. We have not yet received a timeline by which this will be achieved because on their internal operations last year they made a loss and they were only able to survive by way of the international component of their business activity. That component, which I believe if it be opened up could quadruple the revenues that the country could earn from this activity.

MR. CLIVE ARTHUR MULLINGS, (JLP), West Central, St. James, entered and took his seat.)

So, I really want to again put it squarely on the Table that we have missed an opportunity, and that while we wish CTL well we really believe that it should be an expanded industry using the technology that is available to it.

There was a related issue that I want to mention, Mr. Speaker, because there is a strange provision in the law which restricts betting to a seven day period, and I thought we had dealt with that and decided to eliminate it.

(Sotto voce comment by Mr. Vaz)

Oh, the Chairman is saying to me that he is going to - okay, because I am hoping that that will not be in the final Bill because again, it is going back to a historical situation that didn't even exist in England. Today, people are betting on the World Cup Football long in advance.

(*Sotto voce* comment)

No, I see no distinction. You are going to be involved with horse racing across the globe. There should not be any provision that don't make sense in our Legislation. And this is one, and I am hoping that the Minister in replying will address it, because it again

speaks to shortsightedness, a lack of appreciation of where the industry is at and the use of technology to enhance revenues.

Mr. Speaker, I want to share the view, on Page 5 of the Bill, section 20B(c) where we have made it quite clear that our young people, the minors ought not to be engaged in gambling in this country. And we have put in the Bill, very stringent measures to achieve that. This is an activity for adults. And I want to join in commending the draftsperson in ensuring that we were able to encapsulate that in provisions that will make it quite clear that we will not tolerate operators who allow children to gamble. They are not allowed to drink under a certain age, not allowed to gamble under a certain age.

Mr. Speaker, let me turn now... As I mentioned, my reservation is brief...

(*Sotto voce* comments)

Not finally, but to look now on the other Bill. I was focusing just now on the Betting, Gaming and Lotteries (Amendments) Act. This now I'm looking at is the Casino Gaming Act. And you know, again, I must say that we benefitted greatly from those players who came and made presentations. And there was one such presentation, the Chairman and myself shared the same view. There is a MR. KEITH RUSSELL who made a presentation on behalf of Amatero Jamaica Limited, at the end of which he beseeched us not to provide, or, not to restrict the operations of the law to ensuring exclusive arrangements with any one or so players.

We were impressed with his presentation because he provided the Committee members with a tremendous vision of a project that he has had in mind but hasn't been able to bring to fruition. But felt that if you close him out of a licence at this stage it would very well deny him that opportunity that he views. And as you can imagine, we spent an awful lot of time in discussing this issue of competition, how do you come about restricting the number of licenses to three, how are you going to justify exclusive geographic zones for the operators. And again, Mr. Speaker, my own inclination has always been, letters be rules. Let the rules be transparent, but do not deny people access, and that you need now to see how you can open the marketplace to enable competition.

The Government has its say in terms of ensnaring that the original provisions are maintained thereby restricting the number of licenses to three areas of the country and that they will not expand the number of licenses until 12 years after the initial licenses have been granted. So they really have a monopoly arrangement going for 12 years. Call it whatever you will.

(Inaudible comments)

Exclusive, monopoly, it's the same thing. In a particular geography of the country, only one licence will be granted even though that player can have a number of casinos within the particular location. I believe that it ought not to be so. And we were very gratified that the AG's office explained to us that there was no prior binding legal commitment to restrict it to that.

Then, Mr. Speaker, the Government has decided that it will not allow stand-alone casinos and that all the casinos that will be established must be within a framework of tourism development. And I think the minimum investment is Two Billion Dollars. Again, I want to advise the Government to reflect on this because there are locations in this country that might very well be able to be

developed only from investments akin to casino gaming. And that if you have to build two thousand rooms to facilitate that, then it might not be possible for those locations. What about Portland? What about..?

Mr. BUCHANAN: Westmoreland.

Mr. PAULWELL: ...Port Roya1 and so on? So... We want to visit Port Royal first. Much obliged. The Minister has assured me that this is not the end of the matter and that there will be some contemplation for opening up this issue in relation to stand-alone free zones.

Mr. VAZ: Casinos.

Mr. PAULWELL: Stand-alone casinos.

Mr. Speaker, the final point I want to address is a point that was not reflected in the Report to the Committee but one that certainly caught our attention when we looked at the provisions of Clause 30 of the Gaming Bill.

The provisions there mandate that individuals who work in casinos - and these are individuals who are not necessarily the top managers, but even the waiters who serve and wait on the tables require personal licenses that will have to be issued by the Commission to be established, and that is both costly because you have to pay a fee and it is renewable. And also, it is a very time-consuming and almost - well, I regard it as arduous requirement for an individual to qualify for these licenses. Bear in mind you know, the Government is saying that we are going to have jobs, jobs, jobs, from this activity, thousands of jobs! I envisage, Mr. Speaker, that you are going to have Jamaicans finding it difficult to meet the qualifying standards, to meet the fit and proper in terms of being in a position where they are financially viable because it assumes that you are not unemployed. So you have to be financially viable to get a licence to work in the casino as a waiter.

Some of these requirements, Mr. Speaker, are going to make it very difficult for our people to be able to see the door of a casino to participate in it. I believe that the Commission that is being established - and my colleague is going to speak about the Commission because some of us do believe that to have a second Commission is not necessarily the way to go. But I will not speak on that. Just to say that we are very concerned about the requirements in relation to those individuals who will be working with the Commission. There is not a problem for the managers of the Commission - sorry, not the Commission, the casinos, to meet these fit and proper tests. But when it comes down to the ordinary employee who has to be well trained before a personal licence can be issued, where is that training going to come from?

(Inaudible comments)

Yes. Well, I would love to hear some of the details. When that training will start and how we are going to go about enabling them to meet the other criteria for qualifying for their personal licence. I think that we run the risk, Mr. Speaker, of denying our people this opportunity.

So, Mr. Speaker, again, the major problem I have with the Bills, is the restrictive nature of both of them whereby they are denying business people opportunities by restricting the number of licenses for casinos and prior to that, by preserving a distinction between non-promoter and promoter, and that these will not enable the sector to grow. It will continue to see lack of growth. It will continue to see lack of innovation, lack of creation of jobs and in

the end the effort would not have been worth it.

Thank you very much, Mr. Speaker.

The SPEAKER: Thank you, REV. THWAITES, then DR. MCNEILL and then DR. HARRIS. .

Dr. HARRIS: Or the other way around?

Rev. THWAITES: Is there a problem? (Laughter)

Mr. Speaker, I wish to begin by acknowledging the sincerity of all those who have worked on this piece of legislation and the comments that I shall make in no way undermine the avidness with which they have carried out their work, or their conviction that these pieces of legislation are somehow going to be good for our people. My remarks are within the context of gambling as a composite industry practised in Jamaica, and I speak for myself. I believe I reject the views of the large majority of persons particularly of Protestant religious conviction in Jamaica who constitute a majority of our people.

The legislation that is being proposed carries further and perhaps to the highest degree known and practised, the epitome of the transfer of resources from those who are desperate and needy to those who are addicted, to the wealthy.

It is undeniable that gambling, along with many other social practices, constitutes a very serious addiction. There is no country in the world that has an established and extensive system of gambling where the problem of addiction has not become a serious social malady. And we in Jamaica are uniquely lacking in facilities to treat this.

The cursory recourse to the Addiction Alert or the Rise Action facility in Downtown Kingston, will indicate to you, Mr. Speaker, how desperate it is right now, especially in a situation of high unemployment where men and women, and regrettably, despite the concern that is spoken of in respect of the draft legislation, children, who become addicted to gambling, and all efforts to keep them out of the gambling den is no more successful than it is preventing them from being poisoned by cigarette smoking or excessive drinking.

Casino at its highest form gives a sign and gives a reaction of our attitude to productivity in this society, Mr. Speaker. A productivity which is declining rather than increasing by virtue of hard work and the production of valid goods and services. If you look at the advertisements in the Press or on the television, Mr. Speaker, the message is clear. It's not if I win but when I win. The promotion is done in a way that reflects the supreme hope that punters have on the fate of some straining horse, or upon the draw of some numbers, or on the flip of some dice for their future and for their fortune.

MICHAEL MANLEY told Jamaica that you can't win your troubles away. And those of us who remember his thinking and his principles should bear that in mind when it comes to a vote. My research on the late SIR ALEXANDER BUSTAMANTE, whose birthday we celebrate today, indicates a similar intolerance for these games of chance, Mr. Speaker.

We celebrate loans when we achieve them in this House. We should uplift productivity. Gambling circulates and cruelly redistributes. It produces nothing new. (Applause) It breaks up families, Mr. Speaker, and it reinforces an attitude of getting something for nothing, and undermines the very ethics of saving, which in fact is the only hope for persons and economies such as ours.

The dangers of it becoming amenable to money laundering, to tempt terrorism and to other crimes, are well known and documented and protected against. Do the minds of the legislators who will support these actions, are they satisfied that this will be properly protected against, Mr. Speaker? The fact that we have many existing instances of gambling that seem to have formed part of our culture by now is no reason to expand them. I'm sorry that so many members of the religious fraternity, who thirty (30) years ago and even more recently have expressed their views on the rash of gambling in society, have fallen into silence at this time and seem to have lost the courage to oppose.

Rev. THWAITES: Mr. Speaker, there is no doubt, as the Member from Manchester said yesterday, that there is the prospect of great investment if only we would sign these licenses.

Surely, there are many other instances of investment that would come flowing into Jamaica if only we would legitimize this or that form of conduct. We have to go much deeper and much farther than that in our thinking and in our view of this legislation. It is disappointing that we should see gambling and its extension as the only, or the best or even a principle lever of investment and jobs. Casino gambling is redolent of a system where many must lose so that a few can continue to win. There is no hope and no future and no progress in a society that adopts such principles.

I thank you.

The SPEAKER: DR. MCNEILL AND DR. HARRIS.

Dr. McNEILL: Mr. Speaker, my intervention is going be very brief and what I really want to do is just focus on two points that were touched on at the level of the Committee, but I think that need to be brought to the attention of this House.

The first, Mr. Speaker, is that, as was said by the Member from Central Kingston, casino gambling has both positive and negative side effects. Among the positive effects are that it can be catalyst for development, bringing with it employment and increased tax revenue. Also, it can be a positive addition to our tourism offering.

Indeed, many members of the local tourism fraternity have been calling for casino gambling for some time. However, gambling, and especially casino gaming, can have serious negative side effects. It can lead to addictive gambling and has been associated with higher levels of crime and violence, and in some cases can have a negative effect on local businesses and certainly, on the traditional attitudes and values of the society.

To this end, Mr. Speaker, I do not believe that it is enough for us to just pass legislation allowing for casino gambling in Jamaica. I believe that we must also put into this legislation provisions that ensure that the negative effects of casinos and gambling in general on our society are studied and researched. And that **secondly**, provisions are also made to compel the regulatory bodies, that is the Commission, to put in place intervention measures such as public education programmes, counselling to prevent addiction and to treat these negative side effects should they arise.

Mr. Speaker, fear of these negative side effects has led other jurisdictions such as the Bahamas to not allow nationals into their casinos. We here in Jamaica have decided not

to go that route, but that does not mean that we must blind ourselves to the possible repercussions.

To this end, I believe that a fixed percentage of the cess earned by the Commission must be put towards public awareness programmes, research, monitoring, social service and counselling programmes to ensure that we make every effort to protect the Jamaican society.

I want to refer the House to the research that was done by the University of the West Indies, in particular, by PROFESSOR BOXILL on this as possibly a start in the right direction. And that, in moving forward, I think that we cannot leave it in the hands of the Commission or the regulators to just determine how much or to what extent they want to put mitigation programmes in place, but that, at the level of this Parliament that we should include in the Bill provisions that allow for the protection of the Jamaican people.

(Applause by Government Members)

Mr. Speaker, as was mentioned before, the second issue has to do with the formation of a new Casino Commission.

Mr. Speaker, the legislation speaks to the setting up of a new independent Commission, separate and apart to the Betting, Gaming and Lotteries Commission that would oversee the entire gaming industry.

We here on the Opposition side of the House are of the opinion that this move is superfluous and unnecessary and that having two Commissions embodying the similar technical skills and jurisdictions is going completely against the Government's thrust towards Public Sector reform. In effect, it would be a retrograde move.

(Applause by Opposition Members)

Mr. Speaker, there is no doubt that we are going to need a sound technically strong Commission with very highly skilled persons of integrity to regulate and monitor the casino industry. And that this, as was said yesterday, must be comparable to the jurisdictions that are in New Jersey and Las Vegas.

But, Mr. Speaker, we need this type of regulation for the entire gaming industry here in Jamaica. We feel that one Commission should be formed that would incorporate all the technical skills and that it would have various departments that would look over the various sectors of the industry.

Mr. Speaker, in putting it together, the considerations that had to be taken are one, the technical expertise needed to perform the regulatory functions of both Commissions is similar. If you have a casino with 2,000 slot machines, they will be regulated by the Casino Commission, and you may have a Race Track with 500 slot machines or other facilities with less, 100 machines or less. The fact is you are going to need the technical staff that understand and can work with the slot machines. What you are going to end up with is two technical departments, one at BGLC, one at the Casino Commission, and we feel that if you bring them together it would make more sense.

The second thing is that any additional expertise or expansion necessary to ensure the proper functioning of the Casino Commission can be acquired by this new Commission and can be utilized to the advantage of the entire gaming industry. In other words, if we are going to be bringing new expertise on board, then it should not just be in the casino but it should be for the benefit of the entire country.

And the other thing is that the formation

of another Commission where there will be of necessity considerable overlap in the areas they regulate, would just form another layer of bureaucracy.

Mr. Speaker, we had this discussion at the Committee level and one of the things that was pointed out was that the Casino Commission if formed, would not be a cost on the Government because it would be funded out of the cess collected from the casinos.

Mr. Speaker, any expansion in the public service, if you have one Commission, it's going to cost you X, if you have two Commissions, it's going to cost you more. It will be a burden on the people of Jamaica.

So, Mr. Speaker, with those few comments I just also want to add my thanks and congratulations to the technical staff especially the Clerk of the Committee for an excellent Report that we have gotten today.

Thank you.

The SPEAKER: Thank you, Dr. McNeill. (Applause) Dr. Harris.

Dr. HARRIS: Thank you, Mr. Speaker. (Applause) Thank you, Mr. Speaker.

I rise, Mr. Speaker, to support the Memorandum of the Objectives and Reasons for these two pieces of legislation, Mr. Speaker. I would make specific reference, Mr. Speaker, to the Casino Bill. And before I start, Mr. Speaker, I want to say that we had a community meeting in Falmouth on the 28th of September last year, which was when we thought it was eminent to be brought to Parliament, and we thought that it was of such iimportance to us as a community that we discussed it as a community and to decide what we would want in our community, how we would approach it and what recommendations we should make to be put into the Bill before casino comes in.

I have heard the speakers before and the Report, and while not being a member of the committee itself, I made sure that I was apprised of the proceedings of the committee, because I know that this Bill is going to impact on my constituency more than any other.

(*Sotto voce* comments by Members)

So, having said that, Mr. Speaker, having said that, Mr. Speaker, much has been said and much more will be spoken about casino gaming and a lot of it, Mr. Speaker, is grounded on beliefs that are not founded in information, a lot of it is grounded on information that is decades old, and a lot of it is grounded on emotion that with information could quickly be dispelled.

(*Sotto voce* comments by some Government Members)

A MEMBER: Low de man.

Dr. HARRIS: Now, Mr. Speaker, the general agreement is with the object of the Bill, but there is one area of departure in the document that our community had a problem with and that is the area of exclusivity.

Now, if we were to look at Part 111, 9 to 12, we would say that it is proposed that exclusivity status be granted to qualified bidders in specified circumstances and areas. At our community meeting, Mr. Speaker, we felt strongly that this should not be and there are many reasons why we would believe so. Just to give a background, Mr. Speaker.

Our constituency is located on the North Coast between two of the major tourist resorts and we have been left behind in the developmental process. Now this we are not

complaining about, because we have used the time to plan our things. And I hear the Minister speaking because he is also part of the planning process and he is also assisting us to come up with housing solutions to assist many person and all income categories. Now many of the persons that are going to benefit from casinos, Mr. Speaker, will never set foot in a casino. Many of the persons that will benefit from casino will never set foot in a casino. Why is this so, Mr. Speaker? Because the funding from casino usually goes to health, education and social welfare and these are the people that are least likely to be qualified to enter into casinos.

Now let us look at what it speaks to when we speak about Jamaicans not excluded from the facility. There is a concept now in Jamaica of all-inclusive hotels, yes, of all-inclusive hotels. Now anybody can go into an all-inclusive hotel whenever they so desire with just one proviso, that they can afford to pay the bills before they enter.

Now, this presupposes that if you are going into a facility you have that minimum amount of money to be paid; and that in itself would exclude many persons below that threshold from entering these properties. That same mechanism is what will partly be used in screening people to go into some of these facilities.

Now, we have looked at the concept of free standing, free standing casinos and we support, as a community, we support the concept that casinos should not be free standing.

We support the concept that casinos should be integrated.

(Inaudible comments/cross talks)

Dr. HARRIS: We support the concept, Mr. Speaker, that casino component should not be more than 20% of the total investment and we also support the concept that an investment of US$1.5 Billion...

A MEMBER: Yu notice sey Robbie get up from beside yu? (Laughter)

Dr. HARRIS: ...if that is going to build 2,000 hotel rooms, that person can qualify for consideration for casino licence.

Now, Mr. Speaker, the argument was put to me and the other persons at the forum that we had. The situation was very simple. Each facility with a casino would attract an investment of $1.5 Billion in the first instance.

(Inaudible comments by Mr. Warmington)

Dr. HARRIS: Exactly.

So each of those facilities would employ a minimum of three persons to one room.

Now, if we were to do the math, Mr. Speaker, we're talking about 6,000 persons for a 2,000 room property. And if you were to put in the multiplying effect of that, Mr. Speaker, you would see...

(The speaker left the Chair at 3:51 p.m. and the Deputy Speaker presides)

…opportunities that could be arrived att, Madam Speaker, we would readily see that - we're talking about an industry that can potentially break the back of unemployment in, not only our neck of the woods, because as has been said here before, all of the North Coast will constitute one single economic corridor.

Mr. WARMINGTON: You support it?

Dr. HARRIS: I support the concept of one single economic corridor for the North Coast and I support the concept that we should have this zone that is a - this area, Madam Speaker, that is dedicated to that tourism product that we can all be proud of.

Now, if we were to look at the stand-alone concept or the exclusive nature of the casinos, we would readily see, as has been before, that it is not competitive, it goes against everything that we - that subscribe to free market enterprise would be arguing for.

It means, Madam Speaker, that years ago if one person set up a restaurant and somebody else were to set up a restaurant beside them, that person - the first person would think that it is bad mind or 'grudgefulness' or something to that effect. Madam Speaker, the truth is, today we are seeing that clustering is a desired way to go for industry.

If we were to look at Food Courts now, people do not go to restaurants as much as they go to food courts now. Because what happens is when you go to a food court, it reduces the decision-making time, you do not have to make that decision before you go to that food court, you can go to the food court and then make that decision as to what you eat. The same concept will apply to casinos. If you were to go to one casino, and as is customary in that particular industry, some patrons may choose to change their fortune, or change their luck from one casino to another, the same way they change their fortune from one table or from one machine to the other. This is good for the business and it is good for everyone. (Applause)

Madam Speaker, if people are coming in with $1.5 Billion and they want to set up one facility next door to another facility, I would posit the position, Madam Speaker, that that person knows something about prosperity and about wealth creation. A person that can put together US$1.5 Billion is not a joker and that person is not coming in to do business for charity. That person bows something about business and something about making money.

Now, it cannot be that we grant licence to one person for whatever reason and however good-intentioned it might be, but we deny another person for 12 years - for 12 years a person, or persons that may just be local, that may just be in the hotel business, or might have been in the hotel business for a long period of time. These are things, Madam Speaker that we should not do hastily. We should consider them before we put them into law, so that no Jamaican would be put at a disadvantage and especially to a foreign competitor that was not competitively bidded.

Madam Speaker, we are reminded, Madam Speaker, that the process of giving exclusivity to persons cannot be a good business practice, and it is something that we want to ask the Minister to consider again. Not only because we have more beachfront available for this kind of development than any other area in Jamaica, not only because of that, but because just free market, just goodwill, just common decency would dictate that we give everybody a chance to compete competitively in whatever way that they would choose.

Mr. MAIR: No, but we don't have the excess.

Dr. HARRIS: Madam Speaker, much has been said and much more will be said. But if, Madam Speaker, the concept of exclusivity is going to be written in law, maybe, maybe it would be wise to create a window for other players to partake inside of that. Because, Madam, Speaker, a lot of persons do not understand that casinos by themselves, will not attract tourists to Jamaica. They are not a panacea and they will not solve our economic woes. Casinos will not attract anybody to

Jamaica, but the absence of casinos will make our destination internationally noncompetitive. It is just one more attraction that we would put to the tourism offering.

And with that, Madam Speaker, I say, that we should spread the ownership and we should look at all of the regulations and make sure that - as the former speaker said, we should put in place regulations to make sure that the casino industry is properly monitored and managed. Because investors are looking for this proper management and proper regulation and that kind of regulatory frame-work, they are looking for it, but we should not stifle investment by that same regulation. And if we were to do this, we will have an expanded tourism product, we will have prosperity for people that will never set foot in a casino, and we'll have benefits.

Madam Speaker, we can go on and on about the benefits that we all want as a country and as a society, and we can all realize at least some of them, by enhancing the tourism product that we have and that God has given us. Madam Speaker, with this, our community and myself support this Bill and we would like the considerations to be made.

Mr. BUCHANAN: Dog race or casino, which one?

Dr. BARTLETT: Both.

Madam Speaker, thanks for the opportunity to participate in this very important...

A MEMBER: Short, it should be a short intervention.

Dr. BARTLETT: …and I will ensure that my intervention is as...

(Inaudible comments by a Member)

Dr. BARTLETT: No, a you prefer the word brief. (Laughs)

Madam Speaker, in my 2008/2009 contribution to the Sectoral Debate, I drew attention to the fact that animal sports and gaming industry receive very limited exposure in this House, despite its significant impact on employment and revenue provision.

Madam Speaker, the gaming industry is a $50 Billion industry. Interestingly, slot machine is the most popular, followed by the lottery and then the horseracing industry. Certainly, as soon as casino comes into play, we will see exactly where it will fall in this whole scheme of things.

Madam Speaker, I am very proud that the bold move has been taken by this government, to legalize casino gaming and allow horseracing on Sundays. We have finally, Madam Speaker, aligned ourselves with-trends, in the modern world of gaming.

Madam Speaker, in my presentation - since I'm the horseman - I will concentrate primarily...

Mr. PICKERSGILL: Since you are what?

Dr. BARTLETT: The horseman of Parliament, and I am very proud of that.

…I will confine most of my comments to the Betting, Gaming and Lotteries Act and primarily to the horseracing industry. The equine industry, Madam Speaker, employs directly and indirectly, close to 40,000 persons. The horseracing side alone employs some 20,000 persons with horse breeding, equestrian, polo, mules and donkeys sharing the rest.

Mr. PICKERSGILL: What, horserace?

Dr. BARTLETT: Betting sales on horseracing, Madam Speaker, in 2009, was just over $8 Billion. We do have donkey racing around here.

Mr. PICKERSGILL: How much money comes from it?

Dr. BARTLETT: It is not regulated so we don't know yet.

Returns to the bettors, Madam Speaker, was $5.4 Billion last year. Owners of horses who won races at Cabanas Park, shared in $½ Billion in purse money in 2009. Horse sales, Madam Speaker, at Caymanas Park, two areas which we track, which is the yearlings sale and the claiming system in which horses are sold on a daily basis at Cayamas Park during racing, those two areas accounted for $½ Billion of sales in 2008/2009.

Madam Speaker, horse owners pay $1,500 per day to keep and care their horses, or just over $½ Million a year, to keep and care a horse at Cayamas Park.

Mr. PICKERSGILL: Big business.

Dr. BARTLETT: Big business, big business!

Madam Speaker, there are some 1,350 horses at Caymanas Park and so the total cost to owners for the keep and care of horses at Caymanas Park is some $761 Million. Big business, big business.

Mr. PICKERSGILL: You have a vested interest. When you look after all those horses there you have a vested interest.

Dr. BARTLETT: A big one.

Madam Speaker, during the deliberations of your Committee, the racing industry players came out in their numbers to defend their industry. The racing industry players came out in numbers to defend their industry.

The Horse Racing industry, Madam Speaker, has many interest groups, each having its own association and organization. These include the Thoroughbred Owners and Breeders Association, which is responsible for the breeding and ownership of horses. And l might say here that our own Minister of Industry, he owns one of the finest stallions that money can buy anywhere in Jamaica today.

Mr. PICKERSGILL: What kind of commercial dat?

Dr. BARTLETT: In addition to that, our own Member, Derrick Smith, owns some of the finest racehorses at Caymanas Park.

There is the Jamaica Horse Race - Racehorse Owners Association, the Trainers Association, the Jockeys Guild, the Grooms Association, the Farriers Association, the United Bookmakers Association, the Off-Track Betting Association, all of those are participants in the racing industry. Then there is Caymanas Track Limited, the sole promoter of racing, the Jamaica Racing Commission, which regulates horse racing on behalf of the Government, and the Betting, Gaming and Lotteries Commission, which regulates gambling on behalf of the Government.

Now, Madam Speaker, with this kind of investment and with this kind of spending, you will all recognize why the members of the horse racing fraternity came out here in such a militant mood to ensure that the product of horse racing that they have so much investment in, was protected.

The group was militant because section 18, subsection (3), contemplated the coming into being of a new creature in racing, which was known as the non-promoter of Pool Betting. And I heard my colleague speak of that creature, the non-promoter of Pool Betting. And he, in his comments, thinks that they would provide competition to - and he thinks that the competition would be good competition. But indeed, Madam Speaker, the

non-promoter of Pool Betting would not be competition - fair competition to Caymanas Track Limited, as Caymanas Track Limited is responsible for putting on a show, for paying purses, and for maintaining the plant at Caymanas Park. A non-promoter of Pool Betting would merely sell bets taken from overseas in competition with Caymanas Track Limited, and so that would not be fair competition.

It was the considered opinion then, Madam Speaker, of the horsemen group, that if such a creature was created it would have spelled the death of live horse racing in Jamaica.

Madam Speaker, the previous Administration, they were too timid to make a decision on this very non-promoter of Pool Betting issue. And the issue is now brought before us, as a Government to make that issue - to make that decision.

Madam Speaker, the over 700 licensed persons in the occupational group at Caymanas Park, consisting of 161 trainers, 108 jockeys, 425 grooms, 53 assistant trainers, 53 exercise riders, over 700 owners, they are all thankful to the Committee for ensuring that racing is protected from the non-promoter of Pool Betting.

Madam Speaker, local horse racing needs a stimulus to ensure its survival and growth. Horse racing has never depended on the Consolidated Fund for its survival. In fact, horse racing is a net contributor to the Consolidated Fund; and no government would take tax dollars and put it into horse racing in Jamaica. Certainly, in other places such as Kentucky, where horse racing is the major industry in that State, it's a completely different situation.

I give you an example, Madam Speaker. In 2009, $267 Million of gross profit tax revenue was realized from the sales of bets at Caymanas Park. Of that amount, $129 Million went directly to the Consolidated Fund, with the remaining $138 Million going to the racing regulators, The Jamaica Racing Commission and the Betting, Gaming and Lotteries Commission.

The stimulus racing needs, therefore, Madam Speaker, is not a contribution from the Consolidated Fund. The stimulus that racing needs and can be provided, is more racing at Caymanas Park. Currently, racing at Caymanas Park is one and a half times per week. The stimulus that racing needs is three to four days of racing at Caymanas Park, which will give us somewhere in the region of up to 117 race days at Caymanas Park.

Last year, Madam Speaker, 900 horses provided 7,344 starts, an average of eight starts per horse, per year. What that means, Madam Speaker, is that each horse at Caymanas Park is actually participating in a race less than one time per month, one time every six weeks. That is just not enough. Nowhere in North America where horse racing is a big business, is any track providing one-and-a-half race meets per week. It just cannot pay the bills.

Mr. PICKERSGILL: What's the reason for that?

Dr. BARTLETT: Owners are paying an enormous bill for their horses, but the horses are not being provided with enough races and race days to pay their keep.

Mr. PICKERSGILL: Who is to do that?

Dr. BARTLETT: Caymanas Track Limited.

More races, Madam Speaker, will provide more opportunities for jockeys, for grooms, for trainers, and for the general livelihood of the various players in the racing industry.

The second stimulus that is needed in racing is for the bookmakers to contribute more to live racing. The betting sales from bookmakers last year and for many years, currently stand at 40 per cent of the total industry sales, 40 per cent of the total industry sales. Caymanas Track Limited, which is responsible for putting on the show, accounts for only 60 per cent of the sales at Caymanas Park. Caymanas – the bookmakers return to the bettors 65 per cent of the amount of sales that they do, while the promoters, Caymanas Track Limited, return to punters 70 per cent of their sales. Bookmakers make no contribution to the purses or the upkeep of the racing plant. It is therefore time that the owners of Caymanas Track Limited, that is the Government, demand from the bookmakers a fair contribution to the racing industry.

Madam Speaker, the third stimulus that racing needs is to ensure that the regulators, primarily the Jamaica Racing Commission, are properly funded. Horse racing is the most regulated animal sport in the world, oftentimes rivaling that of its human counterpart. Regulation costs, some will say, is too costly. No other sporting activity requires its athletes to be parentally verified through DNA testing and blood typing, to be registered with all its unique markings, to be identified with microchips or lip tattooings.

The racing public, Madam Speaker, the racing public depend on the regulators to police race meets, to ensure that horses run true to form, to ensure that jockeys ride as they should, that the veterinarians conduct pre and post-race examination and testing, to ensure the health and safety of the horses. The racing programme requires a strong anti-doping programme that ensures that the cheats are caught and dealt it.

Anti-doping, Madam Speaker, is a most expensive component of regulations. Drug cheats are constantly developing new methods of beating the system, thereby necessitating the constant upgrade of detection capabilities by the regulators. Anti-doping in racing, therefore, needs a dedicated fund.

To this end, your Committee agreed to an amendment to section 28(2) of the BGLC Act, which gives the Minister power to establish various schemes of monetary contribution in the industry.

This amendment was inadvertently left out of the Report tabled. With the permission of the Minister, I therefore move for that amendment to be taken at Committee.

Mr. PICKERSGILL: It was inadvertently left out with the permission of the Minister?

Dr. BARTLETT: Yes, in the Report, the Report that we now have. It is not there. And so I am seeking the permission of the Minister for it to be dealt with at Committee Stage.

Madam Speaker, it is clear that we have made a great move here, in ensuring that the gaming industry is for the just time taking pride of place, and that for two days straight we can be here in the Parliament discussing the gaming industry.

And so I support wholeheartedly the Casino Act that is before us, and also the amendments to the Betting, Gaming and Lotteries Act.

Thank you. (Applause)

Mr. PICKERSGILL: You have a vested interest. You and Hutchie going get into the microchip business.

Mr. STERN: Madam Speaker, I think most of our colleagues have covered on this Committee - Madam Speaker, I think that this Bill has gotten a lot of attention. I think it's worthwhile at this time for us to move forward in Jamaica to provide our tourist product a new attraction so that it can grow even further and provide more opportunity, in terms of jobs and other business spin-offs; whether it's software management, whether it's direct investment in money in Jamaica, whether it's spin-off for the bus men, JUTA service and all the other services; whether it's spin-off in the high-end market by building a lot more high-end shopping centres, or whether it's in the entertainment field, creative arts and other parts of the tourism industry.

It is just not gaming. When people come to Jamaica to game they just don't sit at the machine all day long, they get out and they enjoy other parts of Jamaica. And if they are high-end customers that do enjoy this gaming then you are going to find that they are going to be spending a lot more money in terms of tourist per dollar. You find that these persons who gamble spend a higher per person in Jamaica. And already someone had mentioned that you actually have more persons being hired per tourist.

In the Hospitality Management field we would need to upgrade training and expand training. We should ask our Minister to expand it to the Teachers Colleges in terms of training our people in the hospitality industry so we can attract the high-end technical staff and to not allow them to import the high-management at the high-end in the industry, and so that we can keep those jobs here.

Just observations I have noticed, Madam Speaker, that in this framework and this whole settings there are some things that take place in some parts of the world, and we should take note of it. In Macao, covering just twenty-nine point two square kilometers of land they introduced gaming in the early parts of 2000. And in Las Vegas - they are now bigger than Las Vegas and Atlantic City. They have increased tremendously. In terms of gross revenue, last year they averaged something like Thirteen point Six Billion, starting from as low as Seven point One Billion when they kicked off in 2006. They gradually increased, twenty-three per cent (23%) the first year, forty-six per cent (46%) the second year, and thirty-one per cent (31%) last year, which was a slower growth last year, but it's still growing. And if you were to use a small island like this as an example we could actually attract that kind of growth here in Jamaica.

As far as Australia is concerned, even though there is a downturn in many of these countries they are all estimating an increase in business. So with the recession it didn't slow down the growth of money spent or the business attracting revenue for governments.
In France, for instance, casinos account for fourteen per cent (14%) of the whole gaming industry and they expect a large increase of in the region of ten per cent (10%).

Germany expects an increase, a significant increase this year over 2008. Italy is one of the fastest growing gaming markets in Europe and they are now Seven Hundred and Thirty-Six Million in business and they increased, Sixty-

seven point One Billion last year. Spain increased by eight per cent (8%) year but the year before they had thirteen point five per cent (13.5%) growth. United States, you have Las Vegas. Even though there is a downturn in the United States its revenue over 2008 grew. Atlantic City had an eight per cent (8%) growth.

Mr. PICKERSGILL: What about Philadelphia? Tell us about Philadelphia.

Mr. STERN: New Orleans grew in gross revenue of Four Hundred and Nineteen Million over the previous year. Detroit was the only one that grew small. They grew by one point nine per cent (1.9%) over that. So I am just saying maybe it's time to roll the dice and basically make this thing flow. (Applause)

So it just shows, with a global downturn, ladies and gentlemen, the gaming industry is considered as one of the industries that can keep propelling our tourist industry here in Jamaica. Since we are already doing well in the business it will just be an additional impetus to real investment. And the investment of - foreign direct investment in Jamaica is one of the things that will be attractive the most, in terms of One point Five Billion Dollars for each of these development and it will offer temporary jobs construct in the short phase and in the long-term it will keep many jobs going in the hospitality field.

I just want to make those points because it is not just about gambling, it's about the fact of other industries having a spread - the creative arts, the tourism sector and the music industry, and the attractions in Jamaica getting the spinoff of this thing.

Thank you. (Applause)

Mr. HOLNESS: Madam Speaker, the Member from Central Kingston has two Motions on the Order Paper. Madam Speaker, the Motions are similar in nature and, therefore, we will take the Motions at one go and the Member will make the necessary amendments so that we will just have one debate for the two Motions.

The DEPUTY SPEAKER: Member from Central Kingston.

Rev. THWAITES: Thank you, Madam Speaker. I request the permission of the Speaker and of the House, if necessary, to a take the Motions listed on Private Member's list as No. 1, together will that on No. 38.

The DEPUTY SPEAKER: Yes, Member, the request is granted.

Rev. THWAITES: Much obliged, Madam Speaker. The Resolution....

Mr. HOLNESS: One and twenty-six. Just to be clear. There are two Motions dealing with the Kingston Harbour standing in your name.

Rev. THWAITES: I beg your pardon, the House Leader is correct, 1 and 26.

KINGSTON HARBOUR/WASTES

Thank you very much, Madam Speaker. May I proceed?

Resolution No. 1 reads -

Whereas Kingston Harbour continues to be choked by the inflow of plastic bottles, bags and other solid wastes due to illegal dumping and the inadequate management of drains and gullies and the general neglect of coastal infrastructure;

And Whereas there is a consequential loss of revenue from recreational and economic activity and a diminution of the environment in Central Kingston and nationally;

And Whereas the Recycle for Life

Programme has been discontinued and the resolve to introduce fiscal measures to curb irresponsible plastic and other waste disposal have not been implemented.

Be it Resolved that this Honourable House debate the issue of waste management with particular attention to non-biodegradable and toxic waste and determine policy towards remediation.

And the other Resolution reads –

Whereas the livelihood of residents of Central Kingston is adversely affected by the polluted state of Kingston Harbour;

And Whereas there is leaching of effluent into the western harbour from the Riverton dump which affects marine life and ecology in the entire harbor;

Be it Resolved that the City dump be removed from Riverton and relocated where it would have no adverse environmental impact on city dwellers.

Madam Speaker, first of all, with no pride or presumption at all, may I thank the Members, particularly on the Government side, for their kind presence in the House and attention to these Private Member's Resolutions by comparison to the state of the benches on this side. I also extend my thanks to what might be called the *'remnants of Israel'* who are present here. (Laughter)

(Cross talk)

Rev. THWAITES: Madam Speaker, the state of Kingston Harbour has been the subject of voluminous studies over two generations. One has to remember the seminal work of PROFESSORS ROBINSON, WADE, WEBBER, WILSON, KELLY and several others. At an international level the public, through the Government of the day, have invested in grants and loans which have looked at the condition of Kingston Harbour, recognized generally in all of these **academic excursuses** as being a pearl of great price, having the ability to generate considerable recreational as well as aesthetic advance be and in fact being of tremendous economic advantage, having regard to the proximity of Port Royal, the entire historical coastline stretching around to Fort Augusta, encompassing Hunts Bay, the literal aspects of the parish of St. Catherine, the **conurbia** of Portmore and, of course, the old city of Kingston in which the constituency that I have the great privilege to represent is to be found.

Madam Speaker, come with me any morning - and if you venture out in a canoe five or ten feet into the waters of Kingston Harbour and let down a device that can plumb what is on the depths of the floor, the sea floor, you will find fully four to six feet, probably an average of five feet, of garbage and of sewage, non-biodegradable plastics, old car, tyre, washing machine, but mostly scandal bags and a variety of plastics, which will by any scientific account take generations to degrade.

Years ago, Madam Speaker, this Parliament took the decision to levy an environmental tax upon the imports brought into this country. A very serious move, because it added to the price of every good that came in over the wharves in order to be able to offset what was seen as an imminent and palpable danger of destroying these resources.

And parenthetically, Madam Speaker, may I be allowed to say that while the concentration of these resolutions is upon the Kingston Harbour, because that borders on my particular responsibility, the same is true for

Montego Bay Harbour, as I am sure the Members for the St. James constituencies will have - and for many other areas. I am told that Ocho Rios is in no way isolated from this practice as well.

Madam Speaker, instead of using and developing plans for that environmental levy to offset these difficulties, we learned in this House a couple of months ago that in fact the monies had been devolved to the National Solid Waste Management endeavour. Necessary though that is, it was never, never, intended for it to be used for routine maintenance but rather for allaying and obviating the catastrophic and irremediable effects of non-biodegradable waste disposal, which in fact is a problem that is not going to go away.

Madam Speaker, in this debate this afternoon we have spoken of the necessity of advancing and enhancing our tourism product. Who could be against that, Madam Speaker? But it is not just the absence of casinos that denigrates our tourism product. Where we pollute the very environment, natural environment, that is our best and blessed gift from God then we are doing so equally and yet contrast the application of resources, contrast the energy of legislators and representatives of the people in one remedy rather than another recourse.

Madam Speaker, this is the situation we are facing. As it is now there is no clear scientific evidence that the Riverton City Dump - or what is the effect of the Riverton City Dump in Western St. Andrew on the marine life and in the overall ecological condition of Kingston Harbour. I advanced the resolution that I have on anecdotal and I think reasonable grounds that situated so close to Hunts Bay that there is bound to be a significant leaching that takes place underground and indeed in times of flood above ground from the literal area of the Duhaney Park River and the dump itself into the harbour.

Travel yourself, Madam Speaker, over the Causeway and look at the inelegant brown scum on top of the water that used to be a fishing ground for shrimps and used to provide a livelihood for over 2,000 fisherfolk from Greenwich Park, from Rae Town and from the Port Henderson beaches. It's these people who have been displaced. It is these people who have no hope to contribute to their own livelihood nor that of food sufficiency in this country any longer. When the port of Kingston was being expanded, a laudable effort in itself, Madam Speaker, the entire shimpry in the western part of Hunts Bay, which had been the last recourse for the Rae Town fishermen to go to earn a livelihood, to gather bait for deep sea fisherfolks, that was ended. We are told by the burghers of industry in this society that Kingston Harbour is finished as a fishing destination. It is to be seen only for commercial terms now. We reject that, Madam Speaker. It is not impossible for the fears of this country to be so blended and to be so balanced that business with all of its capital and its strength can have a role, but also that the interest of ordinary people, traditionally fisherfolk, nowhere else to go, nothing else to do but that, can be protected as well.

Madam Speaker, if you come to Rae Town with me now the fish that is sold and enjoyed by so many doesn't come from the fishermen at Rae Town, it comes from Rocky Point. This is a shame. We are destroying our natural environment and the Kingston Harbour

is one crucible, one fine example, one terrible instance of just that.

I was pleased to hear in this Honourable House some time ago that the Harbour View Sewage Plant is to be corrected at long last after 35 years. I appeared next door to hear the Duffus Commission many many years ago when the problem was first indicated. It has taken this long to avoid what is really a grotesque and awful situation where we dump human waste and industrial waste into the harbour. We had an instance last year where this took place. We understood where it came from but has there been anything more than a slap on the wrist? Had there been any prophylactic measures, Madam Speaker, to ensure that the harbour is not further polluted? Right now the historical earning ground of the people of Rae Town, many in Central Kingston, of all political and social persuasions, has been completely undermined. I invited the Prime Minister of Jamaica to join me in a fish lunch and we would eat the fish caught in Kingston Harbour. He demurred. I understand why.

(*Sotto voce* remarks)

Rev. THWAITES: Yes, indeed. I wish I could be happily his taster. I recognize his importance. Yes, in the circumstances these are issues which need to be dealt with and it will not cost any money that we do not already have, Madam Speaker, this is a provision, a tax that is already in place. What we must do is use it for the right purposes.

I urge those Ministers with the responsibility for urban planning to look at the whole development and the span of Kingston and to see whether we can have one large dump. It began at a time when the development of Kingston hardly stretched to that area. Now, given demographic expansion, it stands as an awful carbuncle in the midst of an urban area polluting the harbor, 1 believe, and certainly making life difficult for the majority of people who live in its curtilage and, in my view, undermining the chances for reviving Kingston Harbour and therefore providing, not only aesthetic circumstances, but economic activity for the people of the constituency I represent.

What is required, Madam Speaker, is a combination of Government agencies such as a revised Fishery Division, yes, and the new initiatives ought to be commended, the Faculty of Natural Sciences and the Marine Biology Divisions at the University, as well as international assistance, which I have information, many agencies are willing, are ready to assist us to revive our harbour in much the way that other polluted harbours like Havana have been dealt with in recent times. We need to show the political will and the administrative strength in order to ensure that this happens.

Many times in the past, Madam Speaker, we have spoken about the tremendous opportunities for tourism that exist in the Metropolitan Area with the curtilage of the Blue Mountains with its huge deposit of history and with the charm of its entertainment of its cuisine and fashion. None of that will ever take place if the entrance to Metropolitan Kingston is a feted cesspool rather than glistening waters that were originally made.

Madam Speaker, I call upon the support of this House. It is the Standing Order provision that Private Member's Motions, once they are accepted by the House, to be sent to the appropriate committee for that committee to act upon them and to send a report to Cabinet

and for this to be dealt with in a very specific and limited period of time. I believe Standing Order 24 is the appropriate one and I am anxious that we should honour that in the observance rather than in the breach, Madam Speaker, because to my experience after some years in this Parliament, very very few of the Reports from committees are treated in this fashion.

Madam Speaker, it is extremely important then that we should pay attention to our natural environment. It is important that emphasis should be given to this particular instance, not by itself but rather as a good earnest of our concern for environmental integrity as it affects the lives of our people. Much has been done to parley and to remove the threat of sewage going into Kingston Harbour by the commissioning of the Soapberry Plant. That is to be acknowledged. That is good, yes, initiated by the previous Administration, carried through to completion by this one.

The problem is not sewage at this point, Madam Speaker. The sewage system in Metropolitan Kingston is hopelessly outdated but it is there for the most part, yes, and previous questions were answered adequately by the Prime Minister from me in recent months. The problem is the non-biodegradable waste and what is needed at the very least is for berms to be placed upon the lips of our gullies surrounding Kingston Harbour and for a systematic removal of that which now flows unregulated into the sea.

I ask for our support for the necessary measures to use the environmental levy as it was originally intended for and I ask for the serious consideration with every piece of scientific information made available regarding the appropriateness of the continuation of the Riverton Dump there, it seems to me quite unsustainable, and for this Honourable House to take into full account the need to enhance our prospects economic, social and aesthetic by stemming the tide of the distress and the degradation of Kingston Harbour. We can do no better. It would be of great benefit both to the constituents that I represent and I believe to the luster and strength and prosperity of the entire Metropolitan Area and therefore the nation as a whole. I thank you. (Applause)

The DEPUTY SPEAKER: Dr. Guy.

Dr. GUY: Thank you, Madam Speaker. Madam Speaker, 1 would like to make a brief intervention in support of this resolution by my colleague from Kingston Central.

Madam Speaker, I think we need only to reflect on the yesteryears when Gunboat Beach was one of the prime bathing facilities in the Corporate Area. The continued pollution of the Kingston Harbour, not only from Kingston but also from Portmore, because indeed the Member mentioned that in the latter half of his presentation that Kingston Harbour is not only being polluted by sewage, or not being polluted by sewage now, because of the Soapberry Plant than has recently been commissioned. But you will recall, Madam Speaker that in a particular committee that we both sit on, that mention was made of the fact that Portmore, that the sewage treatment facilities in Portmore are also putting untreated sewage into Kingston harbor.

There was some time ago, Madam Speaker, when it, as affixed to this particular problem, it was mooted that a channel should be cut through the Palisadoes pit to get inflow from the ocean into the harbour to help to

regenerate, but that was put on hold because it was thought that it would destroy the Palisadoes roadway with constant flow of water there. But indeed, Madam Speaker, something has to be done. Because this constant pollution of the Kingston Harbour, in fact it is almost considered dead now in terms of marine life there and the livelihood of the people who live within the area served by the harbour is indeed threatened.

Madam Speaker, the Member from Central Kingston also went a bit afar to suggest that in Montego Bay and Ocho Rios the same thing was happening where the beaches are concerned. Indeed, when you look at these beaches you will see that there is a high growth of algae in the water and it is thought to be due to the high nitrate content of the water that flows into the respective beaches and harbours. So, Madam Speaker, not only do we need to treat the sewage but we are to ensure that in whatever plans and programmes we institute to ameliorate these problems, that there are measures taken to prevent this high nitrate concentration that gets into the water and stifles . . .

(*Sotto voce* remarks by Members)

Dr. GUY: Stifles, yes, the natural animal growth in the water.

Madam Speaker, the solid waste that goes into the water, the non-biodegradable material, I think, too, that the time has come for this country despite the constant talk that we have had, to start initiate the programme of sorting garbage (Applause) green garbage, biodegradable garbage as opposed to non-biodegradable garbage. And **two,** Madam Speaker, despite the fact that it is a Metropolitan Area but in its thrust to encourage agricultural. development in the Corporate Area and in the urban centres, I think we should also consider the age-old notion of going back to composting, composting in an effort to encourage better farming practices in the urban area as is done in the rural area. So the green garbage can be used for composting and the non-biodegradable garbage sent to wherever the dump is.

Madam Speaker, I think for too long we have talked, for too long we have mentioned so many things that ought to be done to correct the environment, and I think that if we translate all this talk into action now then we will in some way be contributing to decreasing the rate at which global warming is taking place.

Thank you very much, Madam Speaker. (Applause)

Mr. HYLTON: Thank you, Madam Speaker.

Madam Speaker, I'll be very brief but I am very keen to ensure that the Member from Central Kingston does not feel alone in his cry for attention to the Kingston Harbour and the problems that affect the Kingston Harbour.

Madam Speaker, the Member also touched on another issue that I think is a little more complex in both its genesis and the continuation of the problem there, and that is the Riverton Dump. And as the Member of Parliament in whose constituency the national dump exists, it has been a source of concern to me, to a number of the residents, while at the same time it has been a source of livelihood for some of the persons who live in and around Riverton.

And, Madam Speaker, I daresay, even much further afield from Riverton, I was surprised at the - when 1 went down there, I had some conversations with a number of persons, to learn that persons come from as far away as St. Thomas in one direction and from Westmoreland in the other direction, to carry out business on the Riverton dump.

So, I think the issue there that it raises is a little more complex, the removal of it. I think I want to join the view expressed by the Member from St. Mary, West...

(*Sotto voce* comment)

...St. Mary Central, sorry, St. Mary Central, that we have to take a look at how waste is disposed of in this country. There's a lot that needs - a lot more that needs to be done in segregating our waste, and to ensure that non-biodegradable products, for example, not be part of the - of what is disposed of on the Riverton Dump.

The dump does pose a challenge, one of the challenges being the smoke that is emitted from that whenever there is either a lighting of the dump, or some autonomous fire that sometimes is created by the combustible material that is disposed of at the dump. I think it needs to be studied much more carefully, the challenges it poses, not only to the larger Metropolitan Area, but the persons in and around - living in and around the Riverton area. And Riverton has been transformed, and it is in the process of being transformed, has to be looked at and has to be studied. I share with the Member from Central Kingston, and from East Kingston, if he were here, the fact that the - what has gone on in the Kingston Harbour in the larger sense, not only in the section towards Eastern Kingston, but in the literal - across the Causeway and elsewhere, has adversely affected residents in the Seaview Gardens/Riverton area as well, who fish very regularly in that area.

And I do recall that the lawsuit that has been filed and that was filed as a result of the Causeway expansion, or the expansion of the wharf, that they too were included in the number of victims of that. It is a long running suit; one that I hope will be concluded shortly in order to give some compensatory claim to the managers, to the fishers in that area.

But, Madam Speaker, it's an area - I join the Members as well in that the tax on non-biodegradable, environmental tax, must be re-channelled and used for its original purposes, and that will help in the dump situation as well. So, Madam Speaker, I join him in sending the matter to the Committee and hope that...

(*Sotto voce* comment)

...and hope that through that process of examination we will bring to bear a lot more focus on the situation both as it relates to the Kingston Harbour and to the Riverton City Dump, and that a number of answers can come from that examination for the general benefit and improvement, not only of the residents - the residents of Riverton City and its environment, but of the residents of Kingston and the wider Metropolitan area.

(The Speaker returned to the Chair)

Thank you, Mr. Speaker.

The SPEAKER: Thank you, Mr. Hylton. Mrs. Shahine Robinson.

Mrs. ROBINSON: Thank you, Mr. Speaker.

I, too, want to add my voice and support to this motion. And while I might not speak in a fulsome way to the Kingston Harbour, I certainly face the same challenges in the

constituency that I have the privilege to represent. And I believe that it is full time now that every Jamaican becomes warden of the environment because...

(Applause)

...there is - we have had rapid industrialization and development in some places but by and large we have neglected to take care of the environment. And I believe that all of us must come onboard now and as was said before, we must look at the way that we dispose of our garbage. The gullies and the drains and the ocean cannot be where we dump our garbage.

We have had flooding in Ocho Rios because of that. As we speak, I am trying to clear a drain in Ocho Rios; a drain that would normally, maybe cost $100,000 to clean, it is costing way in excess of $700,000, and it is because of all of the biodegradable stuff that we are taking out of it, the plastic bottles, the styrofoam lunch boxes, the plastic bags, and all the other stuffs that's dumped in there on a regular basis. And we have to find a way to ask the people to desist from doing this.

When *Recycle For Life* was in fact, a programme that was up and running, I used to actively encourage schools to collect the plastic bottles. It was bought very cheaply - it was $8 per kilo at that time, but it helped the environment and it helped to make the children more aware. And I said that if collecting these bottles you can, maybe help to buy your football boots or gears for sports, whatever it was, but served a two-fold purpose; because they were helping to keep the environment clean, making them more aware of how damaging these plastic bottles and boxes can be and helping them to earn some money. So, I believe that we should find a way to really restart something like that. I have been reliably informed by my colleague from St. Catherine who has said that - South West St. Catherine that they are actively looking at opening a recycling plant there. And I believe that that should be encouraged by all means...

(Applause)

...and all of us should support such a move.

I have embarked on it, from time to time, where we have awareness projects where we arrange a beach clean-up and we get young people, police youth clubs, regular youth clubs and schools involved in helping to clean the beach, along with the fisherfolk to really again, increase the awareness of the need to keep the environment clean and safe.

The Solid Waste Management Authority must enforce whatever rules they have. And if the fines are too small we should find a way to amend it so that when someone is caught dumping into these rivers and these gullies that the fines...

(Applause)

match the...

A MEMBER: The crime!

Mrs. ROBINSON: Right. And I just want to say that we should really, when it goes to the Committee that we should really discuss this in a fulsome manner and we should really find the solutions because every day, more and more, when I pass the fisherfolk between Ocho Rios and Priory, you can see the fishes getting smaller and smaller. And sometimes if you look in that Ocho Rios harbour, sometimes you see fishes swimming with - fishes, like with plastic bags over their heads. They have been stifled to death. And we are, whether intentionally or unintentionally, we are harming the environment and harming it in

a serious serious way. We have to look at the faecal coliform content of the water and God forbid, none of us in this room, or anywhere else, would want a beach to be closed because of any form of contamination. And if we continue to treat the environment the way we treat it we can run into those problems.

So, again I say that this is something that all of us must embrace. All of us have to take on and in our own way play our role in trying to make this environment, these harbours safe and clean for not just tourists but for Jamaicans, because if we keep it clean for all of us we can bring and embrace tourists from any part of the world.

Thank you, Mr. Speaker.

(Applause)

The SPEAKER: Thank you, Mrs. Robinson.

Mr. CHARLES: Mr. Speaker may I have permission to...

The SPEAKER: Minister Charles. Yes, permission granted.

(*Sotto voce* comments)

Mr. CHARLES: Thank you, thank you.

Mr. Speaker, this is a very, very important topic. Very important because - and I want to congratulate the Member from Central Kingston for bringing it to the attention of this Parliament.

I have some very serious concerns, however, very serious concerns, Mr. Speaker. We are a very indisciplined society. We are very unfair. Many of the bundles of garbage in the Kingston Harbour has been deposited by citizens from the back of their cars, from their homes Uptown. It ends up in the Kingston Harbour where there is now no marine life at all. The millions - the billions of dollars that the Government of Jamaica and the Port Authority have to spend to dredge the port ever so often, we could find another way to use that money.

Mr. Speaker, the cry from the KSAC, from metropolitan policing or police force, maybe we should take another look at it, not necessarily to arrest people, but the KSAC cannot continue to be here and people are building on the edges of the gullies and depositing all sort of garbage in the gully. Garages are built all around the gullies, and deposit black oil and waste in the gully. It flows Downtown where our brethren, our sistren are living, and we are free Uptown. Something has to take place.

The politics of it is that, God has helped us that previously somebody had come and built the Sandy Gully that it can even run…

A MEMBER: Labourite!

(*Sotto voce* comments)

Mr. CHARLES: ...because if we didn't have some sort of paving we would be in serious trouble. But it takes it Downtown, roaches, rats, all sorts of burning...

A MEMBER: Dead dogs, goats, cows...

Mr. CHARLES: ...everything that is deposited, that die Uptown, flows with sewage, sewer water Downtown. And it stops at somebody's door. It stops at the little man's door who has to sleep with it, while the rest just come down and open the back of their cars and throw it into the gully. Something has to give.

Mr. Speaker, I was Minister of Public Utilities once and I can tell you of the billions of dollars that was spent to dredge the harbour. We have the seventh best harbour in the world I understand.

(*Sotto voce* comments)

The largest ship in the world landed here three weeks ago...

A MEMBER: No, berth, berth!

Mr. CHARLES: Berth...

A MEMBER: Plane land.

Mr. CHARLES: Good word.

(Laughter/*Sotto voce* comments)

Mr. CHARLES: That ship, Mr. Speaker, that ship was able to load 10,000, 20-foot containers 10,000, 20-foot containers. It cannot go to the Panama Canal. There is no other place around, and yet within a few weeks, a few months, a few years, we are going to have to spend billions of dollars to allow that ship to come back here, unless somebody is able to block off or stop what is taking place Uptown, going Downtown.

Mr. Speaker, it is not possible for a nation - well, if we can't educate them, if it is not education, it has to be sanction.

A MEMBER: Absolutely.

Mr. CHARLES: And I am calling on the Government to give support to the KSAC for a metropolitan force that is going to take care of these sorts of problems.

Mr. Speaker, if you don't have somebody who is watching the garages, as I've said, and watching people living on the edge and deposit things there, you are going to have problems. I hear you calling for the removal of the dump. Everybody can get up and say let's remove the dump. Where do we put it? Nobody is suggesting where to put the dump. But I'm sure, Mr. Speaker, I never had sinusitis growing up all my days. Everybody now has sinusitis because when you wake up and see what is coming from the dump, it's as if everybody is sick. Because as the Member from St. Ann has said, we have a polluted environment and the few people who are calling to rescue the country, their voices are not being heard. And I say I feel very proud to support the Member from Central Kingston in his call and I must say that whatever popularity one wants to lose, the greatest popularity that can be gained is one that is in the nation's interest. And we cannot be sorry for people and say they can't find anywhere else to live so they must live on the bankside and when rain starts to fall and the walls start to tear down and they start to cry, we have to find money to rescue them, and they have nobody picking up their garbage.

Then, Mr. Speaker, probably the time has come, I think we are in position now, we have to find a more modern way to get rid of garbage. It cannot be that we have tens of trucks drawing tons of garbage, deposit it in a place and watch our people along with some other birds clearing them and eating and selling back to people inside our city. No, it cannot continue. Something has to give. And it doesn't matter what you want. Whichever Government, whichever party in power, the biggest party is our national interest now. Foods that are considered not to be consumed, deposited in these dumps and are back on the super - well, back on the super highway, not market, to be sold. And we have a problem. We have a problem.

So, Mr. Speaker, I give full support to us taking recognition of the problem that we have. I give support to the voices crying out to protect the environment and call on the Government to see what we can do to give support to the KSAC that they become the watchdog of this big problem, as I've said in building, in living and in depositing. You have to lock up some of these people who turn tons of black oil, waste oil that cannot rot, plastic

bags, plastic bottles into the harbour and rest in the homes of some of our poor folks.

The concern is one of urgency, Mr. Speaker. And I give support to it. And I call, as I said, for a modern way of how we can get rid of our dumps and keep our city clean. Kingston can go back to what it was and can be a proud place for all of us to live. Get rid of the pressures. I would love to get rid of the sinusitis that I get every now and again when you put your dump or the dump in your constituency on fire and nobody can sleep around the place.

Thank you, Mr. Speaker.

Mr. HIBBERT: Mr. Speaker, in support of this motion, I just want to say to the Member who brought it that I spent my younger years in Rae Town. I lived with a sister of mine who lived there. And I recall those days when we used to have the Cross-the-Harbour race. It was one of those things that brought out almost everyone. And some years after, there was the Cross-the-Harbour/ Montego Bay area, and then we used to have the competition between the winner of Montego Bay and that of Kingston. Well, those days the Kingston Harbour was much cleaner than it is today.

I'm going to support this motion to take it to the infrastructure and Development Committee for consideration. But there are certain aspects of it that we need to look at. We need to examine what is causing the pollution that we are subjected to and to see to what extent we as a Government can prevent some of it.

Shortly after Gustav in 2007, a tour was made of that area. Central Kingston was involved. And I just want to bring to the attention of this Parliament that the Barnes Gully - and this is a gully that runs beside South Camp Road and goes down to what was the Old Ice factory. This is a very active system - but what we found was that it is crossed by a National Water Commission sewage line. And what we found when we were doing inspection is that their maintenance engineers busted the pipe and so the raw sewage, just above Victoria Avenue, is leaching into the system and is being washed right down into the sea. In fact, if you go in Barnes Gully now, there is a big piggery there. I think there is a law that pigs must not be reared in Kingston & St. Andrew.

(Inaudible comments)

I think that there is such a law.

A MEMBER: Not even chickens.

Mr. HIBBERT: Not even chickens. But I'm saying, all around this country, all around in this city we find that there are many residents who are using this as a means of livelihood. I think we should check on it.

Minister Charles mentioned the whole question of Sandy Gully. Sandy Gully is a large system for the disposal of waste water, storm water. But it is also one of the largest disposals of sewage and garbage. And therefore, I'm going to be asking, well, not that, it's that we must police it much better; it is because what has happened, the minute it passes through the number of communities that it has, people are just using it each time it rains to dispose of their garbage. I think 1 brought it to the House's attention some time ago when I saw somebody just after the flood rains, just brought out of his home two scandal bags and put them in the drain. And this is the sort of system that we have.

I represent the Harbour View section. And 1 know there was some mention a while ago

about the sewage disposal system there. But remember, for the most part the sewage disposal from Harbour View goes into open sea. So it really would not be a major contributor to the pollution in the Kingston Harbour. But if you travel along the Coast road now, when you come to Breezy Castle, you will see the greening of the coastline. It means, therefore, that the sewage systems within that area are really just coming out into the sea. So we speak of the Tower Street prison and all those houses along that section. This is something that we have to do away with. I know that studies were done, but I'm not sure the nature of the investigation that is carried out. And for my part, I will certainly, since I'm on that committee, l will certainly give some thought to it and we can very well try and see to what extent we can start to improve conditions in Kingston. I'd like to go back there to dive or to see the younger ones dive and to swim the Cross-the-Harbour again.

Thank you very much.

The SPEAKER: Doctor Ferguson.

Thank you, Mr. Hibbert. (Applause)

Dr. FERGUSON: Mr. Speaker, I rise to support the motions put forward by the Member from Central Kingston. I believe, Mr. Speaker, that governments past and present have failed in the way we have seen the question of the environment. For many, we see the environment just as a convenient issue to talk about from time to time. For others it is a part of and a critical plan in the development of a nation.

As we deliberate on this motion, Mr. Speaker, I believe that when you look across the country, while the focus is on the Kingston Harbour, the Member from North-Central Clarendon will confirm. When you go to St. Thomas, beaches like Lyssons, Prospect, Rocky Point, have seen much better days.

A MEMBER: Old Pera.

Dr. FERGUSON: And when you look at Old Pera, when you look at the situation going around the country, Mr. Speaker, the problems and complaints are everywhere.

And so, for us as legislators, Mr. Speaker, even as we contemplate referral to committees, I believe it is going to call for the political will to take the correct decisions. And it begins even as we focus on our planning process. Oftentimes we take decisions out of political expedience rather than looking at the medium and long-term good in relation to the environment.

And I agree, Mr. Speaker, that where we are now, even as we speak, about how we dispose of garbage, *et cetera*, it is important, Mr. Speaker, that we begin to look at science and technology for the answers. Because in a real way we talk about things, there is a point where we say we need to go in a serious way dealing with recycling. There is a point we talk about turning trash into cash. We have gone to demonstrations and exhibitions and we see young people putting forward progressive exhibits. We have read and we know almost everything. But the way we go about doing our business, Mr. Speaker - we talk about dumps and the question of whether we are going to look at the removal of dumps, but there is also the question of landfills and how we deal with garbage that we talk about but we are not acting. And this brings me, Mr. Speaker, to the question of the environmental cess and how it is being utilized.

I believe, Mr. Speaker, if we are serious in our planning and our deliberations here today, we must look at it in the context of how do we

use this in coming with policies that that cess, or the funds gained from that will be able to support. Whether it is in research and development, whether it is in research elsewhere, whether it is public education, because right across the country...The Member from North Central spoke about Uptown, and how they dispose of garbage, it is an Uptown and a Downtown situation. it's not just an Uptown thing. There are persons who deliberately block drains and gullies because they say they want to eat a food. These are things that we must as legislators and as planners we must do something about. And therefore the question of the cess, environmental wardens, I believe, Mr. Speaker, we have to now... Many of us are cynical about environmental groups and lobbyists. I believe the time has come when we must use the cess to help for institutional strengthening and building and support our environmental groups across the country. And I believe, Mr. Speaker, that whatever it is we do, we must look at our local authorities, the kinds of decisions they take, our Central Government, the problems we face when we are negotiating for investments, and oftentimes as leaders and as politicians we compromise the medium and long-term good of the country because we say this particular thing will give us some jobs.

I believe, Mr. Speaker, in a time when global warming, climate change is creating significant problems across the globe, the time is now for us to look in a serious way as to how we are going to treat on the environment, how we are going to deal with the problems that call for recycling and progressive policies and legislation that will make a difference in the long run.

(Applause by Opposition Members)

If we continue on this path, Mr. Speaker, we will continue to talk, it will go to committee and after committee it probably ends up going nowhere. I believe that each of us will have to have the resolve, Mr. Speaker, in relation to how as leaders in our own constituency we will take on certain things. We have to look at developers, Mr. Speaker, who consistently take on projects and fail to put in proper sewage systems and in the end, it is ending up on our sea coast and contaminating our rivers. These are issues of moment, Mr. Speaker, and I say to the Member from Central, you have my full support, my constituency's full support and we look forward with great anticipation to the follow-up to this debate and for Government and Opposition to take seriously how we deal with this environmental cess that will be to the greater glory of Jamaica land we love.

May I thank you, Mr. Speaker.

(Applause by both sides)

The SPEAKER: Thank you, Dr. Ferguson. Minister Vaz.

. **Mr. VAZ:** Thank you very much, Mr. Speaker, and l ask for permission to speak from a seat other than my own.

Mr. Speaker, let me say that I am responding to the motion brought by the Member from Central Kingston today as the National Environmental Planning Agency falls under the Office of the Prime Minister, and in the absence of the Prime Minister, I am going to respond. But let me preface it by saying that a number of Members have spoken today for which all agree that there is a major problem. The Member has mentioned Kingston Harbour, obviously which is in the main city, but I would venture to say that there is not one

gully or one river or one tributary that doesn't face the same problems that Kingston Harbour - the challenges that Kingston Harbour has.

Further, Mr. Speaker, the response I am going to give to this Honourable House speaks to what is being done, but the magnitude of the problem that we face in this country, I don't think if you had ten (10) National country, Environmental Planning Agencies with ten times the budget and ten times the personnel, that you could tackle a problem like this without the full cooperation and support of the citizen of this country.

(Applause by both sides)

We have a situation, Mr. Speaker, where as fast as you clean a drain or a gully, within 24 hours, there is twice the amount of debris and garbage that is coming down. I had an experience, I had an experience, Mr. Speaker, which I want to share with this House.

I went to a football match at Waterhouse some years ago, which is right on the border of the Members sitting in the House here today, two Members, and it was bright sunshine but it seem to have started to rain up in the hills before it came down on the flats, and I have never experienced anything obscene. Out of nowhere a gush of water, coming down, heading towards the Kingston Harbour, full of any and everything that you could ever imagine, including cows, live and dead, dogs, every kind of debris. And what you could understand is that everybody above where I was, was obviously to a large extent involved in dumping into this massive gully which they thought was the Riverton City Dump.

So, I preface it by saying, Mr. Speaker that this problem that we are speaking about today is going to take a complete change of habit. And this is going from the rich to the poor. Because in this Report today that l am going to table here, Mr. Speaker, I have a list of close to 40 of the top corporate companies in this country that have been served enforcement notices in relation to breaches of the Environmental and Planning Regulations and Laws. I won't go into the names, but suffice it to say, and I repeat, top corporate companies in and around Kingston and St. Andrew that are currently being targeted and fingered for one reason or the other in relation to the situation.

Mr. Speaker, the National Environmental and Planning Agency – and this is in relation to the Kingston Harbour, because I think the Member raised two motions. The National Environmental and Planning Agency is implementing a waste management programme that includes solid and toxic waste within the framework of the Kingston Harbour initiative that seeks to address the practice of illegal dumping of all types of waste in the Kingston Harbour.

The Agency has convened several meetings, Mr. Speaker, with the Kingston Harbour stakeholders in an effort to sensitize them to the major extent of the waste issues associated with the Kingston Harbour viz-a-viz the responsibility of each stakeholder.

The initiative is being implemented in four (4) phases, Mr. Speaker. Phase 1, the preliminary review of existing information on Kingston Harbour which started in September 2009. Phase 2, assessment of private sector entities and follow-up actions which is due to be completed in October to November 2010. Phase 3, addressing the impacts of public sector stakeholders due to be completed in

March 2010; and Phase 4, which would be the most important, the repudiation of Kingston Harbour as of March 2010.

The implementation of the Kingston Harbour initiative is the implementation of this initiative. The agency has been assessing the status of compliance of those facilities that had obtained environmental permits from the National Resources Conservation Authority, the NRCA. This included an investigation into the status of the facilities submission of reports as stated in the permits such as monitoring and pollution incident reports, which is the Report I spoke to earlier; identifying environmental breaches adherence to best industry practices and permit conditions, which would entail checking the quality of effluent, checking the efficacy of the storage of the hazardous materials and toxic waste, highlighting areas of noncompliance detected at the facilities for follow-up action, and taking enforcement action where necessary for those facilities that generate discharges, bringing facilities that operate without an environmental permit licence to satisfy the regulatory requirement.

Mr. Speaker, the programme started with facilities owned and operated fully or jointly by the private sector and that are located in the rim of the Harbour and who discharge their waste in the Rio Cobre.

For survivability, there is continuous monitoring of these facilities to ensure that all breaches detected during the site visits are addressed. Environmental standards are maintained through the promotion of monthly self-monitoring by the facilities, the activities with the agencies conducting verification, monitoring activities on a quarterly basis.

Mr. Speaker, the agency has initiated discussions with the public sector entities that impact and are likely to impact the Harbour. It has met with the National Solid Waste Management Authority and intends to continue its engagement with other relevant public sector bodies and stakeholders such as the National Water Commission, the St. Catherine Parish Council, the National Works Agency and the Kingston and St. Andrew Corporation and last but not least, the Ministry of Agriculture.

In the development of an integrated approach to manage solid waste through watershed management programme, the Agency intends to partner with other agencies of government and stakeholders to eradicate the scourge of illegal dumping and improper waste disposal practices. This will require a great emphasis on behavioural change at the individual and at the community levels, extending from the rim of the Harbour to the upper reaches of the Rio Cobre watershed.

Mr. Speaker, such practices include the solid waste collection mechanisms and regular cleaning of all gullies that empty into the Kingston Harbour. But as I indicated before, as quickly as you clean them is as quickly as the problem reoccurs.

The Agency will be adopting the integrated approach in the Rio Cobre Watershed using the model that was successfully developed in the Drivers River Watershed, Portland, as an outcome of an internationally funded integrated watershed and Coastal Area Management project.

Kingston Harbour lies within the Palisadoes/Port Royal protected area, Mr. Speaker, which is a Ramsar site. The Ramsar

site is declared an area of significant ecological importance. The Agency is developing an early warning system for Kingston Harbour in collaboration with its stakeholders, including fisherfolks. It will rely on the human factor as the stakeholders will be responsible for reporting as close to realtime as possible any noticeable changes in the Harbour to the Agency in an organized framework. This mechanism will rely on a spirit of voluntarism among community members and users of the Harbour. The Agency will provide the training required if it detects such changes in the Harbour's water quality and life forms.

Mr. Speaker, the need for remediation of the Kingston Harbour will be determined on the basis of data generated from a sustained period of monitoring exercises and the quality of discharges generated by the facilities located along the rim of the Harbour and those that discharge into the Rio Cobre. The monitoring exercise will focus on the indicator parameters for water quality, life forms and sediment quality. The data generated will inform modelling the Harbour as a receptor and the behaviour of effluent fumes as they migrate from the points of entry to their dispersion throughout the system and their state at the end of their life or fate.

It is anticipated that the natural processes in the Harbour may be revived in tandem with the regulatory interventions and provide the basis for future repudiation efforts. Mr. Speaker, this initiative is being financed from the National Environmental and Planning Agency recurrent budget allocation. And the crux of the matter, Mr. Speaker, is that the current source of funding is insufficient to sustain these initiatives, and that is the reality.

Illegal dumping of solid waste will be addressed by the development and the applicable regulations under the National Solid Waste Management Act. There has been a policy shift in the management of plastic and other non-biogradable solid waste. Such waste are being considered as a resource that will serve as inputs in a conversion process to useful end products. The viability of the venture will depend on a robust collection system, a transformational process that is operated under sound environmental conditions and a market that is reliable and acceptable.

Mr. Speaker, I can also indicate that a number of private sector people who are in the business who use these plastic bottles have approached me through - and I have referred them to the Minister of Finance, we have had one meeting already in relation to some of the said environmental levy as a form of an investment to get them started, so that it can at least stop the inflow of these bottles and plastic items into the thing. MR. WILLIAM MAHFOOD from WISYNCO is leading that charge and I have all reason to believe that it will be something that will be supported by the Government where they will access some of that environmental levy and be able to start this badly needed recycling to be able to use this waste for something else.

Mr. Speaker, in relation to the other motion raised by the Member from Central Kingston as it relates to the Riverton City Dump, l would also just like to give a quick update and response to that.

Well, relocation of the Riverton City Waste Disposal facility requires an identification of a site that has an open track of land in an area zone for industrial and/or

commercial development, community acceptance, accessibility to heavy traffic movement and a distance from residential communities and less likely to contaminate groundwater, surface waters and habitats for wildlife.

The identification of a hazardous waste disposal facility requires urgent attention. The existing facility, Mr. Speaker, the Riverton City Dump, operated by the National Solid Waste Management Authority, is located near to a wetland that serves as a natural habitat for various species of wildlife such as the crocodile, which is protected under the Wildlife Protection Act.

The Riverton City Dump is not sealed and therefore lends itself to the generation of leachate into the Western area of the Kingston Harbour due to its location. This leads to contamination of the local area that will in time be subject to mixing based on the prevailing current flows.

Mr. Speaker, the conversion of the dump into a landfill is likely to reduce adverse environmental impacts. This is achievable with the upgrading activities and good operational management. These activities would require closure and sealing off of the existing dump, construction in stages of a new control landfill to the west of the active area, collection of gases generated at the facility and construction of the Leach ponds.

In operating the facility to achieve and maintain environmental excellence, there will be a rigorous monitoring programme. This initiative would address, Mr. Speaker, the monitoring of groundwater quality, air emissions, opportunities for using leachate and landfill gases, energy and water and conservative practices.

Mr. Speaker, in the development of a landfill at Riverton, St. Andrew, the development engineering work should include the grading, filling and compaction of the base of a new landfill area to facilitate storm runoff and leachate flow management, the construction of an earth fill berm on the parameter of the landfill area in order to continue and manage the hazards of contaminated storm runoff and leachate flow. And also, Mr. Speaker, to maximise the fill capacity of the site.

The installation of leachate and storm drainage system includes holding and evaporation ponds for potentially contaminated storm runoff and leachate, the installation of gas collection systems, the construction of a perimeter access road and access roads for the support facilities. And finally, Mr. Speaker, the construction and installation of the support facilities and utilities.

With the proposal to convert the municipal solid waste to energy, it is anticipated that a reduction of the footprint for the waste facility could be realized.

In closing the Riverton City Dump, activities at the site would become necessary. With the revamped approach to deal with the discharges into the Kingston Harbour, the National Environmental and Planning Agency would require the National Solid Waste Management to obtain an environmental permit. The options for the National Solid Waste Management, Mr. Speaker, are limited. One, to continue its current operation or two, to operate a facility permitted by the National Resource Conservation Authority, generating licensed discharges of air emissions and effluent and closure of the existing dump.

The decision is likely, Mr. Speaker, to be impacted by the proposed waste energy policy, whereby waste stream municipal solid waste is likely to be earmarked as feedstock. Those are the two decisions, Mr. Speaker, that confront the National Solid Waste Management as it relates to the Riverton City Dump.

In closing, Mr. Speaker, I would like - to just indicate that all that l have just presented as a report, is in theory sounding good, but without a major change in the way we - and when I say we I mean we, all of Jamaica - operate as it relates to their disposing of their waste and the requisite financing and public education, to be able to fund and deal with the youngsters who are coming up who have not gotten into the bad habit yet, and break them into how we must operate and not to follow what has been the trend that has been set. I will close by saying, Mr. Speaker, that we are faced with a major task, and it is something that we have to take seriously, because at some point it is going to affect and continue to affect each and everyone of us citizens living in Jamaica land we love.

Thank you. (Applause)

The SPEAKER: Thank you, Mr. Vaz. Reverend Thwaites.

Rev. THWAITES: Mr. Speaker, I'd like to thank everyone who has participated and I'm truly impressed with the presentation that the Minister has given, emanating from the National Environment Planning Agency. I did not know that their plans were as replete. I hope - well l suspect that they have been brought together so that we could have this debate today.

You know, Mr. Speaker, one of the motives for the many private sector, Private Member's Motions that I bring, is because I am filled with the conviction that when, in a society such as ours, which is going to be chronically short of resources, are to do a variety of things for generations - let's face it there are a number of small, relatively small interventions that can be made, with limited resources existing funds, that can make exponential differences to the life of our people. (Applause)

And this is a task to which I commend both the Administration of the time, and indeed the Opposition and all people of goodwill. The things that we need to do need to start with what we have now, which is the environmental levy and we have other institutions too - the Minister of Education is listening keenly. It is possible for us to include in our school curriculum, some basic socializing elements which are not to be taken for granted anymore. And one of them is that you must dispose of your waste efficiently and in a sanitary and responsible fashion. These are not to be taken for granted.

One of the schools in Central Kingston, Mr. Speaker, one of the things they have to do at the beginning of every term, is to teach the students how to use a water closet. Now, it's no point - that's not an embarrassment, that is a fact, this is where we are, and therefore we must deal with it. And the entire society, as the Minister rightly said, and other speakers before him, must deal and come to grips with some of these basic realities. We can keep our environment clean. We can avoid making it worse than it is. We don't need a great deal more money, if we use that which we already have, in the most prudent and frugal manner possible.

Last week, Mr. Speaker, I listened to the Honourable Prime Minister at the opening of

the Spectra Management Building Downtown, yes, and he spoke of the imminent grant by the Government of China, for the building of the Ministry of Foreign Affairs in that environs. He spoke of the likelihood of private sector interest doing a most fascinating thing, that is recreating the old Myrtle Bank Hotel with a new structure.

Now, you can't have those things, if you continue to pour effluent of this sort into Kingston Harbour. You can't do it. And it's sooner or later that someone is going to catch the peril of what takes place when you bring these massive cruise ships into Ocho Rios, or even given the development in Falmouth, let alone Montego Bay. And we already know the embarrassment of Negril, where so many of our water sports we have to kind of de-emphasize them, because the coral reefs have been decimated in the way that they have. Now, Mr. Speaker, therefore it becomes something for systemic and systematic attention.

This resolution, if it gains the support of this rump of the Parliament, but nonetheless properly constituted, will go to the appropriate committee. And what I implore, sir, is it be dealt with quickly, and that the Report be sent to Cabinet and that early - I would hope in the Minister's contribution to the upcoming budget debate, there could be specific things that are projected to be done within the next calendar year. This would make a tremendous improvement in our environment protection.

I'm particularly taken with the possibility of the revival of the recycling project. And indeed, if the private sector can be engaged - and they should, it is they who profit from the bringing in of these substances and non-biodegradable - and if they will match that which the public contribute, then it seems to me we can have a happy coincidence. The people can make a little money, as the Member for St. Ann pointed out, was possible. We did it in Central Kingston also, and we can have a virtuous circle.

We look forward to an upliftment of social capital in the country, as we advance the cause of our environment. And I am very grateful that both resolutions seem to have gained the favour and the interest of the Members, and once again I thank them for their patience and attention.

The SPEAKER: Reverend Thwaites, could you put the Resolution that you would like to approve?

Rev. THWAITES: Mr. Speaker, bearing in mind Standing Order 26(a), which indicates that every private sector member's motion which is carried by the House, which requires action on national policy issues, or constituency representational issues, shall stand referred to the Select Committee whose terms of reference relate.

I believe that...

Mr. HOLNESS: Yes, but you still have to put the motion.

Rev. THWAITES: 1 don't have to - I realize...

The SPEAKER: Okay, very well. Which committee is it going to, Infrastructure Committee?

Rev. THWAITES: It will be Infrastructure.

The SPEAKER: Very well. So we'll just put it...

Rev. THWAITES: We will put the motions to the House...

The SPEAKER: To the House for approval.

Rev. THWAITES: …if these pass them we can go.

The SPEAKER: Members of the House, the motion has been debated and just seeking for approval, those in favour?

Motion put to the House and agreed to.

The SPEAKER: Motion approved and referred to the relevant Standing Committee. (Applause)

Mr. HOLNESS: Mr. Speaker, you will recall earlier in the sitting I gave notice of a motion regarding the Legal Aid (Excepted Outcomes) (Amendments) for the Regulations 2010. Mr. Speaker, I now move for the suspension of Standing Orders to enable me to take the motion, notice of which l gave earlier.

The SPEAKER: Members, the motion before the House is for the suspension of Standing Order to allow the House Leader to take the motion, notice of which was given earlier.

Put to the House and agreed to.

Mr. HOLNESS: Mr. Speaker, I now ask that the motion, notice of which I gave earlier, which was just approved, be approved by the House.

The SPEAKER: Members, the motion as indicated by the House Leader.

Put to the House and agreed to.

The SPEAKER: Sorry, Reverend Thwaites.

Rev. THWAITES: Mr. Speaker, I'd just like - maybe Members don't quite remember what the substance that we just passed.

The SPEAKER: It was laid yesterday, I think.

Rev. THWAITES: Yes, it was, yesterday. Would you allow me a sentence?

The SPEAKER: Sure. This is just in.

Rev. THWAITES: If legal aid is so vital for the proper running of the justice system, how much more importance is to be attached, when you are extending it to the plea bargaining process? Because there, an accused person is submitting to a plea of guilty, yes, and it is critical, that the exemptions - that's what I understand we passed on - that would prevent this are now being included under the requisite Schedules. Is that the correct understanding?

Mr. HOLNESS: Member, we placed two motions at Notices of Motions given Orally, one of them was referred to a committee, the Regulations Committee, and one will be debated and the other two - three motions we moved, sorry. So one is referred to a committee and two will be debated. So you will have a chance at that time, Member, to raise your concerns.

The SPEAKER: To raise these points which you are now proposed to raise. Very well.

Rev. THWAITES: I am supporting it you know.

The SPEAKER: I know, but it's just that it's an inappropriate time now.

House Leader.

ADJOURNMENT

Mr. HOLNESS: Mr. Speaker, it is not proposed to do any further business today, I therefore move that the House do adjourn until....

The SPEAKER: Second, Tuesday the 2nd.

Mr. HOLNESS: ...March the 2nd, the first Tuesday in March, when we would resume our business.

The SPEAKER: Members, the motion

before the House is that this Honourable House do adjourn until Tuesday, 2nd March, at 2:00 p.m.

Put to the House and agreed to.

The SPEAKER: This Honourable House stands adjourned.

The adjournment was taken accordingly at approximately 5:51 p.m.

THE HONOURABLE HOUSE OF REPRESENTATIVES

SESSION 2009 – 2010

TUESDAY, March 2, 2010

PURSUANT to Notice of Adjournment the Honourable House of Representatives resumed its sitting at Gordon House, Kingston at 2.16 p.m.

PRESENT

THE SPEAKER

HON. DELROY HAWMIN CHUCK, (JLP), St. Andrew, North Eastern.

MRS. MARISA COLLEEN DALRYMPLE-PHILIBERT, (JLP), Trelawny, Southern, Deputy Speaker.

MEMBERS OF THE CABINET

THE HONOURABLES:

ANDREW MICHAEL HOLNESS, (JLP), St. Andrew, West Central, Minister of Education, Leader of Government Business and Electoral Matters.

KARL GEORGE SAMUDA, CD, (JLP), St. Andrew, North Central, Minister of Industry, Commerce and Investment.

PEARNEL PATROE CHARLES, CD, (JLP), Clarendon, North Central, Minister of Labour and Social Security.

DR. CHRISTOPHER CHARLES TUFTON, (JLP), St. Elizabeth, South Western, Minister of Agriculture.

JAMES RUDOLPH EDWARD ROBERTSON, (JLP), St. Thomas, Western, Minister of Mining and Energy.

MINISTERS OF STATE

THE HONOURABLES:

DARYL WESLEY PHILLIP VAZ, (JLP), Portland, Western, Minister without Portfolio in the Office of the Prime Minister, Information and Telecommunication.

WILLIAM JAMES CHARLES HUTCHINSON, (JLP), St. Elizabeth, North Western, Minister of State in the Ministry of Agriculture.

CLIFFORD EVERALD ERROL WARMINGTON, (JLP), St. Catherine, South Western, Minister of State in the Ministry of Water and Housing.

NEVILLE ANDREW GALLIMORE, (JLP), St. Andrew, West Rural, Minister of State in the Ministry of Labour and Social Security and Deputy Leader.

MICHAEL ANTHONY STERN, (JLP), Clarendon, North Western, Minister of State in the Ministry of Industry, Commerce and Investment.

OTHER MEMBERS

DR. ST. AUBYN BARTLETT, (JLP), St. Andrew, Eastern.

MR. PETER MURCOTT BUNTING, (PNP), Manchester, Central.

MR. ROGER HAROLD CLIFFORD CLARKE, (PNP), Westmoreland, Central.

DR. OMAR LLOYD DAVIES, (PNP), St. Andrew, Southern.

MR. COLIN ALFRED A. FAGAN, (PNP), St. Catherine, South Eastern.

DR. FENTON RUDYARD FERGUSON, (PNP), St. Thomas, Eastern.

DR. MORAIS VALENTINE GUY, (PNP), St. Mary, Central.

MS. LISA RENE SHANTI HANNA, (PNP), St. Ann, South Eastern.

DR. ESMOND VERNAL PATRICK HARRIS, (PNP), Trelawny, North.

MR. IAN DAVE HAYLES, (PNP), Hanover, Western.

MRS. MAXINE ANTOINETTE HENRY-WILSON, (PNP), St. Andrew, South Eastern.

MR. ANTHONY GEORGE HYLTON, (PNP), St. Andrew, Western.

MR. DERRICK FLAVIUS KELLIER, (PNP), St. James, Southern.

MR. DESMOND GREGORY MAIR, (JLP), St. Catherine, North Eastern.

DR. KENNETH WYKEHAM MCNEILL, (PNP), Westmoreland, Western.

MRS. NATALIE GAYE NEITA-HEADLEY, (PNP), St. Catherine, East Central.

MR. PHILLIP FEANNY PAULWELL, (PNP), Kingston, Eastern and Port Royal.

MR. DEAN ALEXANDER PEART, (PNP), Manchester, North Western.

MR. TARN ANDREW PERALTO, (JLP), St. Mary, South Eastern.

DR. PETER DAVID PHILLIPS, (PNP), St. Andrew, East Central.

MR. KERN O'MAR SPENCER, (PNP), St. Elizabeth, North Eastern.

REV. RONALD GEORGE THWAITES, (PNP), Kingston, Central.

PRAYERS

Prayers were offered by Reverend Ronald Thwaites.

The House resumed its sitting at 2.16 p.m.

The SPEAKER: Please be seated.

This Honourable House now resumes its sitting.

CALL OF THE ROLL

(See Listing)

The SPEAKER: Members, this evening we would like to welcome to the sitting of Parliament, 24 students and two teachers from the Stony Hill Primary and Junior High School. Welcome to the sitting of Parliament. (Applause)

(MISS OLIVIA ATAVIA GRANGE, (JLP), St. Catherine, Central, Minister of Youth, Sports and Culture, entered and took her seat)

(MR. JOSEPH URIAH HIBBERT, (JLP), St. Andrew, East Rural, entered and took his seat.)

(HON. ORETTE BRUCE GOLDING, (JLP), Kingston, Western, Prime Minister, Minister of Planning, Development and Defence, entered and took his seat.)

STATEMENTS BY MINISTERS

The SPEAKER: House Leader?

Mr. HOLNESS: Mr. Speaker, the Prime Minister will have two Statements today.

(HON. AUDLEY FITZ ALBERT SHAW, (JLP), Manchester, North Eastern, Minister of Finance and the Public Service, entered and took his seat.)

The SPEAKER: Two Statements. Prime Minister.

ARMADALE TRAGEDY

The PRIME MINISTER: Thank you, Mr. Speaker.

The Report of the Commission of Enquiry into the tragedy that occurred at the Armadale Juvenile Correctional Centre on May 22...

The SPEAKER: Prime Minister, was it…

Mr. HOLNESS: It's here.

The SPEAKER: Okay. Very well.

The PRIME MINISTER: ...on May 22, 2009, is being tabled in the House today.

The sole Commissioner, retired President of the Court of Appeal, JUSTICE PAUL HARRISON, found negligence on the part of the State and dereliction of duty, administrative errors, unlawful conduct and indifferent and insensitive actions on the part of some public officials who were responsible for the operation of the centre, or who were involved in the events preceding, during and after the fire in which seven (7) girls aged between 15 and 17 perished.

(DR. THE HON. KENNETH LEIGH O'NEIL BAUGH, (JLP), St. Catherine, West Central, Deputy Prime Minister and Minister of Foreign Affairs and Trade, entered and took his seat.)

The Report was considered at length by the Cabinet yesterday. It has also been referred to the Director of Public Prosecutions, the Acting Commissioner of Police and the Public Service Commission for such action as they consider appropriate in relation to those persons whose conduct has been called into question by the findings of the Commission.

(MR. CLIVE ARTHUR MULLINGS, (JLP), St. James, West Central, entered and took his seat.)

Arising from these findings, the Acting Commissioner of Police has already ordered the interdiction of four (4) members of the Jamaica Constabulary Force. Investigations into their conduct are being carried out. Where I have the authority to do so, appropriate action will be taken.

While public officers must be held accountable for the discharge of their duties, the Government must accept ultimate responsibility for the circumstances that led to the Armadale tragedy and for the inadequate facilities provided to care for children who are placed in juvenile, correctional or remand facilities.

(HON. RUDYARD CONRAD SPENCER, (JLP), Clarendon, South Eastern, Minister of Health and the Environment, entered and took his seat.)

(MR. LUTHER BARTLETT MONTEITH BUCHANAN, (PNP), Westmoreland, South Eastern, entered and took his seat.)

(MR. FITZ ARTHUR JACKSON, (PNP), St. Catherine, Southern, entered and took his seat)

(MR. MICHAEL ANTHONY PEART, (PNP) Manchester, Southern, entered and took his seat.)

Resource constraints do impose a heavy burden on public officers who work in these facilities, but it cannot explain or excuse negligence or inertia.

There are three (3) juvenile Correctional centres and one (1) juvenile Remand centre with a total capacity of 311. Up to last Thursday, the 25th of February, these facilities accommodated 325 children, 286 of whom are the subject of Correctional Orders issued by the courts and 39 who are being held on remand. However, an additional 124 children are being housed at other facilities which, although declared as juvenile institutions for purposes of the law, are not appropriate for the custody of children. These include 35 girls at the Fort Augusta Women's Correctional Centre, 10 of whom are there on remand; 31 children at the Horizon Remand Centre, two

(2) girls plus 29 boys who are on remand; and 68 children, 64 boys and four (4) girls, being held at 13 police lockups across the island.

(HON. SHAHINE ELIZABETH ROBINSON, (JLP), St. Ann, North Eastern, Minister of State in the Office of the Prime Minister entered and took her seat.)

(MRS. SHARON MERLE HAY-WEBSTER, (PNP), St. Catherine, South Central, entered and took her seat.)

These figures, Mr. Speaker, indicate that the capacity of both our juvenile correctional and remand centres is fully exhausted and the correctional centres are in fact overcrowded because of the need to accommodate additional children being held on remand.

The housing of children at adult correctional centres such as Fort Augusta and Horizon either on correctional orders or on remand is inappropriate. The detention of children in police lockups is unacceptable. This situation, Mr. Speaker, cannot be allowed to continue.

We must provide adequate accommodation for those children placed in the custody of the State by the Courts and those awaiting appearance before or determination by the Courts. The accommodation must be sufficient to allow for the appropriate placement of these children based on their peculiar circumstances and needs, and for the carrying out of effective programmes to address their behavioural problems.

I wish to advise the House of the following measures to address these problems.

- Work will commence within the next few weeks on the renovation and outfitting of the Montpelier Youth Camp in St. James, which will provide accommodation for 250 children and will be designated a juvenile correctional centre for boys, that is, boys in respect of whom correctional orders have been issued by the courts.
- The boys currently housed at the Rio Cobre Juvenile Correctional Centre will be relocated to Montpelier when it is completed. Thereafter, the Rio Cobre Centre will be designated a juvenile correctional centre for girls.
- The former Youth Camp at Cape Clear in St. Mary, now being used as the regional office of the Social Development Commission, will be converted into a juvenile remand centre to house boys who are to be taken before the court or are awaiting a decision of the Court. The boys being housed at the St. Andrew Remand Centre in Stony Hill, some 40 of them whom I believe, will be transferred to Cape Clear, and the Stony Hill facility will then be designated a juvenile remand centre for girls.

  The intention, Mr. Speaker, is to ensure that children who are on remand are housed in separate facilities from those who are the subject of correctional orders issued by the courts.

(MR. DERRICK CHARLES SMITH, CD, (JLP), St. Andrew, North Western, entered and took his seat.)

(MR. ERNEST AUGUSTUS SMITH, (JLP), St. Ann, South Western, entered and took his seat.)

(MOST HON. PORTIA LUCRETIA SIMPSON

MILLER, O.N., (PNP), Leader of the Opposition, St. Andrew, South Western, entered and took her seat.)

As soon as the Cape Clear facilities become operational, there will be no reason for children to be held at police stations longer than is necessary to arrange for them to be transported to the Cage Clear or Stony Hill facilities, depending on whether it is a boy or a girl, nor will any of these children have to be held at adult correctional institutions.

In addition, Mr. Speaker, courtroom space will be provided at Cape Clear so that children housed there will not have to leave the premises for attendance at court.

- The Hill Top Juvenile Correctional Centre in St. Ann will be retained as a high security facility for boys.

  The Diamond Crest Correctional Centre in St. Elizabeth will be used for girls who have particular behavioural problems and require special attention.
- The Jamaica Defence Force will be undertaking the work led by its Engineering Corps, the works that must be carried out at both Montpelier and Cape Clear; and I have mandated them to have these facilities ready as early as possible.
- Arrangements are being made for the SDC'S regional office to be relocated to the new Port Maria Civic Centre, which is almost completed - and I wish to express appreciation to CUSTOS BOBBY POTTINGER and MAYOR RICHARD CREARY, who are working together to facilitate this. And I want to thank as well, Member of Parliament, TARN PERALTO, who worked with me on Friday to look at those facilities and to put the arrangements in place.

(MR. NOEL GEORGE DELANO ARSCOTT, (PNP), Clarendon, South Western, entered and took his seat.)

Juvenile correctional and remand centres currently fall under the Correctional Services. It is the view of the Government, Mr. Speaker, that this is inappropriate. The Correctional Services are designed for treating with adult criminal offenders. The objective of their incarceration is both punishment and rehabilitation. We do not consider this to be the correct institutional or policy framework for treating with delinquent children who need to be reformed, cared for and mentored; not punished.

It is noteworthy that two correctional officers who gave evidence before the Commission testified that their training did not include modalities for dealing with juveniles. The Commissioner recommended that Correctional Officers at juvenile institutions should be trained in psychology, anger management, stress control and counselling.

The Government has decided that juvenile correctional and remand facilities should be placed under the Child Development Agency, which is better able to provide the type of support that these children require. The Attorney General is to advise on the legal and/or legislative actions that are required to give effect to this.

The Report of the Commission contains several findings and recommendations concerning the management of juvenile

facilities, the care and treatment of wards including their physical, emotional and psychological needs and educational requirements. Every effort is being made to address these issues.

Immediate steps are being taken to ensure compliance with basic standards for safety, health and sanitation at all juvenile correctional and remand facilities. The programme for rehabilitation of children placed on correctional orders and for the care of these as well as those on remand is to be reviewed and modernized. This will include staffing requirements and the recruitment and training of all persons employed at these institutions; provision of accommodation at Montpelier and Cape Clear in the first instance, for a minimum level of staff to reside on the premises and thereafter, at all similar institutions; development of an admissions and orientation policy for juvenile centres; maintenance of a case management system for each ward; and the design of a new rehabilitation programme to be monitored, evaluated and reported on, on a regular basis.

In addition, Mr. Speaker, a multi-sectoral team involving representatives of five ministries and nine agencies, including one non-governmental agency, has developed a draft National Action Plan for Child Justice, which is to be submitted to Cabinet shortly. This includes proposal for a Child Diversion Programme to facilitate strategic intervention in respect of child offenders before they require law enforcement or court action, that is, a pre-charge noncriminal infractions stage.

Secondly, a caution system in which child offenders are warned and referred, if necessary, and with the consent of their parents or guardians, to appropriate programmes such as counselling, training or drug treatment. And **thirdly**, provision for Community Service Orders, curfew orders, mediation orders and rehabilitation orders.

The Report of the Commission of Enquiry also make recommendations for limiting the use of correctional orders and recommends greater use of guardianship orders, fit person orders and supervision orders. This, of course, is a matter for the Chief Justice to whom the recommendation has been referred.

The Public Sector Transformation Unit has been asked to assist in developing a new regime and structure for the management of juvenile correctional and remand facilities, and it will do so in consultation with the Child Development Agency, the Children's Advocate and the ministries responsible for security, education, health and youth.

The awful tragedy that occurred at Armadale should not have been allowed to happen. We must ensure that no such tragedy ever again occurs. Some wards of our juvenile correctional institutions have turned out to be exceptional good and successful adults. We must strive, Mr. Speaker, to ensure that they are not the exemption, but that they become the norm. (Applause)

The SPEAKER: Thank you, Prime Minister. Mr. Bunting.

Mr. BUNTING: Thank you, Mr. Speaker.

Mr. Prime Minister, the Armadale tragedy is indeed a blot on the record of this nation and something that we all should be, not just saddened, but ashamed of. The contents of the Ministry Paper is and of your Statement more so, is encouraging in that, if any good is to come of the tragedy it is for us as a society to really overhaul entirely, the juvenile correctional system. And the

recommendations made herein, on the face of it, seem to go a long way in that regard.

We had hoped that there would be - have been - a shorter time between the completion of the Report and us being able to get a copy officially and speak to it in Parliament, but nonetheless, we are here now, and I want to ask you if would expand on two areas of your statement. The first is, you said:

> *where I have the authority to do so, appropriate action will be taken.*

And you were speaking to the public servants who have been identified as negligent or perhaps been criminally liable in the Report. And with, you know - understanding that there is due process that must be followed. But could you expand on that sentence, because I think, regardless of whatever restructuring we are doing, if we don't hold people accountable for their responsibilities then we are not making - we are only changing the structure, but we are not ensuring that persons would adhere to that.

The second question...

The SPEAKER: What is the first question? Are you asking for the specific actions?

Mr. BUNTING: If the Prime Minister could expand somewhat, as I said, with regard to due process, on what steps that are within his authority and what he intends to do there. And those that are referred specifically to whether Public Service Commission or other Police Service Commission or DPP.

The second has to do with the Office of the Children's Advocate, I think this was perhaps the one agency that was, or one of the few agencies that was commended by the Commissioner. However, he pointed to the fact that they had not had a vehicle for the Office of the Children's Advocate since, I believe, mid 2008, and that generally while they were - they understood their responsibilities and were, you know, seemed intent and motivated to carry them out, that that office in particular which is sort of the audit office in the system as it is set up now for the CDA and the other child agencies, that office was underfunded and I did not see anything specific other than it being looked at in the overall thing to do with the funding of the office of the Children's Advocate in particular, in addition to the funding to expand the juvenile correctional facilities.

The PRIME MINISTER: In relation to the first question, Mr. Speaker, the import of what I said will be known and understood within a matter of days.

As far as the second matter is concerned, can you just remind me?

Mr. BUNTING: In terms of any resources regarding the Office of the Children's Advocate?

The PRIME MINISTER: The Children's Advocate admittedly, like so many other government agencies, have been challenged by the scarcity of resources. I can't speak specifically to the issue of the motorcar, I have a feeling that it was addressed, but I don't want to say so definitively. We are endeavouring, notwithstanding the constraints that confront us for 2010/2011, to ensure that the Children's Advocate will be able to discharge her responsibilities as best as possible within the close constraints.

It is my view, and it is a view that I want to express and suggest to her, that perhaps her own capacity could be assisted by a network of non-governmental organizations who could help in doing some of the monitoring and

perhaps pointing her to priority areas that would require her intervention.

There is a particular proposal that was made in the Report which we have accepted, indeed we have accepted all the recommendations in the Report, but this particular one which pointed to something that I was not aware of, that where in the case of adult correctional institutions there are boards of visitors. There is no such provision for juvenile centres and we intend to act upon that. We think that is an important that immediate, proximate mechanism to ensure that there is some oversight, some monitoring. It is something that really ought to be community responsibility but we want to close it in some sort of statutory arrangement.

The SPEAKER: Mrs. Maxine Henry-Wilson, then Reverend Thwaites.

Mrs. HENRY-WILSON: Prime Minister, I think all of us, you know, feel that this really was something for which the whole society is responsible. I just have three (3) small questions.

One is, the whole Child Development Agency and whether, in fact, in this review we are going to look at its functioning because I know we spent a lot of time looking at the modalities of an Executive agency, but I am not sure of its strength as a service delivery entity and I think that may be a gap that exists.

Secondly, the rationalization of all of these agencies whether it is the Office of the Children's Registry, the Children's Advocate, we do these things as a matter of course for our conventions that we sign, but are they the most appropriate arrangements given our resource constraints.

And **thirdly**, what is the process for ensuring this complex of matters are implemented in a systematic and effective way?

The PRIME MINISTER: The work of the Child Development Agency is being reviewed. It is one of the issues that I have asked the Public Sector Transformation Unit to look at as a red flag, as a priority area. It may very well be that some rationalization will take place. But as you appreciate, there are some statutory functions that reside there.

I think they too are challenged as I am assured you appreciate. I believe that there are some over six thousand children who are - who essentially come under their purview and their responsibility. And when you look at the number of social workers that they have on staff and you do a ratio of social workers to children then you would recognize that the kind of close attention that is required is perhaps not being given, and therefore, they prioritize, they try to focus on those children that need and very often others are neglected. It is an issue that we are going to try to resolve. I don't need to explain to you, you have been in this Chamber long enough to know that with the resource constraints that we face we have real difficulties. But wherever any compression can take place elsewhere, it is one of the areas that we would want to provide additional resources for.

As you are aware the executive director has served notice of her resignation. Steps are already being initiated to advertise and to seek recruitment. I want to say this much, it is going far beyond your question. A lot of the blame that has been passed, I think has not taken sufficiently into account, not only the enormous challenge that the Agency and its leadership face, but the distance that we have in fact travelled to get to the stage where

we do have a framework. It may not be.. (Applause) ... it may not be functioning as effectively as we want, and that means that we must be challenged to get it working right and to provide it with as much support as possible. But I think that we are certainly at a better vantage now to respond to the problems than we have been in the distant past.

Mr. SPEAKER: Reverend Thwaites then Mrs. Simpson Miller.

Rev. THWAITES: Mr. Speaker, will the Prime Minister give some estimate as to what it costs to keep a child in custody *per annum*. And would he recall with me that in the - was it in September last that the budget of the Child Development Agency was considerably cut, and relate that to the sentiments he has just expressed about their functioning.

Will the Prime Minister acknowledge that non-custodial care is very often more cost effective and efficient in terms of behaviour modification than institutionalization.

And would he take that into account in terms of behavior modification than institutionalization. And would he take that into account in terms of the reorganization of the handling of difficult children.

And finally, would he indicate with reference to motion No. 40 on the Order Paper, whether the issues there which are broader than simply those connected with children, but nonetheless pressing, could be scheduled for discourse in this House as soon as possible?

The PRME MINISTER: Mr. Speaker, I regret I don't have the figures to give you a response to the issue of cost. I know that l don't have the figures even in my head in relation to the correctional facilities. I know that In relation to Children's Homes, we provide a subsidy which is in the region of about three hundred thousand dollars ($300,000.00) per child per year. I know that what it costs us to maintain children in the Government- run Children's Home is much that, much higher than that. I have myself questioned this. Let me give you an anecdotal reference.

I visited the St. John Boscoe Home in Manchester, which is a superbly well run home, superbly well run. I mean, the facilities that are there, they have their own - they raise their own pigs, their own chickens, they process their own meats, they have a processing plant, the supervisor of the processing plant is himself a graduate, a product and I don't think that he will be embarrassed by my saying that half of his hand is missing because his father held his hand in a fire when he was a couple years old.

They cannot sell the things that they produce, I mean they don't have hands to sell it. They load up the truck and they send it out and in two shakes it comes back empty. And l asked them how they finance the operation and when they worked out their costs, I did my calculation, it cost them approximately $500,000 per child per year, and they get the subsidy from government towards that, so they have to go and raise the balance. And when l worked out their costs, I mean the place was clean, well kept, it was significantly less than ours.

One of the explanations that was given to me was that in our case we spend a lot of money on security. So I asked SISTER SUZANNE, that little fool, fool fence you have round here, how do you secure the children in here? She said,

"**Well, I simply tell them look, if you**

want to go. I don't have the time; I don't have the resources to employ security guards to keep you here. But if you want to do something with your life you stay."

So, I said to her, "well, do any of them leave, or does any of them leave?" She says each year maybe ten (10) maybe twelve (12) but most of them come back.

It is a lesson I think speaks to us of a particular kind of leadership and a particular kind of management. And I have had discussions with the Child Development Agency - and one of the things that we are going to be doing now particularly that they are going to be asked to take on this additional challenge of dealing with children with serious behavioural problem, not just children who are abandoned, but children who are trained in a way that we want to arrest - to look seriously and to employ the professional advice that we need in developing a programme that will respond.

The PRIME MINISTER: You raised a question, as far as the Resolution is concerned, I certainly will ask the Leader of the House to see how quickly that can be programmed.

I don't remember what was the impact of this year's budget on the vote of the Child Development Agency, and very often, very often, when we're looking at these things we have to look behind the numbers. There are some times when in a particular year there are expenses that are not necessarily expenses that will recur, so I'm not even defending the reduction or trying to explain it if there was one.

There are strictures and one of the things - and it's good that the Member has raised it, because in a couple of weeks from now we're going to be going into Standing Finance Committee and we are going to have to be prepared. And I don't mind, I don't mind, if in Standing Finance Committee we contend over priorities. We can even quarrel over what are the priorities. But I'm going to appeal to every Member of this House, to understand that when we get there, priorities have to be identified. It is not a question of everything being a priority, because that's not going to be possible, and it is in that discussion...

Dr. DAVIES: Audley, yu hear dat?

The PRIME MINISTER: ...it is in that discussion that l believe that things like Child Development Agency, our Children's Homes are going to - we are going to have to weigh our conscience heavily in how we deal with those areas of social services.

The SPEAKER: Mrs. Simpson Miller.

Mrs. SIMPSON MILLER: Prime Minister, the Member from South East St. Andrew raised the question of the Child Development Agency. But I'd like to ask whether Government is going to be really putting in some serious resources, for them to be able to carry out the additional work that they will be given and professional assistance, in terms of, for example, and you mentioned that to develop what is going to happen - we're looking at trained professionals in certain areas. But I also think that you need to train professionals at the institution, someone trained in child psychology, to be able to deal with - because in the past, at some of these correctional centres, there were senior women who would take on to themselves these children as if they were their own children, or they were vagrant children, and if they would say I need to go and look for mom, they would say yes, but then, they would jump in their car

a period after - one lady told me that last night, in raising this issue at the Rose Leon lecture -. and when she went and saw the mother working, because she told her the mom was sick and she wanted to go and look for her mom, the mother was in the field working and she said, but your daughter told me that you were sick. And they both phoned the daughter, found her and dealt with her.

The point is - and you raised something which is very important - that this is a lesson to us that not only the correctional system that we need to pay some attention and focus on, but we also need to look at the Children's Homes, so that the same thing does not apply at any of them anytime in the future. Because it is very bad, but one, PM, if we were to take it seriously, the Child Development Agency will have to be given the necessary resources and some trained personnel to deal with these children, so that what happened before, will not repeat itself; and for us to begin also, to focus on all the children that is under the care of the State.

Thank you.

The PRIME MINISTER: I had spoken to the question of the resources and I take the point. I'm going to commit you to working with me when we get into Standing Finance committee, to see how we can ensure that we address that problem.

The Public Sector Transformation Unit, which incidentally made a presentation to the Cabinet today at a special meeting and will continue on Monday when we meet, is going to be asked - well, it's part of their mandate - to look at - what they've been dealing with so far is the structure of government, and they've made recommendations which are not yet signed off on, but that's where they have reached. Once there's a sign-off there, then they're now going to look at what is the structure you need within each of those departments, or what are the skills that you need, what are the resources that are available and how can those resources be best deployed in providing the best possible capacity within those units.

In that regard, I certainly am going to ask them to look - it's good take them time, that is going to be several months exercise, I'm going to ask them to list this one out and to look at all of the children services - to look at these and to see now how can we get these going.

The SPEAKER: Miss Lisa Hanna and I then Dr. Phillips.

Ms. HANNA: Prime Minister, I see where you spoke to the need for training and rehabilitation, and I also see where you spoke to five (5) Ministries that will be working together to bring some kind of transformation to the process. You spoke of Security, education's Health and Youth. It is clear that they are many youths at risk even before they get into the institutions. Certainly, in our last budget year, the budgets in the NYS and Education were cut. I know Youth - only about .4% of capital expenditure from bilateral and multilateral programmes go to youth development programmes and a number of other issues where we are woefully inadequate in youth intervention programmes. Prime Minister, I wonder if moving forward - and I recognise from your commitment to this document and certainly from your sincerity of what you're saying - if in the upcoming budget year, we will place more emphasis on ensuring that our youth and the programmes that we budget for are given more pride of place? Because we have been sorely lacking in the

past. That is one.

Two, what is the fifth Ministry that is identified? I only see four in terms of what you've said. And **Three**, in terms of the rehabilitation in the correctional facilities, what are some of the mechanisms that you are going to use to ensure that once these young people come out, that they will not certainly go back into correctional facilities or contribute to the higher kinds of crime that is plaguing our nation at this time?

The PRIME MINISTER: It's a mouthful. I can't go any further than I've gone already in terms of the resources, but perhaps I need to put it in more stark reality. The kind of choices you're gonna have to make is, if we feel that the allocations for Child Development Agency are not adequate, are we going to be willing to take away some from roads to put there? Those are the kind of choices we have to make. I mean, there's not going to be in the budget any large votes somewhere that can take severe reductions without having its own consequences, so we are going to have to be prepared to make those choices.

When the Estimates are tabled, which we Expect to have tabled on the 25th of March that will be our proposal. And what we will question then ask you to do is let's sit down and see what changes may be necessary, we hope not too extensive, but what changes may be create necessary and how those changes are to be accommodated and what is to give, in order that something that needs to get can get.

The other issue you raised it would be difficult for me to sort of speak to that on my feet. 1 mean, I know that the Minister of Education, I know that the Minister responsible for Youth are working on a number of initiatives to deal with that vulnerable set of young people. Because as I think you're suggesting, the percentage of children who we lose in that late school-post school period to deviant behaviour, is much larger than those who we have coming into our juvenile correctional services, much larger. And many of those are the ones who are, in a year or two, the hardened criminals out there, and therefore those have to be tackled as well.

There are a number of programmes, some we inherited, some that we have introduced that seek to address that problem, but l will concede to you, it is just not enough to have the kind of impact that we want to have. I mean, when we introduced, for example, the YEP Programme, I was very interested to see - and the Member for Eastern St. Thomas they brought to my attention the other day two newspaper stories that have some successful YEP entrepreneurs from your constituency. And I want to go up there, I'll call you, I want to go and look at them and talk with them and find out why were they successful when others might not have been.

But again, it's going to be a question of just how we manage the limited resources that we have, what are the interventions that we make and in a sense, how do we create through those interventions, the kind of spirit that will become infectious and set an example, a pattern, a model for other young people. Because much of their own success, much of their own development is going to have to come from their own effort. I mean, Government can't simply finance them away from bad behaviour. It's a question of trying to see if we can point them in the right direction, provide such support as we can and then see to

what extent they can become real productive, energetic people who have a view of their own lives and who are prepared to work hard to build it. It's part of what we are gonna have to do.

And it's going to again, something that I know I've heard you speak of before, we're gonna have to bring to bear on that endeavour, a kind of caravan of influences on social forces, whether it is through the music, through whatever it is, to see now how can we get all of these winds of influence to blow them in a particular direction. It requires a concerted sustained effort, it's not something that can be done through any one budget cycle.

The SPEAKER: You want a follow up? Okay, Dr. Phillips.

Dr. PHILLIPS: Mr. Speaker, through you to the Prime Minister, three (3) questions.

With all the budgetary difficulties, it is clear, and there have been comments made, I think by various authorities, about the illegality of having juveniles in adult facilities. I know that plans, even predating your administration, had been made and well underway to convert Montpelier. Could you explain why those plans were not carried through? Was it simply a matter of budget, or was there a - what was the breakdown?

The second question, Mr. Speaker, just so that I - looking at your comments on the - what would be the third page regarding the inadequacies of the correctional services to deal with juvenile facilities, are those comments to be taken to mean that there is no plan on the part of the Government to undertake any disciplinary action in relation to any of the individuals who had been named in the report, whether in the correctional services or elsewhere?

My third comment really follows up from comments made by the Member for South East St. Ann, and your responses. We seem to be overwhelming, as a society, we seem to be overwhelming our Children Services, the Child Development Agency, the juvenile institutions and others, because of a general breakdown in the fundamental institutions of the society, and particularly at the level of family. There are lots of things that have happened. The society has become much more urbanized over the last four or so decades, or even more. And what we are seeing appearing in our institutions is essentially the result of the failure of everything else, school, family, to adequately socialize and prepare functional citizens.

Does the Government contemplate in any way, a more comprehensive response than is outlined here, which really focuses more on the reforms of the institutions of Correction and Child Welfare

But is there a more comprehensive plan contemplated that could, for example, bring - place greater obligations, even with force of law, on parents to attend to their children in school, follow-up with - l mean, many teachers in my constituency, many principals tell me that the first and last time they see the parent is on the first day of school. That when recommendations go for follow-up, in relation to delinquent behaviour and the like, nothing is done. Every one of those children out at Half Way Tree or Liguanea or Parade at night, has a parent. Is there any plan to hold those persons responsible to some greater degree than is now being done?

The PRIME MINISTER: In relation to

Montpellier, Mr. Speaker, the Member is aware - because he had responsibility - that Montpellier was designated for development as a juvenile facility in 2006. There was no provision in the Budget of 2007/2008. We didn't make any provision in the Budget of either 2008/2009 or 2009/2010. We are going to make the provision in this coming Budget.

Cape Clear, of course, is a new thought. And I will concede that the tragedy at Armadale has given that idea greater urgency and has made it a much stronger imperative.

In relation to disciplinary action, again, the Member is aware that in relation to public officers, with the exception of - in relation to public officers, the responsibility for disciplinary action rests either with the head of the various agencies, where such authority is delegated, or by the relevant Service Commission, in the case of the Correctional Services, the Public Service Commission.

The Report has been referred to the Public Service Commission, and I would not want to either second guess or pre-empt any consideration that they may apply. I do have some limited area of authority, and I intend to exercise such authority as I do have.

The SPEAKER: Mr. Fitz Jackson.

Dr. PHILLIPS: There was a - I don't know if the Prime Minister would care to comment on the...

The PRIME MINISTER: In terms of the responsibility of parents, I am sure I raised the matter - it may have been last week or the week before - and the Minister of Education who has been leading that initiative, stated that the policy document was ready, we are now drafting.

Mr. HOLNESS: We have finished drafting. It is to go to Cabinet.

The PRIME MINISTER: We have completed drafting the legislation. That is to come to Cabinet and thereafter to come to Parliament. I expect that we will have a robust debate on it, because it is going to be the first time that we really pin parental responsibility beyond just the peripheral areas that are covered now.

As I had occasion to say recently, if people are not prepared to look after their children, don't have them. But if you have them, understand that there are certain obligations that go with it, and we are going to hold you to responsibilities, including - (Applause) - and I hope one of the comments that the Commissioner made in this Report is - and a recommendation - is for more creative and enlightening sentencing measures. If a parent is neglecting the child, for example, I don't believe that the interests of the child are going to be served by sending the parent to prison. But there are other ways in which that parent can be punished in such a way that he will understand that he mustn't do it again, or she, but at the same time be there. Because try as hard as the State does, the State can never be a perfect substitute for a parent.

The State must only step in where the parent either can't or is not - but we must do everything possible to encourage, by incentive, by moral suasion and by coercion, where necessary. We have to get parents to honour their obligations.

The SPEAKER: Mr. Fitz Jackson, then Mr. Collin Fagan. Two last questions

Mr. JACKSON: Mr. Speaker, through you.

Prime Minister, much of the questions being asked surround resource, and you have alluded to that repeatedly. Recently at the

Public Appropriations Committee where we were looking at this, in part, what has happened with the children, there is a budget - the budget for CDA last year was $1.6 Billion, their actual allocation was $1.2, a $400 Million shortfall. One of the difficulties we had was how do you translate the monetary reduction into quantum and quality of service delivery which would better enable us, as Parliamentarians, to determine where you draw the line. And as you have said, you will be calling on us at Standing Finance Committee, to determine where we cut.

But could - the question is - and I have asked it there and I am going to seek your assistance here - could we be guided when it comes to the budgetary allocation, how these numbers translate into qualitative and quantitative services; number of children, quality or level of services that will or will not be offered by every dollar reduced.

And the second comment - question, Prime Minister, you, in your earlier answers, made reference to that transformational function that must be realized in the institutions that we hold our children. I believe we have had some successes in the past in the Youth Service in-house training. I bore witness to it when I had responsibilities elsewhere.

My question is, is the Government prepared to look at success stories in other youth development portfolios, bring them to bear on institutions of the State, such as the correctional institutions for children, or any other institution that we hold children in, so that we can seem to realize some of those transformational goals that we want to achieve for our young people?

The PRIME MINISTER: In terms of the budget reduction, the approach that 1 know was taken last year was to say to the managers, there are going to have to be reductions because we have parameters that we have to work within. And we have asked them to exercise the managerial skill that we expect them to have, to see how we can, with less resources ensure that we deliver the same amount of services.

While I am not for one - it takes cash to care, nuh - but I do not accept that to reduce a budget from $1.6 Billion to $1.2 Billion - if those figures are correct - necessarily means that there must be a 25 per cent reduction in the quality of service that is provided or in the volume of services, anymore than I would believe that if you were to increase it from $1.6 Billion to $2 Billion, you would get a 25 per cent increase in services, I don't accept that. I have seen some instances in which government agencies with good, strong, creative leadership have done more with less, have done considerably more. And I believe that this is going to have to be something that we require of all of our managers.

I know in the course of the year I have met with the senior managers on at least two occasions that I recall, I think it may have been three. I have impressed upon them the need for this kind of strong, effective management. Some of them I think have done well, in many cases I don't think that they have responded at all.

And that points to another problem that could lead us into a long debate and discussion. What is it that would cause them to respond? I mean, part of the problem in public administration - what is it that is going to motivate you or compel you to be a good manager? And that is something that we are

going to have to address, in terms of how we hold people accountable, how persons are performance rated. And I believe that we should find a way to ensure that remuneration is also performance measured. It is part of the challenge that we have to face.

Insofar as bringing to bear the - as you say - the success stories, yes. I don't have in my brief today the kind of response that you perhaps would want, in terms of the Youth Service and various other initiatives, and how do we sort of take the best practices out of them and crystallize them and apply them in other areas. But it's certainly a thought that we would support.

The SPEAKER: Mr. Fagan. The Last question.

Mr. FAGAN: Mr. Speaker, the Prime Minister has spoken on the tragedy and his response, it sounds good, Mr. Speaker. But the question I would like to ask, if it is the intention to over time, broaden what has been presented here, to create a kind of a campus that would provide a community where all the agencies, organizations could be better able to co-ordinate in one kind of community. I am thinking of the education. I recall reading recently one of the wards of the State somebody who was released, actually commenting on what takes place inside of the institution. And she is actually now attending a HEART training programme.

I was just thinking that if education, if HEART, if the vocational training institutions and the educational institutions could be coordinated in such a way, where these youngsters could be at the time of release, at least be in a position where they could be employed because of the training that they would have received while they were in incarceration. I think that we would be in a better stead. And what I want to find out from the Prime Minister is whether or not the education system will be placed to bear in this new - while we are talking over this new leaf, if any consideration is placed on the training and education part of the programme.

The PRIME MINISTER: It is one of the areas that I think has suffered terribly in our juvenile correctional facilities. There are challenges in the Children's Homes, but I believe that in the Juvenile Centres it has been above particularly bad.

It was never intended that we should have school in the juvenile facilities. The intention is that those children who are on correctional orders will be sent to school in the vicinity.

The impression I have is that they are just sent to school and not necessarily on a consistent basis and that there doesn't seem to be any link between the facility and what happens at the school. Well, they go to school, they come back. I don’t get a sense that there is any follow-up to see how well they are doing at school and what problems they may be encountering.

Where you have children that have particular behavioral problems it is even worse. You can't send them to school and, therefore, some effort is made to teach them in the facility. As the Armadale Report indicates, you had one teacher at Armadale, teaching all subjects to all age groups. Now I don't know of which teacher that is going to have that kind of elasticity to be able to teach different age coups, different fades, all the subjects. It's one of the things - as I mentioned in the development of the programme, it's one of the areas that we have to look at.

I am not sure myself that the idea of

putting all of these agencies sort of in a campus setting would be appropriate. We would need to get some professional guidance on that. One of the things that I believe we tried to do with these institutions is to try, even though they are in an institutional setting, is to try and make it as home- stimulating as possible. But it's one of the issues that I would defer to professional advice.

The SPEAKER: House Leader.

Mr. HOLNESS: Mr. Speaker, the Prime Minister has another statement for the House.

The SPEAKER: Prime Minister.

The PRIME MINISTER: Mr. Speaker, the Government has taken note of the US Narcotics Control Strategy Report for 2009. The Report, while acknowledging at worse cooperation between Jamaica and US Law Enforcement Agencies remain strong, reflects negatively on the effectiveness of our efforts to combat organized crime, drug trafficking and corruption, as well as the delays in enacting legislation to strengthen these efforts.

The Report is being carefully examined, and a detailed statement will be made in the Senate by the Minister of National Security on Friday. The Report includes prominent references to the Government's treatment of extradition requests, and in particular to the extradition of Christopher Coke, and it is to these issues that I wish to speak today.

The Government has deliberately refrained from making any detailed public statement in relation to this matter because of the provisions of the Extradition Treaty between Jamaica and the United States relating to confidentiality. I think it is contained in Part V111 of the Treaty. It is a position that has been reaffirmed in the several meetings between both sides on this particular case. However, in view of the comments made in the Narcotics Control Strategy Report, I am obliged to make this statement this afternoon, and the United States authorities have been so advised.

The request for the extradition of Coke was received on the 25th August, 2009. There were aspects of the case and the procedures employed that were abnormal and the Government, consistent with the provisions of the Extradition Treaty, sought clarification and additional information. In most instances, however, these peculiarities would not by themselves prevent the request from being proceeded with. In one important respect, however, it was found to be in violation of the law.

The Interception of Communications Act makes strict provisions for the manner in which intercepted communications may be obtained and disclosed. The evidence supporting the extradition request in this particular case violated those provisions. So serious an offence is this violation that the penalty provided by law is a maximum fine of Five Million Dollars or imprisonment for a term not exceeding five (5) years or both such fine and imprisonment. The law further requires that for intercepted communication to be admissible in any criminal proceedings it must have been obtained, disclosed and used in accordance with these provisions. This was not done in this case. This, Mr. Speaker, was highly irregular.

The Jamaican Government, rather than summarily refusing the request, discuses with the US Authorities the breaches that had occurred which made it impossible for the Minister, being aware of such breaches, to issue the authority to proceed. These

discussions involved several meetings, both here and in Washington D.C.

At a meeting in Washington in December where the legal position was fully outlined by the Jamaican authorities, the US authorities undertook to consider the issues and requested time to do so. Its response received only yesterday has not altered its position.

Ever since the receipt of this extradition request the Jamaican Government has remained constantly engaged with the US authorities in the matter. In an effort to overcome the impediment cited above, the Jamaican authorities indicated to the US authorities that if other evidence existed, the procurement and disclosure of which were not in violation of Jamaican law, the Minister would be prepared to accept that evidence and issue the necessary authority to proceed. No such evidence has up to now been presented.

The US Narcotics Control Strategy Report accuses the Government of "*unfounded allegations questioning US compliance with the Mutual Legal Assistance Treaty and with Jamaican law*", and has questioned the Government's commitment to law enforcement cooperation with the United States. We respectfully reject these assertions.

The Minister of Justice in authorizing extradition proceedings has a duty to satisfy herself that they conform to the provisions of Jamaican law.

Mr. E. SMITH: Hear, hear!

The PRIME MINISTER: As Minister, and especially as Attorney General, she cannot authorize processes which she knows to be in violation of Jamaican law.

Mr. E. SMITH: Hear, hear!

The PRIME MINISTER: Since this Government assumed office in September 2007, Mr. Speaker, we have received - and full here I - to the extent that copies of the text have been circulated, I have to make some minor corrections, because the information that is contained in there are in some respects inaccurate. We have received twenty-six, not twenty-nine, extradition requests from the United States. The Minister has issued - I think the reason for the error is that the figures I got when the statement was being prepared included, I think, three (3) applications which were from other countries. But we have received twenty-six (26) requests from the United States. The Minister has issued the authority to proceed in respect of thirteen (13). Nine (9) of these requests were made through provisional warrants which went directly to the Courts and, therefore, did not require the Minister's authorization. One request was withdrawn, because after the request was received the subject of that request was arrested overseas. Two requests, including that in relation to Coke are pending. The other being a request for which additional information has been sought pursuant to the terms of the Extradition Act. And there is one request, the last one, which was received on the 7th of December, last year, which is being processed but has not yet been presented to the Minister for a decision.

Mr. Speaker, we value the cooperation that has long existed between Jamaica and the United States, especially in the area of law-enforcement, because of the links between criminal elements in both countries. We are fully committed to the Treaties and Agreements between our two countries that underpin that cooperation. We have assured

the United States authorities of our support in all extradition and other matters, consistent with our obligations under these Treaties and Agreements, and consistent as well with the upholding of Jamaican law.

(Applause)

Mr. E. SMITH: Hear, hear!

The SPEAKER: Mr. Bunting.

Mr. BUNTING: Mr. Prime Minister, it is very clear from the language of the International Narcotics Control Strategy Report that the US Government takes this matter very seriously and they are very concerned, and I would almost say, couched in diplomatic language, upset.

Your statement seems to suggest that the differences between ourselves and the US Government turn around this one important, but this one element of a violation of the law under the Electronic Surveillance or, rather, the Interception of Communications Act. Prime Minister, do you think it would be better that it be left to the Courts to adjudicate on the matter of Law...(Applause) ..rather than the political appointee, the Minister or Attorney General, to be the one adjudicating on this and, therefore, exposing the Government and Jamaica's good reputation to the sort of allegations that are made in the State Department Report.

And **secondly**, in light of the new information that has come to light in this Report, can the Prime Minister give an update on whether there is any connection between the recent visa revocations and the concerns that the US Government has. Is it possibly a matter of the US applying pressure to the Government of Jamaica with these visa revocations?

The SPEAKER: That's speculative.

(Cross talk)

The PRIME MINISTER: Mr. Speaker, both the Extradition Act and the Extradition Treaty places certain responsibilities on the Minister. It was not intended by this Parliament when the legislation was framed that the Minister was to be some....

A MEMBER: Puppet.

The PRIME MINISTER: ...lubricated conduit (laughter/cross talk) through which extradition requests were to automatically pass.

The Minister has to satisfy herself, or himself, that the processes that were used in submitting the request are in conformity with Jamaican law. When the matter goes before the Court, the Court has a different - not exclusive difference but the Court has the responsibility to determine whether a *prima facie* case has been made out, sufficient to ground the extradition of the subject. But the Minister has a responsibility. And I suggest to you, for example, what if the Minister were to sign it, authorize it, knowing, as she has done and she has advised me, that it is in breach of the law and her action were to be the subject of judicial review, who would represent the Attorney General in the matter? Because the Solicitor General would already have been in a position where he had advised her that the matter was illegal, that the matter ought not to be signed and he would now be called upon to go to Court to defend the Attorney General for having done something that was contrary to his advice. The absurdity of that knows no bound.

In relation to the suspension of the Visa of MR. WAYNE CHEN, and we mustn't - since we are talking about public issues call names. That's the one that has been in the news. The

US authority has advised the foreign Minister that there is no connection. We have no reason to question the honesty of the statement conveyed by the US authority to the Foreign Minister. .

The SPEAKER: Mr. Hy1ton, then Dr. Phillips.

Mr. HYLTON: Mr. Prime Minister, two questions. One is that, as has been characterized by the speaker before me, the language, even in non-diplomatic terms is fairly strong and very clear. In diplomatic terms this is a very serious set of allegations that affect not only the potential relation between the US and Jamaican but the entire international commodity which under UN obligation - under UN Charter - has a responsibility to act in certain ways in respect of the particular subject matter here, which are drugs and guns.

(*Sotto voce* remarks by Mr. Warmington)

Mr. HYLTON: Given the importance of the relation, as the Prime Minister himself acknowledged, is the Prime Minister so minded to put that relationship in jeopardy for this one matter?

Mr. PEART: And the whole country!

Mr. HYLTON: Secondly, can the Prime Minister say whether other matters, whether other heads of organizations, not only MR. WAYNE CHEN, other heads of State agencies, have their Visa been withdrawn in this time period and can he assure the country that this matter is not retaliatory action on the part of the US government that threatens the heads of other organizations?

(*Sotto voce* remarks by some Members)

The PRIME MINISTER: In relation to heads of Government agencies, I am not aware of any other person who has had any experience similar to that which MR. WAYNE CHEN has had. The Government is not putting our relationship with the US in jeopardy. The Government values that relationship. It's a longstanding relationship and it's a relationship which nobody understands better than the people who sit on this side of the House. (Applause) We remain engaged, the foreign Minister remains fully engaged with the US authorities.

There is an issue of disagreement, but my understanding of the conduct of foreign policy by a country, small though we are, challenged though we may be, but with 47 years of Independence cannot be that disagreement with any other foreign power must be in placing the relationship in jeopardy.

Let me say one more thing. The framers of our Constitution were very deliberate in establishing what they considered to be our fundamental rights. We, and preceding Parliaments, have found it necessary to intrude on the protection of those rights in what we consider to be the interest of public safety, public morality and various things. Whenever we have done so we have exercised great care as to how that intrusion is to be conducted. We have insisted, for example, that certain types of intrusions must be done under judicial warrant and authorization. We would not have done so carelessly. It is because we know that in this and in several other cases, what we are doing is negating the rights that are guaranteed by the Constitution and therefore in negating those rights we have deliberately structured it in such a way, that it must be proceeded with great care. And I do not accept that where those strictures that have been insisted on by lawmakers of this land, where those strictures are disregarded, that because of our concern

about damage to our relations that we should repudiate our obligation to uphold our Constitution and the laws that derive from that Constitution. (Applause)

Mr. D. PEART: You keep him, don't send him at all.

Dr. PHILLIPS: Mr. Speaker, the Prime Minister is aware and I suspect we have a difference of views on this, but that the structure of the extradition law essentially requires that there be a procedural check by the Minister responsible for Justice, but matters regarding the quality of evidence adduced, the legality of evidence adduced are properly matters which the law and the law designed to be placed before a court.

Mr. E. SMITH: Not the procedure!

Dr. PHILLIPS: And it is in relation to the Minister's powers properly exercised, there is reserved power usually considered at the end, not at the beginning of the procedures, to ensure that there is not the risk of prejudiced hearings held in the jurisdiction which is requesting the extraction of the person. Does the Prime Minister not believe that any issues regarding what is being determined as being the improper collection of evidence under the Interception of Communications Act would be matters that would be more appropriately and transparently settled in a court of Jamaica rather than by a politically (Applause) appointed Minister who is going to be expressing a judgement on someone that is deemed, at least the words of this Report, as someone who is politically affiliated to the same party that she is affiliated with? Would the interest of transparency and justice not be better served in that regard?

Mr. D. PEART: Carry him to Old Harbour.

Dr. PHILLIPS: My second question to the….

(*Sotto voce* remarks by some Members)

Dr. DAVIES: President.

Dr. PHILLIPS: You know the very way you are acting demonstrates the problems which our politics faces in this country, the very way. (Applause)

Mr. WARMINGTON: The dead has arisen.

Dr. PHILLIPS: Cool yourself man! Cool yourself Mr. Speaker is the Prime Minister aware . . .

(*Sotto voce* remarks by Members)

The SPEAKER: (Gavels) Listen, Dr. Phillips is on his feet, nobody else.

Dr. PHILLIPS: We are united against criminality. (Applause) Is the Prime Minister aware that there have been agreements between Jamaica, the United States and other international partners that enabled them to benefit from evidence collected by Jamaican law enforcement with their involvement and cooperation under the Interception of Communications Act.

(*Sotto voce* remarks by Mr. Warmington)

Dr. PHILLIPS: And is the Prime Minister saying definitively that the evidence collected, since he raised the Act, was not collected in pursuance and in conformity with these agreements which have existed for many years?

Mr. E. SMITH: It's in breach of the law.

Mr. M. PEART: Hold on, you are not the Prime Minister, him never asked you.

Mr. E. SMITH: We have brighter lawyers on this side.

The PRIME MINISTER: Mr. Speaker,

in relation to the first question and I may have to ask - to be reminded of one of them. But in relation to the first question, which was asked before - the particular procedure - as the Member knows there are different procedures that can be used in pursuing extradition. Extradition efforts can come by way of a provisional warrant issued by the Director of Public Prosecutions which goes directly to the courts. That doesn't come before the Minister until after it has been through the court process and if the court orders that the person be extradited then it comes to the Minister for a final determination to be made.

There are applications that go to the Minister, the Minister has to examine it. The Minister cannot shut her eye and sign it, she has to examine it. She has to satisfy herself that it is in keeping with the procedures that are provided in the treaty and in the Act. If a minister, having examined it, recognizes that it is supported by evidence that was illegally obtained, disclosed or used but still proceeds to sign it, she should immediately sign one other document, her resignation. I don't know how one would condone an Attorney General signing something that she knows is rooted in an illegality.

In relation to the Agreements to which the Member refers, Agreements with which I know he has more than a passing acquaintance, it is expressly stated in those Agreements which provides for sharing of intelligence that the access to the intelligence must be used for intelligence purposes only, cannot be used as evidence in court unless the obtaining of that evidence conforms with the provisions of Jamaica law. What those Agreements say we can share the information, but the Agreements make it very clear that in sharing the information this is for intelligence use only, if you want to use it for evidential purposes it must go through the law. And the Member, since he is not unfamiliar with those Agreements, knows that that is so.

Government MEMBER: Hypocrite!

Dr. PHILLIPS: Mr. Speaker, the very issues which the Prime Minister raises, and which I humbly submit to him again, are matters that belong before a Judge in court because it is true that the Jamaican authorities have a particular approach to the use of intercept evidence in a court of law. When that evidence is shared with the United States and it is valid under their law, they are empowered by the treaty and the obligation to adduce that as evidence before their courts and present it to us...

(Cross talk)

…to adduce the evidence and present it to us. And it is also the case that whether for intelligence purposes or for evidentiary purposes, evidence has to be collected in conformity with the interception of Communications Act. Whether you intend to use it, however you intend to use it. The question arises - and this is not the only issue that has been raised.

The SPEAKER: No, but DR. PHILLIPS, we can't debate the interpretation of the Act here.

(Cross talk)

The SPEAKER: No, no! (Gavelling) No, with due respect we cannot debate the interpretation of the Act here. What is the question, what is the question?

Dr. PHILLIPS: I shall come to it, Mr. Speaker.

(Cross talk)

The SPEAKER: But you have come to it

quickly. (Laughter) No, no!

Dr. PHILLIPS: Mr. Speaker, it has been said - I cannot confirm - that issues were previously raised about the identity of the witnesses.

(*Sotto voce* comment)

Dr. PHILLIPS: I am not fighting on behalf of the United States, I am fighting that Jamaica be freed of criminals in organized criminal organizations who are preying on our country. That's what I am fighting for.

(Applause/cross talk)

Don't you question my patriotism inside here. Don't you ever question it!

The SPEAKER: Dr. Phillips, could you address...

Dr. PHILLIPS: Don't you ever question it. Don't you ever question it.

The SPEAKER: (Gavelling) Dr. Phillips.

(*Sotto voce* comments)

Dr. PHILLIPS: And you are a criminal.

(Cross talk)

The SPEAKER: (Gavelling) Dr. Phillips.... Dr. Phillips....

(Mr. Charles and Mr. Warmington activated their microphones and stood)

Mr. WARMINGTON: No, no. He needs to withdraw that statement.

MEMBERS: Sit down, sit down.

A MEMBER: Stand up!

(Cross talk)

The SPEAKER: No, Dr. Phillips... Dr. Phillips... (Gavelling) Dr. Phillips.... Dr. Phillips...

Dr. PHILLIPS: The question is . . .

The SPEAKER: Members... notwithstanding the provocation, your last comment should be withdrawn.

(*Sotto voce* comment.)

The SPEAKER: You beg to withdraw. Very well.

Dr. PHILLIPS: Ask them to withdraw it. Ask them to withdraw it.

The SPEAKER: And Members, (Gavels) Members... Mr. Warmington, it is... please... please... Dr. Phillips is on his feet. Mr. Warmington, Dr. Phillips is on his feet. It is unfair; it is provocative for you to be interfering with him.

(*Sotto voce* comments.)

He withdrew the comment, but it is unfair.

(Applause)

Continue, Dr. Phillips.

Dr. PHILLIPS: The question is...

The SPEAKER: Continue, Dr. Phillips.

A MEMBER: Withdraw it.

The SPEAKER: He did.

Mr. BUCHANAN: Why you turn off the speaker, man.

(It was discovered that the microphones on the Opposition side were not working, after which a portable microphone was provided)

Mr. WARMINGTON: Omar, Omar, mine is working!

(Laughter)

Dr. PHILLIPS: Mr. Speaker... Mr. Speaker...

The SPEAKER: (Gavelling) Members, can we have some order, please. Dr. Phillips will continue.

Dr. PHILLIPS: Mr. Speaker, matters were raised initially; it is reported, about the identity of the persons who were cited in the indictment. Then, matters are now being raised about the interception of communication. Does the Government - and I am asking the Prime Minister - think it appropriate for the Government legal officers to act as the defence attorneys for the accused person, rather than protect the interest of the

Jamaican people?

(Applause)

The SPEAKER: Could you turn off those mikes over there now, please.

MEMBERS: They can't turn off.

The SPEAKER: Prime Minister.

The PRIME MINISTER; The question is provocative and I am not going to allow the Member to provoke me. I want to say two things: In relation to the identity, questions were raised because it is not normal, it is not usual for requests to be made on the basis of concealed identity. It is not normal. It has happened on one or two occasions before. On a previous occasion, the Minister received the request and signed the authorization to proceed. And when this one come in a similar fashion, she raised questions about it because she feels that statements that are supposed to support an extradition request should not be veiled so that no one, neither the State nor any person representing a citizen of the State, is in a position to know whether these witnesses do in fact, exist.

The second thing I want to say in response to a question that the Member raised, and I am both shocked and surprised because the Member asked the question from a position of knowledge, and it is this:

Mr. WARMINGTON: He's just dishonest.

MEMBERS: Warmington....!

(Cross talk)

The PRIME MINISTER: It is this, it is this, the Member, in asking the question, suggests that intelligence shared with a foreign jurisdiction which our Agreement says must be used only for purposes of intelligence cannot be used for evidence, but once it is shared and transported elsewhere under the laws that exist there it can be used as evidence. And therefore, the Member is suggesting that that is something with which we should cooperate. You know why that is dangerous, Mr. Speaker, you know why that is dangerous, and the Member knows. Under our law in Jamaica, evidence illegally obtained in these circumstances cannot be admitted in court. Under US law, evidence illegally obtained cannot be admitted in court provided it involves a US citizen.

(*Sotto voce* comments)

A US citizen is protected in his own courts because evidence illegally obtained cannot be presented in court against a US citizen. But if it is a citizen of a foreign country, that evidence can be accepted in a US court.

A MEMBER: That's what you want?

(*Sotto voce* comments)

The PRIME MINISTER: And what the Member is suggesting, it doesn't matter whether it is Coke, it could be me, and it could be you. And what you are saying is that we are to expose Jamaican citizens - bearing in mind that once they leave Jamaica, they no longer have the protection of Jamaica Constitution.

I remind this House of an occasion - it's important that we remind ourselves - when of Jamaica have already granted approval, and a Minister of Justice, the HONOURABLE KARL RATTRAY signed an Extradition Order which he subsequently came and admitted in the House, he signed in error. The Minister of Foreign Affairs made a frantic appeal to the authorities to have the subject brought back to Jamaica so that the error could be corrected, so that the processes that had not been completed could be completed, and the response that we received was that, we are very sorry, but he is in our jurisdiction now. The protection of

Jamaican law and Jamaican constitution could not extend over there.

Now, I know that perhaps it is politically expedient to say, well, it's Coke, or is it could have been Matthews Lane strongman, Zekes, or it could be any of these. I am not defending the wrongdoing of any person, but I will say this, if I have to pay a political price request for it, I am going to uphold a position that constitutional rights do not begin at Liguanea. That's not where they start.

(Applause)

The SPEAKER: Is this a follow-up question, Dr. Phillips?

Dr. PHILLIPS: Yes, it is, Mr. Speaker.

The SPEAKER: Please, there are others who would like to ask...

Dr. PHILLIPS: Because, Mr. Speaker, the very issue that the Prime Minister raised about the abnormality, shall we say, of having unnamed persons listed in an indictment is an issue which he said the Minister found unusual. But it is an issue on which the courts of Jamaica have already granted approval, and precedent exists. Does not the Prime Minister consider that that very example demonstrate that these questions, and whether or not there is a breach of the Interception of Communications Act, because the Act is in place and he is arguing that it is in breach of an Agreement - does not the Prime Minister consider that in the light of the fact that the courts have pronounced on the matter of an identity and the ability of those of the prosecution, and the requesting State to conceal the identity of a witness if they think the witness is liable to danger? And that matter having been settled by the court, would not the Prime Minister now consider that the matter should be sent to the courts? And, is the Prime Minister saying to this House and to Jamaica definitively, that this matter is now closed and that the United States Government has been told that there will be no request entertained in relation to this particular individual?

(Applause/Cross talk)

The PRIME MINISTER: The Member is confused. There are two issues and the two issues are separate. The question of the withholding of the identity is an issue that the Minister queried, as the Minister is entitled under the Extradition Treaty to do. The Treaty provides that the Minister can seek clarification or additional information. The Member may be suggesting that no Minister must do that. Just sign the thing. This Minister chose no. But as I said in the statement, that would not by itself have precluded the extradition request from proceeding. The question of the use of - evidence, obtained, disclosed and presented in contravention of Jamaican law, is a completely separate issue. Completely separate. It has no...

(Inaudible comments by Dr. Phillips)

That is not an issue...

Dr. PHILLIPS: Contravention of law? Which law?

The PRIME MINISTER: Contravention of law. That is not an issue on which any Court has made any ruling to provide any guidance. That is a contravention...

(*Sotto voce* comments)...

I said it in the statement, the Interception of Communications Act. It's a violation.

Mr. D. PEART: Violation of whose constitution?

The PRIME MINISTER: I'll make one other comment and this is where those who have a particular axe to grind, or a particular

agenda to pursue.

Opposition MEMBERS: I don't have any.

The PRIME MINISTER: Part of the issue that has been the subject of disagreement between the US and Jamaican authorities has to do with an extradition request in relation to one PRESLEY BINGHAM.

(Inaudible comments)

I have no information about his antecedents. The Minister exercised her authority and refused the request. We have, through dialogue, explained to the US authorities that the Court of Appeal, through the Presiding Judge - when MR. BINGHAM was dismissed by the Court and after the Court had handed down its judgment, the Presiding Judge, no less a person than the President of the Court of Appeal, when asked by the lawyer representing the Director of Public Prosecutions, whether the matter could be brought back on a separate extradition request, commented that the State could never even think of doing such a thing. And the Minister, guided by that pronouncement, exercised her decision. I believe we have conveyed...Well, I know that we have conveyed that basis to the US authorities.

But you know what is interesting? MR. BINGHAM should in fact have been extradited a long time ago, as the Member knows.

Government MEMBER: Yes!

The PRIME MINISTER: Having gone through the courts and the courts having ruled that he should be extradited, that extradition request sat on the desk of the Minister of Justice...

A MEMBER: For how long?

The PRIME MINISTER: For months.

A MEMBER: So that's the reason...?

(Inaudible)

The PRIME MINISTER: For months. For months. Until the... (Cross talk) .... until the period for extradition had expired.

Opposition MEMBER: So? So?

Government MEMBER: Because him is a PNP.

The PRIME MINISTER: ...and yet... (*Sotto voce* comments)...and yet, I have not seen any indignation, any consternation, any pontificating about ridding the country of criminals, coming from the Member for East Central St. Andrew.

(Inaudible comments by Opposition Members)

Mr. SHAW: Hypocrites.

(Inaudible comments by Opposition Members)

The PRIME MINISTER: We need to.

(Heckling)

The SPEAKER: Dr. Davies, Dr. Davies! Now, please, please... (Cross talk) Now, Dr. Davies...No...

Dr. PHILLIPS: Mr. Speaker, I asked the Prime Minister a question which he has not answered. And since he made a comment...

Mr. D. PEART: Him hafi answer it.

Dr. PHILLIPS: No. So that the record is clear. In relation to the extradition request which was delayed and therefore came out of time, my objections would have been expressed in the appropriate place in the Cabinet. And I did. So, I asked, specifically...

Government MEMBERS: Ah! Ah! Ah!

Dr. PHILLIPS: I was a Member of the Cabinet and I am... (Interruptions)

The SPEAKER: What's the point, Dr.

Phillips?

Dr. PHILLIPS: I did not raise here the question of MR. BINGHAM. I did not raise here. There are issues I believe to be raised even now. I did not raise it.

(Inaudible comments by Government Members)

Dr. PHILLIPS: Mr. Speaker, Mr. Speaker.

The SPEAKER: Please Mr. Charles and Mr. Samuda.

Dr. PHILLIPS: Blaming who? About what? It was done. It was done in error. I am not separating...I am not separating.

(The Speaker gavels)

There is collective responsibility. He says no indignation was raised.

The SPEAKER: Mr. Samuda.

(Cross talk)

Dr. PHILLIPS: You said no indignation was raised. Is a red herring. I asked specifically, Mr. Speaker, is the Prime Minister saying to Jamaica that the Government of Jamaica has rejected the extradition request made for Mr. Coke? It is a closed matter as far as the Government is concerned.

(Cross talk)

I am asking him.

(Interruptions)

The SPEAKER: Mr. Sam... please, please.

The PRIME MINISTER: We have taken... The Minister has taken no such decision. The Jamaican authorities remain engaged with the United States. We have reiterated to the United States authorities that provided evidence is presented that does not involve a violation of Jamaican law, the

Minister will authorize the extradition to proceed.

A MEMBER: Yes!

The PRIME MINISTER: But we are insistent. We are not being capricious or cavalier about it. We don't think that it is just incidental. We believe that the oath that we took at this table requires that we defend and uphold the laws of Jamaica. (Applause)

The SPEAKER: Doctor Davies then Mrs. Maxine... Doctor Davies.

Dr. DAVIES: That was my question. (Inaudible)

The SPEAKER: Very well. You have a question, Mr. Kellier?

Mr. KELLIER: Yes, sir.

The SPEAKER: Make it a short one though, please.

(Cross talk)

Mr. WARMINGTON: He was your financial backer.

The SPEAKER: Can we have some order, Mr. Warmington and Mr. Samuda, please.

The SPEAKER: Mr. Kellier, you are on the floor.

Mr. KELLIER: Mr. Speaker - Prime Minister, you made a statement and made reference to this document. What I would like to hear from you is whether or not you consider this document - the contents of this document - to be highly inaccurate, or do you consider it to be fully factual? And if you consider that this document that speaks about our country to be one that is highly inaccurate, do you intend as the Head of the Government and the country to respond to this document?

The PRIME MINISTER: Mr. Speaker, the Member apparently doesn't hear well.

(Interruptions)

I said that the Report is being examined. I

know that I myself spoke with both the Commissioner of Police and the Chief of Defence staff this morning. I spoke with the Minister and I said I want every point in this Report to be answered point by point. And they will prepare the information and the Minister of National Security, as I said in the statement, a copy of which you have before you.

Government MEMBER: Him can't read..

The PRIME MINISTER: The Minister of National Security will make a fulsome statement in the Senate on Friday of this week. And I'm raising my voice not out of rudeness but to make sure that you hear.

(Pronouncing the worth 'hear', loudly; (Laughter)

The SPEAKER: Okay, Members, settle down. Announcements.

ANNOUNCEMENTS

The Clerk Laid on the Table of the House copies of the following:-

- **Ministry Paper Number 16**
  Cabinet Agenda Issues for February 8, 2010;
- **Ministry Paper Number 17**
  Cabinet Agenda Issues for February 15, 2010;
- **Ministry Paper Number 18**
  Coffee Industry Board Annual Reports and Financial Statements for the years ended July 31, 1999 and July 31, 2004;
- **Ministry Paper Number 19**
  and the Armadale Report;
- The Credit Reporting Regulations 2010, under the Credit Reporting Act;
- Report of lnvestigation conducted into the Airlift Guarantee Agreements which were entered into between American Airlines and Jamaica Vacations Limited and Supplemental Report of Investigation into the Retention of the Legal Services of the Law Firm, Dunn Cox by JAMVAC;
- Jamaica Mortgage Bank
  Annual Report and Audited Financial Statements for the period ended March 31, 2009;
- Corrigendum to the Electoral Commission of Jamaica's Report entitled: Realignment of Boundaries and Increasing the Number of Constituencies which is annexed to the Report of the Standing Committee of the House of Representatives appointed to consider the Delimitation of constituencies which was laid on the Table of the House on Tuesday, February 23, 2010.

The SPEAKER: Reverend Thwaites before you even ask. Let me just say. The Report of the Contractor General...Let me see the...What's the name of it? The Report of the Contractor General of his Investigation into the Airlift Guarantee Agreements between American Airlines and Jamaica Vacations Limited is over 300 pages long. We have photocopied approximately 20 copies. But we have put it on the Parliamentary website and immediately after it has been laid, it can be read or printed from the Parliamentary website. But those Members, including yourself, Reverend Thwaites, who are keen to get a copy, we have copies for you. But it didn't make sense to print 80 copies for the Senate and for the House, knowing that not

everyone may want to read it. But it will be available and we can also e-mail it to Members who want it e-mailed to them. But more importantly, those Members who would like a copy can get one now. Very well?

A MEMBER: Yes.

The SPEAKER: Okay. I see you've got one, Reverend Thwaites.

Rev. THWAITES: Yes.

The SPEAKER: Very well.

BILLS BROUGIIT FROM THE SENATE

The following is a message from the President of the Senate:

"To the Honourable House of Representatives:

I have the honour to advise the Honourable House of Representatives that on the 26th day of February 2010, a Bill entitled: An Act to Amend the Labour Relations and Industrial Disputes Act was passed in the Senate with one (1) amendment which has been circulated for which the Senate desires the concurrence of the Honourable House."

Signed: Oswald G. Harding
President of the Senate.

The SPEAKER: Mr. Charles.

Mr. CHARLES: Mr. Speaker I beg to give notice that the Senate Amendments to the Labour Relation and Industrial Dispute (Amendments) Act 2010 be considered tomorrow.

(*Sotto voce* comments by Members)

Mr. CHARLES: I was asking, Sir, that the amendment be considered at the next sitting of the House.

The SPEAKER: Thank you Mr. Charles.

NOTICES OF MOTIONS GIVEN ORALLY

Mr. SHAW: Mr. Speaker,

Whereas by virtue of Section 19, subsection 1, of the Credit Reporting Act 2010, (hereinafter referred to as the Act) the Minister may make regulations generally for the purpose of giving effect to the provisions of the Act;

And Whereas on the 24th of February 2010, the Minister made the Credit Reporting Regulations 2010,

And Whereas it provided by subsection (2) of Section 19 of the Act that regulations made under subsection (1) of that section shall be subject to affirmative resolution.

Now Therefore Be it Resolved by this Honourable House as follows:-

1. This resolution may be cited as the Credit Reporting Regulations Resolution, 2010.
2. The Credit Reporting Regulation 2010 which was laid on the Table of the House on the 2nd day of March 2010 are hereby affirmed.

The SPEAKER: Thank you Minister Shaw.

QUESTIONS AND ANSWERS TO QUESTIONS

The SPEAKER: House Leader.

Mr. HOLNESS: Mr. Speaker, you will realize that the time for questions has passed.

The SPEAKER: Very well.

MEMBERS: No, no.

The SPEAKER: Sorry, could you move the motion please, House Leader? Move the motion; just move the motion so that he can

ask the question.

(*Sotto voce* comments by Members

The SPEAKER: No, no.

(Microphones on Opposition side malfunctioning)

Mr. KELLIER: Mr. Speaker, since we cannot be heard through the system, I am suggesting we take a recess and allow them to fix up the place properly. The Opposition is at a disadvantage; his voice cannot be heard in the House. So l suggest that we take a recess, you have the thing rectified and let us get back here and do the work. I cannot have a microphone that is not working in the place, and nobody can't hear themselves in the place.

The SPEAKER: House Leader, let us get through this part of the business.

Mr. KELLIER: We cannot hear nothing and we cannot hear what is happening,

Mr. HOLNESS: Your mike is on now, go ahead.

The SPEAKER: Now, go ahead now. We just want to get through the Questions and Answers to Questions. House Leader.

Mr. HOLNESS: Mr. Speaker, the time for questions has passed I will, however, Mr. Speaker, move for the suspension of the Standing Orders to allow us to take the item on the Order Paper.

The SPEAKER: Members, the time for questions and answers to questions having passed 3:15, having passed, the motion is for the suspension of Standing Orders to allow us to take the item on the agenda.

Motion put to the House and agreed to.

QUESTIONS AND ANSWERS TO QUESTIONS

The SPEAKER: Dr. Omar Davies.

Dr. DAVIES: Mr. Speaker, I am going through the ritual of saying because of what they tell me to say. At the expiration of 21 days, I would like the Minister of Finance and the Public Services to answer the following questions.

1. Will the Minister indicate how large will be the Financial Sector Support Fund (FSSF) which will be created consequent on the successful completion of the Jamaica Debt Exchange (JDX)?
2. Will the Minister indicate the specific sources of the funding i.e. how much money will come from each multilateral institution?
3. Will the Minister indicate the value of the bonds held by Pension Funds, including the National Insurance Fund, which have been affected by the JDX?
4. Will the Pension Funds be able to access support from the FSS?
5. If the answer to the above question is in the affirmative, what form will this support take?
6. If the answer is in the negative, how does the Government anticipate that such Funds will cope with the reduced earnings resulting from participation in the JDX?

Again I go through the ritual again at the expiration of 21 days I will ask the Minister of Finance and Public Service to answer the following questions:

1. Will the Minister indicate the size of the loan agreement between the Government of Jamaica and the People's Republic of China which was finalized following the Prime

Minister's recent visit?

2. Will the Minister indicate the different sectors for which the loan proceeds will be utilized and the associated allocations?
3. Will the Minister indicate whether this loan and the associated expenditure are included in the Stand-By Programme with the IMF?
4. If the answer to the above question is in the affirmative will the Minister indicate the expenditure allocations by each fiscal year?
5. If the answer is in the negative, will the Minister indicate how this additional debt and expenditure will be treated in the fiscal accounts?

Mr. Speaker, in looking at the - with your permission - in looking on the Question Notice Paper, on page at No. 35, notice given to on Tuesday and November 2009, and I said the same thing, at the expiration of 21 days. Mr. Speaker, the whole question of questions and answers from the responsible Ministers that represents a major aspect of the Parliamentary procedures and this is falling apart under your watch, Mr. Speaker, with all due respect. I asked - that question spoke about results as at October 31, 2009 four (4) months ago, Mr. Speaker. It means that even if he presents these data at this stage, Mr. Speaker, it's totally irrelevant and I am therefore frustrated. And, Mr. Speaker, with all due respect to you, Sir, this is something you have to take into account.

The SPEAKER: Which Question is this, Dr. Davies, you are speaking of, what number?

Dr. DAVIES: Well, I have more than one, but 35...

The SPEAKER: It is the wrong date you gave us then.

Dr DAVIES: It was tabled on November 3 and it should have been responded to on the 24th day of November.

The SPEAKER: That is Question 35.

Dr. DAVIES: Yes.

The SPEAKER: My understanding which was articulated here on quite a number of occasions was that they are still collating the answers.

Dr. PHILLIPS: This is the law abiding that remains here?

(Sotto voce comments by Members)

The SPEAKER: House Leader, can we get a response tomorrow at least?

Mr. HOLNESS: Mr. Speaker, we have answers prepared for two questions which are now due for answers. The remaining questions that are now due for answer, Mr. Speaker, question No. 30 standing in the name...

Dr. DAVIES: Hello Derrick.

The SPEAKER: Let's have it.

Mr. HOLNESS: Question No. 30, Mr. Speaker, standing in name of the Member from Central Kingston, that question is in the process, Mr. Speaker, of being prepared. You asked for answers, I am giving you answers, that question, Mr. Speaker, is tedious and demands, a great deal - Question No. 30, and we find that that question, Mr. Speaker, is redundant seeing that we have already given answers. Mr. Speaker, Question No. 35, that question which the Member from St. Andrew South has a particular concern about, that question is partially ready.

Dr. DAVIES: Four months.

Mr. SHAW: Awaiting information.

Mr. HOLNESS: Mr. Speaker, it is partially ready, Mr. Speaker. We are awaiting information from the Ministry of Transport and Works. The Minister of Finance, will answer those questions before...

Dr. DAVIES: He dies.

(Laughter)

Mr. HOLNESS: Before you die, before the end of this Parliamentary year, Mr. Speaker.

The SPEAKER: Okay. Yes Reverend Thwaites.

Rev. THWAITES: Bearing in mind the difficulties may be I did not hear correctly, Mr. Speaker. Question No. 30 has been on the Order Paper since the 20 of October 2009. No less an authority than the Prime Minister of Jamaica indicated that the answers were being put together in December prior to the Christmas season and early in the new year we would have been given our answer. There was an earlier portion to the question regarding the consultants employed to the ministries and that was received. But l do not think it would have done any justice to the Honourable House Leader for him to think that it is redundant to ask who is employed to Government public bodies in which capacity. If the Government doesn't know that then this whole question of probity and public sector reform is not going anywhere, Mr. Speaker. I demand to know when this will be answered and in full. (Applause)

The SPEAKER: Very well, we hope an answer will be forthcoming soon.

Rev. THWAITES: Then I must reinforce the comments of my friend from South St Andrew. If indeed, Members, any Member is to put a question in this House, in whatever administration and the best hope for reply is your hope that it will be done soon, that could never be effective, Sir.

The SPEAKER: Reverend Thwaites, this question, the House Leader has indicated that matters are being compiled, and you as well as I know, to get anything out of the bureaucracy and the public sector of this country is like pulling teeth.

Rev THWAITES: My. Is that really so, Mr. Speaker? Then all the more point to the question then.

The SPEAKER: That is so Reverend Thwaites, but I having to deal with the bureaucracy of this country to get any information is like pulling teeth. I can only urge the House Leader and the Minister of Finance to do their best to try and get the answers as soon as possible.

Mr. HOLNESS: Mr. Speaker, with due regard to the concerns raised by the Member...

(*Sotto voce* comments by Mr. Charles)

Mr. HOLNESS: ...in due regard, Mr. Speaker, with the concerns raised by the Member from Central Kingston, he is asking, Mr. Speaker, for the public sector; the public sector is for all consultants, their emoluments...

The SPEAKER: But House Leader, you know, I have said on the last several occasions give what you have. If the Member want to ask - the question House Leader and perhaps after you give a few more then let the Member ask for other particular sectors...

Mr. HOLNESS: Which is why we say, Mr. Speaker that we have provided a specific question - answers to a specific question asked by the Member from St. Catherine, East Central, which is a part of the answer for Question No. 30.

The SPEAKER: But may I ask - Minister

of Finance, may I ask you if you could bring back that particular answer with perhaps some additional public sector which may have advisors or consultants and provide that to the Member?

Mr. SHAW: Mr. Speaker, can I just suggest that – with due respect to the Member from Central Kingston, there is no need for us to bring back those answers they are already tabled in this Honourable House. And the Member, I am sure, given his capacity for detail, I'm quite sure that the Member has a copy of those answers in his possession already.

What I want to indicate to you, Mr. Speaker, is that the Ministry has sent out the request. You can appreciate that this request has gone out to, perhaps 100 bodies - Public bodies out there, outside of what is generally referee to as Central Government and in ministries. It is a time-consuming exercise, Mr. Speaker, and therefore I cannot give a specific date when it will be ready. I cannot do that.

The SPEAKER: No, but Minister Shaw, what the House is asking for, if you have got back five (5) present it.

MEMBERS: No, no, no!

The SPEAKER: Present it, and say you've only got back five (5).

Mr. SHAW: Okay.

The SPEAKER: Very well.

Rev. THWAITES: Mr. Speaker, if the Minister needs time in order to complete an answer, perfectly understandable even though it has been long in coming. But there is one thing that isn't hard to do. Each of these people gets their pay at the end of whatever period it is. The Government is able to find the resources to do so, and no doubt quite justifiably l make no aspersion, but I'm saying, that if we are doing that, then we ought to be able to know who it is we are paying. And bespeaks a level of care, and a level of engagement, and efficiency in the Public Service, which would make your metaphor of pulling teeth, Mr. Speaker, a thing of the past. This is where we've got to.

My question is in an effort to help the Minister, and indeed help the Government, which is all of us, to ensure good value for whatever and whoever we are paying. (Applause) That is the point. And there is a difference between asking for more time to secure information, than to suggest that the content to the question is redundant.

The SPEAKER: Very well.

PUBLIC BUSINESS

The SPEAKER: House Leader.

Mr. HOLNESS: Mr. Speaker, today we will be continuing the debate on the Casino legislation which we started last week, and, of course, under that the amendments to the Betting, Gaming and Lotteries Act and that would be the first order of Public Business. And then we will continue the debate as well, Mr. Speaker, on the Bill: AN ACT to Repeal the Police Public Complaints Authority, the Independent Commission of Investigations.

Dr. PHILLIPS: You are going to confuse independence.

Mr. HOLNESS: No, no!

The SPEAKER: Minister Shaw.

Mr. SHAW: Magic!

Mrs. NEITA-HEADLEY: Magic, it come back now.

A MEMBER: What a strange coincidence, Mr. Speaker.

Mrs. NEITA-HEADLEY: Yes, man,

strange.

(Cross talks)

Mr. M. PEART: Mr. Speaker, I'm going to be very brief on speaking contributing to this motion, Mr. Speaker.

I was confronted a few weeks ago, Mr. Speaker, by the pastor of my church, with regard to casino and its future in Jamaica, or Jamaica's future with the casinos. And, Mr. Speaker, I start from that, because what it comes down to as far as I'm concerned, is a matter of values. What are our values? What are the principles that guide us, that take us into the area that we are dealing with today?

Mr. Speaker, within our lifetime I can remember in my little district, it's called Battersea near New Green in Mandeville, the commotion when somebody suggested that there was a commotion (Microphone problem)

Mr. SHAW: That is a sign that you must wrap up.

Mr. M. PEART: Yes, Mr. Speaker, as I was saying, I remember when I was a little lad in my community, there was commotion, on the idea of playing cricket on a Sunday, because as far as many people were concerned in those days that was taboo. And finally, how the matter was resolved, Mr. Speaker is that those people, who were insistent that cricket should not be played, stopped playing cricketer a Sunday and those who saw it fit to play cricket on Sunday started it. And very shortly after, everybody played cricket football and Sunday lost some of its sanctity.

And, Mr. Speaker, we are in charge, we in this generation are in charge of where our country evolves to, we are in charge of the direction that the country is heading. And when you look at the indicators that determine where we are today, we are obviously going in the wrong direction. The level of criminality, the level of murder, the level of rape, the level of corruption in every aspect of our lives there's the level of corruption, the lack of confidence we have in the police force with the revelation that we are seeing. Now to impose casino gambling on top of this scenario, is worrisome.

Mr. CHARLES: You are trying to make a headline.

Mr. M. PEART: You say you a Seventh-Day Adventist.

Mr. CHARLES: I don't gamble, me don't gamble.

Mr. M. PEART: What you voting for?

Mr. CHARLES: Me don't gamble.

Mr. M. PEART: Yu supporting the motion?

Mr. CHARLES: I have my values.

Mr. M. PEART: Are you supporting the motion?

Mr. CHARLES: I have my values.

Mr. M. PEART: Are you supporting the motion?

Mr. CHARLES: Me and my family have our values. I don't smoke.

Mr. M. PEART: We soon find out man.

Mr. CHARLES: You can smoke and drink if you want, I don't smoke, drink or gamble.

(Heckling/cross talks)

Mr. M. PEART: Mr. Speaker, I'm tempted to suggest some things that he does other the those, but I won't.

Miss HANNA: Don't say anything else.

Mr. M. PEART: Mr. Speaker, we have had...

Mr. HENRY: Tell them how many children you have.

A MEMBER: That's right.

Mr. M. PEART: .....many grand hopes... (Shows eight fingers by Mr. Charles)

Dr. DAVIES: Yu keep changing the numbers.

Mr. M. PEART: ...pinned and things about the growth and development of our country. Look at what Montego Bay has come now, the tourist centre for Jamaica. Tourism is supposed to be one of the cornerstones of our economy and right now Montego Bay is the biggest headache to the Government.

Mr. MULLINGS: I beg your pardon?

Mr. M. PEART: Yes, in terms of the level of crime.

Mr. Speaker, we have something called the bloats scam' that has been going for years now, in Montego Bay, for years. Many people have died because of the lotto scam. The Minister of Finance has said more than once, on many occasions, we have to work, we have to earn, we have to produce. We can't pin our hopes on gambling for our survival, can't. Many countries have insisted that they are not having casino gaming and they are much better off for it today. Many countries have had casino gaming, but the panacea that they thought it was gonna be for their success, didn't work out that way, because the money is like operating on a revolving door, it comes in and it comes back out, little of it sticks here in the country.

I don't believe that we have much hope for prosperity, if we pin it on the casino line. I don't believe that.

Mr. WARM1NGTON: That's the job you want.

Mr. M. PEART: All the hopes of employment and increased revenue benefits to the country we've heard that for many things, but the proof of the pudding is in the eating, we've not seen much.

(Cross talks/laughter)

Dr. DAVIES: He was elected '93.

Mr. M. PEART: Mr. Speaker, 1 wonder if this is a distraction. This is a distraction, or is this a joke, or is both? Now, to accuse me of voting in the Parliament in the 1970s is absurd. The Member needs to adjust his hairline or the colour coding in his hair causing him some problems now. (Laughter)

Mr. CHARLES: Yu grudge me fi dat too, because you bald.

Mr. M. PEART: And I told him once, Mr. Speaker, that a young lady say she admires his performance as the Minister, but the only problem she had was with the two-toned hairstyle.

(Heckling/cross talks)

So, Mr. Speaker, I remember some time in the 1990s, when I was here, in the 1990s, and the former Prime Minister, PJ Patterson, mentioned that we need to have a campaign on values and attitudes...

Mr. WARM1NGTON: Yu don't even know what that means.

Mr. M. PEART: ...and quickly, very quickly, Mr. Speaker, it was shutdown, because it became a political football.

(Inaudible comments by a Member)

Mr. M. PEART: It never reached that stage, so how yu vote for it?

Something that was going to redirect the path that this country was going under.

Mr. BUNTING: You don't remember?

Mr. M. PEART: But it was shutdown, because it became a political football and we left to drift. And now we have the music industry almost going to fall apart now, because of where it is headed and where it has reached. I don't believe we must pin our hopes

on these things. I think we need to take stock of where we are today, and come up with some plans to correct this problem that we are facing now with our country in terms of crime and violence and corruption and get some new values on the table.

This casino gaming thing is just to pin some false hopes and the people will continue with the lotto, pick 3, cash plus, *et cetera*, *et cetera*, but at the end of the day we are going to be no better off.

Mr. M. PEART: So I am going to be voting against this, Mr. Speaker. I am going to be voting against this. I have no choice; my conscience guides me. And fortunately, I still am on the right track.

Thank you. (Applause)

The SPEAKER: MISS HANNA THEN MRS. MAXINE HENRY WILSON.

Miss HANNA: Mr. Speaker, thank you very much.

As one of the Members of Parliament that actually sat on the Committee, I felt compelled to speak this afternoon. And I think it must be made very clear to the country, what the deliberations of the Committee that looked at these two Bills were mandated to do. And essentially, we were to look at the framing, the protection and the honest, best interest of what introducing some of these industries to Jamaica would look like.

But Mr. Speaker, I also stand because my conscience would not have allowed me to sit. Simply because I believe that at some point, as leaders, we have to have some degree of integrity when it is that we speak to our nation, and to the persons that we represent.

Casino gaming already exists in Jamaica, under - if you look at horse racing, slot machines, when you go into certain bars in this country, and a number of other areas where you can go and gamble. Our colleague spoke about Cash Pot, he spoke about lotto, there are certain institutions that do raffles and bingos, and the like, and the Betting, Gaming and Lotteries Commission actually looks at these streams and regulates them.

In terms of casinos, what the Bill that we are seeking to introduce looks at, is how when you introduce casinos in the tourism market will be protected, and certainly how it will be regulated. And one of the things that certainly I was proud of, in terms of sitting on that Committee, was how it would protect minors, in terms of going into casino games - casino institutions.

But Mr. Speaker, I think we need to be very honest, because if it is that we are saying that we turned a blind eye and we don't allow for legal protection and regulation, and so it is okay for locals to participate in gambling, then I think we do our nation a disservice.

I think it is important, Mr. Speaker, that when we look at the laws of our country, and when we look at the laws that will govern industries that are coming into the country in a very difficult economic time when we are trying to pick winners that will create some degree of economic growth, casino gaming was not - and that Committee did not see casino gaming as the linchpin that will grow our economy out of the dire straits that we are in. Clearly, there has to be other opportunities that we will look at, and clearly there has to be other industries that we will look to. This is one piece of the puzzle that I believe has to be mandated, in terms of having a multiplier effect for tourism industry.

I mean, when you look at other countries, in terms of casino gaming - granted, there are

other issues that come along with it, but you need it to complete your tourism product. When you look at other countries that have casino gaming, many of them have now become family destinations. You look at Sun City in South Africa, you look at Paradise Island in the Bahamas, and you look at certain countries - when I hear of persons talking about casino gaming, if you look at the majority of countries that actually have it, their crime rate is relatively low.

One of the interesting things that actually came out of the debate - and while I do not agree with all the issues that came out in the Bill, and certainly my experiences and certainly my feelings were made very known as it relates to competition - and my colleague from East Kingston and I share the very same position, where we believe that competition is essential to growing industries, and that you cannot use competition as an exclusive barrier to entry in a market. I still do not agree with that, as it relates to casino gaming, and certainly the Betting, Gaming and Lotteries Commission, as it relates to Caymanas Track.

But in terms of looking at the future of Jamaica, and moving forward in terms of some of the industries that we can apply to Jamaica, one of the critical things that we must do as Parliamentarians, is to ensure that we put hypocrisy out of the passage of what we do in here, and certainly, in our dealings, as business. If it is that we are going to say no to casino gambling, we have to therefore get rid of all the other sources of gambling that existed before.

A MEMBER: Hear! Hear! Horse race!

Miss HANNA: And so, Mr. Speaker, if it is, l would support the Bill, because it has with it, and engendered within it, protections for our youth, it has with it protections for being able to regulate it. And I think as a nation, we must all be very, very clear when we stand up to speak on issues, because 1 must be able to speak the truth at all times and not do it only for political expediency.

Thank you very much. (Applause)

The SPEAKER: Thanks, Miss Hanna. Mrs. Maxine Henry-Wilson.

Mrs. HENRY WILSON: Mr. Speaker, I don't think that anybody's system of beliefs should form the basis of whether they are - it's hypocrisy or not. I think people have the right to express their views, based on their system of beliefs.

(*Sotto voce* comments from Members)

I am not supporting the Bill, and l defend my right not to support it, based on my own system of beliefs, but also based on evidence that I have before me. In these discussions you can always adduce evidence for or against, but I think in the end it comes down to what you - your evaluation of the issues, and what you believe will be in the best interest of your country, and I therefore take my stand on that premise.

I do not deny that casinos can make a significant contribution to the Jamaican economy. I don't think it is a linchpin, however, of economic development, and I believe that when you begin to move it to the stage of an industry, that you run certain dangers.

Yes, we are saying that in this legislation it will be a kind of enclave industry; it is not going to be open and accessible to everyone. But the information and the statistics indicate that in countries where you have it as an enclave industry you do develop some amount of antagonism between the locals who do not

have access to it. So I don't think that having it as an enclave industry in itself leads to some of the benefits or it prevents some of the ills that we may think of confront it.

The other thing is that I think the presentation of the casino industry needs to be put in the context of ensuring that we have the kinds of linkages in the rest of the society. It is not only what is going to take place in that hotel in terms of the casinos or the gambling that should be at the forefront of our considerations but in countries where it has succeeded, whether it is Atlantic City or Paradise Island, or wherever else, you have had economic linkages where what takes place in that enclave is linked to other economic development in the rest of the country. 1 would like to know and I would like to be informed about what are the forward backward linkages that will take place there.

But my main issue has to do with the question of regulation. The Report from the US, which we had such a contention about, spoke about increasing activity of organized crime which permeates both legitimate business as well as the political sector in Jamaica. It speaks about the increasingly brazen criminal activities throughout the country which continues to threaten civil society. I do not believe and I don't - and there have been many ills for many years and I don't believe that it's because it was so then we have to sustain it by giving legitimacy in law. That argument doesn't wash with me. Right. My point is this: that it will present crimes of opportunity. That is the evidence from elsewhere.

But it also, in research that has been done, it has also been pointed out that it is the particular situation in a country that determines whether casino adds to or in fact does provide benefits in the society. It says that in the case of Jamaica there are a couple of things that lead persons who talk about social interventions and who are concerned about our socio-political context, things that concern them, which make the Jamaican environment particularly conducive to casino gambling, encouraging or being a sort of take-off point for organized crime; and these include some of the things we just spoke about: high rates of crime, high levels of corruption, high percentage of dysfunctional families, very unequal income distribution, a polarized political environment and low levels of trust.

We can say that the legislation tries to provide protection. We know about the low level of compliance we have in Jamaica with everything. We know about the state of our security forces in terms of compliance; we know the extent to which we rigidly carry forward those things which are involved in enforcement. We are not a society that deals with enforcement. If we can't enforce the simple things I want to know how we are going to enforce high-flying jetters who are involved in casino industry. That is my real concern. I don't believe that we have the framework to do it. If you doubt it, look at how the gambling machines have proliferated, almost beyond control. Look at the lotto scam. Those are the things that indicate that we need to do other things before we move towards making casino a legitimated industry that is endorsed by the Parliament.

So, Mr. Speaker, very simply, I don't believe our local conditions are conducive to our making, legitimizing the casino industry. I believe that our experience, with other

things, has indicated that we have conditions that are going to make it almost a playing field for some of those who are involved in organized crime. Organized crime has always been a problem, and I personally will not support this legislation because I believe where we are in terms of our society, casino gambling is not going to - I don't think anybody has sold it as a panacea, but I don't believe we are at the juncture where this is going to assist in the development of the country. I think it is going to create more problems than it will solve.

Thank you very much, Mr. Speaker.

The SPEAKER: Mr. Shaw.

Mr. SHAW: Mr. Speaker, let me start by thanking all of the persons - Members who spoke in this debate over the past several weeks. And while I will respond specifically to some of the issues raised in earlier presentations, I will just start by addressing very briefly some of the issues raised in the last presentation made today.

Let me just say that I respect the view of those who feel that casino will not solve our problems. Indeed, I am even in agreement with the suggestion that casinos will not solve all of our problems. What we have to accept is that casinos have become very much an institutionalized part of the tourism product worldwide and it has become a part of the formal system of attraction, that if you don't have the product what you are doing is locking yourself out of a part of the market.

And I want to make the point, Mr. Speaker, that when we speak of locking ourselves out of a part of the market, it's not just in relation to tourists who would otherwise visit us but because we don't have casinos they are visiting other destinations. Importantly, it is in relation also to the investment that you will also lock out. Because there are some investors out there, Mr. Speaker, who are investing in hotel and resort development, using the casino as the centrepiece of their investment; and if you do not provide the proper atmosphere for it, the legal atmosphere, proper regulatory environment, to ensure that it is something that is clean fun, if you don't provide that environment then they are going to go elsewhere, whereas the Member from South East St. Ann quite eloquently adduced to, that exists elsewhere. So I don't really need to dig deep into the suggestions made by either Member from South East St. Andrew, or South Manchester. I think, Mr. Speaker that the Member from South East St. Ann has adequately responded to their own concern so I don't need to pursue that.

Except, l think, it is important to repeat, it is important to repeat, Mr. Speaker, that in relation to understanding the link between investment and formalizing casino, I think whether it is formally accepted or not, it has been adequately demonstrated that there is a consensus of views across the table, in the sense that the first major project that is going to come as a result of this landmark legislation that is about to be passed, Mr. Speaker, that project is a project coming. It had its genesis in the previous administration and it had its genesis in the previous administration not just in relation to building hotel rooms but in relation to building hotel rooms that were linked to a casino. And I am referring specifically to Harmony Cove, Mr. Speaker. So this is an example of a good project that was conceived by the previous administration and has been taken and embraced with alacrity

by the present administration and in fact, Mr. Speaker, the project is now going to be bigger and better in terms of the investment.

Government MEMBERS: Jobs.

Mr. SHAW: Mr. Speaker, the first phase of the project leads to an initial investment of One point Five Billion United States Dollars. (Applause) One point Five Billion United States Dollars in which one thousand rooms, Mr. Speaker, will be built. But that particular project is very very ambitious because it will lead over time, Mr. Speaker, to the construction of thousands and thousands of additional rooms across literally thousands of acres of land of which, Mr. Speaker, the casino product will represent only approximately twenty per cent of the total value of the project.

So, Mr. Speaker, I think that the speed with which we have seen the work....

(Constant chattering)

(The Speaker gavels.)

Mr. SHAW: Gentlemen, gentlemen, too many committees at work here. The main committee now is the casino committee, the BGLC committee. (Laughter/applause)

Mr. Speaker, I think that the speed with which the legislation was carried at committee stage under the able chairmanship of the Member from West Portland and supported by all the Members on both sides, Mr. Speaker, it's a further indication of a mutual desire for us to cross the threshold and get the casino limitation going. (Applause)

So against that background let me just mention a couple points, Mr. Speaker, in relation first of alto the casino legislation. It is important to note that both Bills have facilitated as much as possible the concerns, Mr. Speaker, of the various stakeholders. They took the time to listen to the stakeholders and their concerns have been addressed in the amendments that are being dealt with today. These include the incorporation of recommendations from the Bank of Jamaica that incorporated provisions relating to Jamaica's obligation in relation to money laundering and terrorism activities, provisions for cruise ships not to conduct gaming activities in Jamaica's territorial water and the latest discrete amendment would allow Caymanas Track Limited to operate a maximum of five hundred gaming machines at facilities other than Caymanas Park Limited, Mr. Speaker. This provision will allow Caymanas Track Limited to diversify its operations and to improve its profitability.

Mr. Speaker, let me say that in relation to the Betting, Gaming and Lotteries (Amendment) Bill, the Member from East Kingston and Port Royal raised a concern that employees may face challenges satisfying the criteria necessary to qualify for personal licenses as outlined in Clause 30. The clause has been included based on international standards, Mr. Speaker.

Further, based on an initiative from the Betting, Gaming and Lotteries Commission, Atlantic Cape Community College will team up with the HEART Trust/NTA to provide training and certification for prospective employees in the industry.

The Member also raises concern about the restriction of the licenses as provided for in Section 18(3)(a). This amendment reserves the *status quo* of current racing promoter to the exclusion of the new entrant, non-promoter Pool Betting. He indicated that as a promoter

of fair competition, the provision is counter-productive.

I am to remind the Honourable House that Cabinet has given approval for a new category, Mr. Speaker, of promoter, who would operate without the establishment and operation of a physical plant. The Special Select Committee accepted recommendations from the racehorse industry that this expansion would threaten the viability of the sole promoter, Caymanas Track Limited, hence the incorporation of the restriction.

The Opposition spokesman on tourism had raised concern about the establishment of a Casino Gaming Commission in addition to the - current Betting, Gaming, and Lotteries Commission. He is of the view that there is no need for a second commission.

Based on studies worldwide, the scale and the nature of casino gaming it is so vast, Mr. Speaker, and so complex that a separate body dedicated to the control, the regulation and monitoring of the activities is considered to be necessary. (Applause) And we feel that having regard to the concerns about the potential for corruption and corruptibility, it is even more so, Mr. Speaker, that at the outset, at the beginning that we should take this route...

Government MEMBERS: Yes, yes! (Applause)

Mr. SHAW: ….out of an abundance of caution. And so, Mr. Speaker, the amendments are quite extensive. And I once again want to thank all of the Members who participated, both at the Committee level and in the full debate in the House of Parliament and, Mr. Speaker, on that basis I beg to move for second reading of the Bill.

The SPEAKER: Approval of the Report.

Mr. SHAW: For approval of the Report.

The SPEAKER: Members, the Motion before you is for the adoption of the Report of the Special Select Committee set up to consider and report on the Bills to Amend the Betting, Gaming and Lotteries Act and also AN ACT for the regulation and control of Casino Gaming in Jamaica and for connected matters.

Rev. THWAITES: And I wish my vote is no.

The SPEAKER: Against the Report? Very well.

A division has been called for so the House will now....

Mr. SHAW: He didn't call for a division, he said no.

The SPEAKER: No, once he calls for division you have to....

(Cross talk)

The SPEAKER: It's just that Reverend Thwaites would like his and Dr. Rhodd - and I put the question once again.

Some MEMBERS: Aye.

The SPEAKER: Those against.

Some MEMBERS: No.

Government MEMBERS: The ayes have it, the ayes have it.

The SPEAKER: Members, the convention in this House is that once there is a no, loud and clear, there is a division so we have to go through the process. Let's not waste time, we'll go through the process. Go ahead.

Mr. WARMINGTON: But nobody calls for a divide.

Mr. SHAW: But nobody calls for a divide. They are supposed to call for a divide.

(Cross talk)

The SPEAKER: But he did. There is a

divide.

Mr. M. PEART: I said divide.

The SPEAKER: Go ahead, Mrs. Cooke.

A division being called the House voted as follows -

Ayes

Dr. Bartlett, Dr. Baugh, Dr. H. Chang, Mr. P. Charles, Mrs Dalyrmple-Philibert, Dr. Davies, Mr. Galllimore, Mr. Golding, Miss Grange, Miss Hanna, Dr. Harris, Mr. M. Henry, Mr. Hibbert, Mr. Holness, Mr. Jackson, Mr. Mair, Mr. Peralto, Mr. Robertson, Mrs. Robinson, Mr. Samuda, Mr. Shaw, Mr. Rudyard Spencer, Mr. Stern, Dr. Tufton, Mr. Vaz, Mr. Warmington, Mr. Witter.

Nos

Mr. Arscott, Dr. Ferguson, Mrs. Henry-Wilson, Mr. Kellier, Mr. M. Peart, Dr. Rhodd, Rev. R. Thwaites.

Abstention

Dr. Guy

The SPEAKER: Members, the vote – after the division we have 24 abstentions one (1), decline …

Government MEMBERS: No, absentees.

The SPEAKER: Twenty-four absentees, one abstention, seven nos, twenty-seven ayes.

The Report is approved.

(Applause)

The House will now resolve itself into a committee of the whole House to consider the two Bills clause by clause. That's AN ACT to Amend the Betting, Gaming and Lotteries Act and AN ACT for the Regulation and Control of Casino Gaming in Jamaica and for connected matters.

COMMITTEE STAGE

The CHAIRMAN: Minister Shaw, can we do the Act to amend the Betting, Gaming and Lotteries Act first?

Members, we are now going to deal with AN ACT to Amend the Betting, Gaming and Lotteries Act.

Clauses 1. 2, 3 and 4 put and agreed to.

The CHAIRMAN: I am sorry, there are a number of amendments to the Schedule. Minister, could you just . . .

Mr. SHAW: They are set out in section 2, subsection (1), Mr. Chairman, these are numbering of the paragraphs, they are all consequential amendments. You need us to read out all of them? It would be an exceedingly tedious exercise.

The CHAIRMAN: Well it's up to the Members of the House.

Mr. SHAW: Mr. Speaker, the Report has been presented in detail here to the Honourable House.

The CHAIRMAN: Members of the House, if you look at the amendments to the Schedule, can I just go through....

(*Sotto voce* remarks by some Members)

The CHAIRMAN: Members, please the amendments, can we just look and then approve as I go through each section of the Schedule.

Section 2(1) put and agreed to.

Section 7 put and agreed to.

The CHAIRMAN: May I just make the point, Members, that in the Schedule it's the amendment to the principal Act, so when I call the section these are the proposed amendments to the principal Act.

So section 8, as I mentioned section 8, the amendments are there on the Appendix that was tabled.

Section 8 put and agreed to.

The new section 8 (e)(3) put and agreed to.

Section 18 put and agreed to.

Section 20(a) put and agreed to.

The new section 20(b)(2) put and agreed to.

The new section 20(c) put and agreed to.

The amendment to section 22 put and agreed to.

Section 24(2) put and agreed to.

Mr. SHAW: Mr. Chairman, there is a further amendment in this section and I would like to read it out. It is to delete paragraph (a) and substitute therefor the following:

> **''As regards such track the operation by the racing promoter of a maximum of 500 gaming machines in the aggregate, whether on the track or on any other prescribed premises, not exceeding four; and".**

The CHAIRMAN: Members, the amendment, as indicated by the Minister.

Put to the Committee and agreed to.

The new amendment to the amendment of section 24(2) put and agreed to.

The CHAIRMAN: I put section 28.

Mr. SHAW: Mr. Chairman, there is also a proposed amendment to section 28. I am going to ask Dr. Bartlett to read it out to you.

The CHAIRMAN: Do you have a printed copy, Dr. Bartlett the proposed amendment to 28?

Mr. SHAW: It was just scribed by the CPC.

(*Sotto voce* remarks by Mr. Warmington.)

Dr. BARTLETT: Yes, it did. It went through committee. It was for the anti-doping. Mr. Chairman, it is for the carrying out of anti-doping programme for the horse and other approved species of animals.

The CHAIRMAN: Members, have you heard the amendment? Could you read it again, Dr. Bartlett?

Dr. BARTLETT: It's approval for the carrying out of the anti-doping programme for the horse and other approved species of animals.

The CHAIRMAN: Members, have you heard the proposed amendment?

The proposed amendment put and agreed to.

The amendment to the proposed amendment put and agreed to.

Section 31(a) put and agreed to.

The new section 43(a) put and agreed to.

Section 44 put and agreed to.

The new section 44(f) put and agreed to.

Section 45 put and agreed to.

Sections 58(a) and 58(b) put and agreed to.

Mr. SHAW: Mr. Chairman, did you mention new section 45(a)? .

The CHAIRMAN: I did.

Mr. SHAW: I didn't hear that.

The CHAIRMAN: No, it was deleted.

Mr. SHAW: It was?

The CHAIRMAN: That was deleted so 1 did not mention it.

Section 65 put and agreed to.

The Second Schedule put and agreed to.

The Seventh Schedule put and agreed to.

The CHAIRMAN: Now, Members, we have gone through and we need to just consolidate.

The amendments to the Schedule put and agreed to.

The Schedule as amended put and agreed to.

The Title and Amending Clause put and

agreed to.

The CHAIRMAN: The question is that I do report the Bill as having passed Committee Stage with thirty three (33) amendments.

Put to the committee and agreed to.

The CHAIRMAN: I am sorry, Members, there is a 34th. So 1 would like to put it again. The question is I do report the Bill as having passed Committee Stage with thirty four (34) amendments

Put to the committee and agreed to.

The CHAIRMAN: Now, Members, we now go through the second Bill, that is AN ACT for the Regulation and Control of Casino Gaming in Jamaica and for connected matters.

Mr. SHAW: Mr. Chairman, I suggest you proceed on the similar basis.

Clauses 1, 2, 3 and 4 put and agreed to.

Mr. SHAW: Mr. Chairman, you have to note the amendment.

The CHAIRMAN: Members, we have to put Clause 2 again, there is an amendment to Clause 2. I put Clause 2 once again. Minister, could you put the amendments as noted?

Mr. SHAW: Clause (2) has two main amendments listed as one and two and in No. 2 items (c) and (d) are further amended.

The amendment as proposed by the Minister put and agreed to.

Clause 2 as amended put and agreed to.

Clauses 4 and 5 put to the Committee and agreed to.

The CHAIRMAN: I put Clause 6.

Mr. SHAW: In Clause 6, there is an amendment, Mr. Speaker. In paragraph (d) there are three (3) amendments, (a), (b) and (c) as set out.

The CHAIRMAN: As shown, okay. Members, the amendment as shown on Appendix (ii).

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 6 as amended.

Put to the Committee and agreed to.

The CHAIRMAN: Clauses 7 and 8, put and agreed to.

The CHAIRMAN: I put Clause 9. Minister.

Mr. SHAW: In Clause 9(5), delete the words "*a third*" and substitute therefor the words "*deferred*".

The CHAIRMAN: I put the amendment as indicated by the Minister.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 9 as amended.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 10.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 11.

Mr. SHAW: In 11... Mr. Chairman, in 11...

The CHAIRMAN: I am sorry, one (1) amendment in sub Clause 11(3)

Mr. SHAW: ...there is an amendment to substitute - delete paragraph (b) and substitute it as indicated.

The CHAIRMAN: I put the amendment as indicated by the Minister.

Put to the Committee and agreed to

The CHA1RMAN: I put Clause 11 as amended.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 12.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 13.

The CHAIRMAN: Minister.

Mr. SHAW: In Clause 13, Mr. Chairman, there are two (2) amendments listed as (1) and (2).

The CHAIRMAN: I put the amendment as indicated.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 13 as amended.

Put to the Committee and agreed to.

Dr. HARRIS: Mr. Chairman.... Mr. Chairman, a little bit too fast.

The CHAIRMAN: Sorry. Yes, Dr. Harris?

Dr. HARRIS: Between Clauses 9 to 12 that dealt with the exclusivity status...

The CHAIRMAN: Sorry, I didn't hear that.

Dr. HARRIS: The exclusivity clauses... between Clauses 9 to 12, are we going to retain those provisions, or can we examine them again?

The CHAIRMAN: No, we had passed them...

Dr. HARRIS: No, but we were going a little bit fast. Look at it again.

The CHAIRMAN: You want them recommitted?

Dr. HARRIS: Yes, thanks.

The CHAIRMAN: You want Clause 9 recommitted.

Dr HARRIS: Clause 9 to 12, yes.

The CHAIRMAN: What's your point now, Dr. Harris?

Dr. HARRIS: The specific point here, Mr. Chairman, is that it would be possible to have the Casino Bill, but the provision for exclusivity, we could modify it so that we could incorporate other players inside of this Bill.

(*Sotto voce* comments)

The CHAIRMAN: I don't know. Minister...

Mr. SHAW: I think that would defeat the purpose of exclusivity, Mr. Chairman.

The CHAIRMAN: Exclusive means exclusive, you know.

Dr. HARRIS: Yes, but that is the exact point. But, do we have to go to that route, Mr. Speaker, because we are going against the tide. When we make something exclusive, we ate really fighting against a principle that we hold dear inside of this House here where we want to open competitiveness and we want to make things competitive.

Mr. VAZ: Mr. Speaker, if I may...

The CHAIRMAN: You can sit, Mr. Vaz.

Mr. VAZ: If I may, Mr. Speaker, this was extensively discussed, and it was shown that from the previous administration, there were certain commitments by way of Heads of Agreement, *et cetera*, and whereas it was not legally binding to us, it was morally binding and it would be a breach of good faith. And on that basis, the Committee decided to continue what was already started in terms of the negotiations.

Mr. SHAW: But, Mr. Chairman, I would add to that, that beyond those agreements it is fundamental that we understand that in order to get those levels of investment, as l mentioned before, no investor is going to do it without some guarantee of exclusivity.

The CHAIRMAN: Absolutely.

Mr. SHAW: And for a period of time - a minimum period of time.

The CHAIRMAN: Your concerns are

noted, Dr. Harris, but...

Dr. HARRIS: The arguments are fundamentally flawed, Mr. Chairman. They are flawed.

The CHAIRMAN: ...but, we have to move on.

Dr. HARRIS: They are flawed.

(Crosstalk)

The CHAIRMAN: I put Clause 14... no, there is an amendment.

Mr. SHAW: Fourteen (14) Mr Chairman...

The CHAIRMAN: I put the amendment to Clause 14.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 14 as amended.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 15. Minister.

Mr. SHAW: There are also two main amendments in Clause 15.

The CHAIRMAN: I put the amendment.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 15 as amended.

Put to the Committee and agreed to.

Clauses 16, 17, 18, 19 put and agreed to.

The CHAIRMAN: I put Clause 20. Minister.

Mr. SHAW: Yes, a small amendment there to 20(1)(a), Mr. Chairman.

The CHAIRMAN: I put the amendment.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 20 as amended.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 21.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 22. Minister.

Mr. SHAW: Yes, Mr. Chairman, 22 subsection (2)...

The CHAIRMAN: There are amendments.

Mr. SHAW: Delete items (a) and (b)

The CHAIRMAN: I put the amendment.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 22 as amended.

Put to the Committee and agreed to.

Clauses 23, 24, 25, put to the Committee and agreed to.

The CHAIRMAN: I put Clause 26. Minister.

Mr. SHAW: Clause 26, Mr. Chairman... 26(a), insert immediately after the word '*apply*', the word '*to*'.

The CHAIRMAN: I put the amendment.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 26 as amended.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 27. Minister.

Mr. SHAW: Twenty-seven (1), there are some amendments there (a), (b) and (c), Mr. Chairman, grounds for disciplinary action, the definition has changes.

The CHAIRMAN: I put the amendment in Clause 27.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 27 as amended.

Put to the Committee and agreed to.

Clauses 28, 29, 30, 31, 32, 33, 34, 35, 36 put to the Committee and agreed to.

The CHAIRMAN: I put Clause 37.

Minister.

Mr. SHAW: In Clause 37(3), delete subsection (3) and a paragraph is substituted therefor.

The CHAIRMAN: I put the amendment.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 37 as amended.

Put to the Committee and agreed to.

The CHAIRMAN: l put Clause 38. Minister.

Mr. SHAW: Thirty-eight (38) Chairman, delete subsection (5) and a new paragraph 5 is substituted.

The CHAIRMAN: I put the amendment as indicated by the Minister.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 38 as amended.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 39. Minister.

Mr. SHAW: There are two minor amendments as set out there in Clause 39.

The CHAIRMAN: I put the amendments to Clause 39

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 39 as amended.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 40. Minister.

Mr. SHAW: In 40, subsection (4) is to be deleted and to be substituted by a new paragraph as set out.

The CHAIRMAN: I put the amendment to Clause 40.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 40 as amended.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 41.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 42. Minister.

Mr. SHAW: In 42, delete subsection (9), and a new paragraph is substituted therefor.

The CHAIRMAN: I put the amendment.

Put to the Committee and agreed to.

The CHAIRMAN: 1 put Clause 42 as amended.

Put to the Committee and agreed to.

The CHAIRMAN: 1 put Clause 43. Minister.

Mr. SHAW: In Clause 43, subsection (3), there are two minor amendments as listed there, Mr. Chairman.

The CHAIRMAN: I put the amendment to Clause 43.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 43 as amended.

Put to the Committee and agreed to.

The CHAIRMAN: l put Clause 44. Minister.

Mr. SHAW: In 44(2), there are two minor amendments again.

The CHAIRMAN: I put the amendments to Clause 44.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 44 as amended.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 45.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 46. Minister.

Mr. SHAW: In subsection (1) and

subsection (3), there are minor amendments there.

The CHAIRMAN: I put the amendment to Clause 46.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 46 as amended.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 47. Minister.

Mr. SHAW: There are three (3) amendments to Clause 47, Mr. Chairman.

The CHAIRMAN: I put the amendments to Clause 47.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 47 as amended.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 48. Minister.

Mr. SHAW: Two (2) minor amendments to Clause 48, listed as one and two.

The CHAIRMAN: They are not amendments; they are just corrections consequential corrections. I put Clause 48.

Put to the Committee and agreed to.

Clauses 49, 50, 51, 52, 53, 54, 55 put to the Committee and agreed to.

The CHAIRMAN: I put Clause 56. Minister.

Mr. SHAW: In 56(1)09, delete the word '*an'*...

The CHAIRMAN: It is an editorial amendment. So, I put Clause 56.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 57.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 58. Minister.

Mr. SHAW: Some minor corrections in 58(3) - two minor corrections, Mr. Chairman.

The CHAIRMAN: I put the amendments to Clause 58.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 58 as amended.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 59.

Put to the Committee and agreed to.

The CHAIRMAN: l put Clause 60.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 61.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 62. Minister.

Mr. SHAW: In Clause 62, Mr. Chairman, there are two major amendments, and in section 2 is listed as (a) and (b) as well.

The CHAIRMAN: Yes, Mr. Kellier.

Mr. KELLIER: Mr. Chairman, Clause 62 seeks for a change from uncollected winnings to unclaimed winnings, but the period that is set out there for 90 days, l know that usually when a cheque is issued it stays six months before it becomes stale-dated. So, why are we moving the thing to three months to stop a man from collecting his winnings...?

Mr. PERALTO: That is standard.

Mr. KELLIER: ...instead of sticking to the some...

The CHAIRMAN: No, no, no, Mr. Kellier, my understanding is...

Mr. KELLIER: ...the same period of time.

The CHAIRMAN: No, no, my understanding is that it is the claiming of the winnings, it is not the cheque itself because when the winner is known, the winner will get the cheque which will go for six months. But you must claim the winnings within 90 days.

Mr. PERALTO: That's right.

The CHAIRMAN: And then you get the cheque in your name which you must cash in six months.

(*Sotto voce* comments)

Mr. KELLIER: But, let us say someone has an accident after his big winnings, let us say he has an accident of some sort, whatever nature, he may be in a coma. Why we holding down the thing to ninety days and then to move his money over into the CHASE Fund...?

Mr. SHAW: But you don't know how long he is going to be in the coma.

(Laughter)

Mr. KELLIER: I just use that, you know. No, l adjust saying why we making it so tight?

The CHAIRMAN: Now, you know, Mr. Kellier, gamblers usually collect within 24 hours.

Mr. SHAW: Mr. Chairman, as I understand it...

(*Sotto voce* comments)

Mr. KELLIER: Yes, and gamblers meet some accidents too.

Mr. SHAW: Mr. Chairman, this came out of best practices elsewhere, it is a standard thing that we set down here.

The CHAIRMAN: It is not unusual, Mr. Kellier. Ninety days is normal.

Mr. KELLIER: So, is there any protection...

(*Sotto voce* comments)

Mr. KELLIER: No, but the question is you are protecting both sides when you make a Bill.

The CHAIRMAN: Yes.

Mr. KELLIER: What is the protection of the man who win, man?

Mr. PERALTO: He has 90 days.

Mr. KELLIER: What?

Mr. PERALTO: He has 90 days.

Mr. SHAW: Ninety days.

Mr. KELLIER: What! that's not protection?

(*Sotto voce* comments)

Mr. SHAW: Ninety days, it's standard. And the example you gave of the guy in the coma doesn't help us because we don't know how long he will be in a coma.

(Laughter)

Mr. KELLIER: No, no, I'm just saying that suppose the man is in a coma. You don't know. No, it's a serious thing.

A MEMBER: That's classic.

Mr. KELLIER: No, I'm just saying, Mr. Speaker, that there will be no protection.

The CHAIRMAN: Ninety (90) days is reasonable.

Mr. KELLIER: There should be some protection for the person. He could have some problem.

The CHAIRMAN: No, remember, Mr. Kellier, Mr. Kellier...

Mr. KELLIER: Yes.

The CHAIRMAN: ....he can ask somebody to collect for him you know.

Mr. VAZ: If him win ah guarantee him come outa the coma same time.

(Laughter)

The CHAIRMAN: Amendment to Clause 62 put to the Committee and agreed to.

Clause 62 as amended put to the Committee and agreed to.

Clause 63 put to the Committee and agreed to.

Clause 64 put to the Committee and agreed to.

The CHAIRMAN: I put Clause 65.

Minister.

Mr. SHAW: Insert - in 65(1) there are changes to paragraphs (c), (d) and (e) as below.

The CHAIRMAN: I put the amendments to Clause 65. Those in favor?

Put to the Committee and agreed to.

Clause 65, paragraphs (a), (b) and (e) as amended put to the Committee and agreed to.

The CHAIRMAN: I put Clause 66. Minister.

Mr. SHAW: Two minor deletions are listed as 1 and 2 in 66.

Amendments to Clause 66 put to the Committee and agreed to.

Clause 66 as amended put to the Committee and agreed to.

Clause 67 put to the Committee and agreed to.

Clause 68 put to the Committee and agreed to.

The CHAIRMAN: l put Clause 69. Minister.

Mr. SHAW: In 69(2), Mr. Chairman, a minor amendment there. Substituting for "*authorized officer, the Commission*."

The CHAIRMAN: I put the amendment to Clause 69.

Put to the Committee and agreed to.

Clause 69 as amended put to the Committee and agreed to.

The CHAIRMAN: I put Clause 70. Minister.

Mr. SHAW: In Clause 70, there are four (4) amendments as set out in the Schedule.

Amendment to Clause 70 put to the Committee and agreed to.

Clause 70 as amended put to the Committee and agreed to.

Clause 71 put to the Committee and agreed to.

The CHAIRMAN: I put Clause 72. Minister.

Mr. SHAW: 72(1) has five (5) changes in terms of deletions and a substitution in Number 4.

Clause 72 as amended put to the Committee and agreed to.

The First Schedule put to the Committee and agreed to.

The CHAIRMAN: I put the Second Schedule. Minister.

Mr. SHAW: Chairman, there are two (2) amendments as set out in the Schedule.

Amendment to Second Schedule put to the Committee and agreed to.

The Second Schedule as amended put to the Committee and agreed to.

The Third Schedule put to the Committee and agreed to.

The CHAIRMAN: I put the Fourth Schedule.

Mr. SHAW: There are two (2) amendments as set out in the Fourth Schedule, Chairman.

(The Chairman and the Clerk in consultation)

Amendments to the Fourth Schedule put to the Committee and agreed to.

The Fourth Schedule as amended put to the Committee and agreed to.

The CHAIRMAN: I put the Fifth Schedule. Minister.

Mr. SHAW: And in the Fifth Schedule there are also two (2) amendments set out in paragraph 3.

The Fifth Schedule put to the Committee

and agreed to.

The Fifth Schedule as amended put to the Committee and agreed to.

Mr. HOLNESS: Mr. Chairman, we will have to suspend the sitting of the Committee and report progress to the House. So I now move, Mr. Chairman, that we do suspend the sitting of the House.

The CHAIRMAN: Yes.

Mr. HOLNESS: For the benefit of Members, there are some other matters that have to be addressed in the legislation which we will continue next week...

The CHAIRMAN: Tomorrow.

Mr. HOLNESS: Well, tomorrow, tomorrow, the next sitting.

The CHAIRMAN: We will finish this at Committee Stage tomorrow because of some adjustments to be made. But we can report progress in this matter.

Mr. HOLNESS: Yes. So we can.

The CHAIRMAN: The question before the House is that I do report the Bill as having made progress...Sorry.

(The Chairman and the Clerk in consultation)

The CHAIRMAN: The question is that I do report progress and seek leave of the House to sit again at a later date.

Put to the Committee and agreed to.

RESUMPTION

The SPEAKER: Members, in relation to the Amendment to the Betting, Gaming and Lotteries Act, I do report the Bill as having passed Committee Stage with thirty-four amendments. Minister, third reading.

Mr. SHAW: Mr. Speaker, l beg to move for third reading of the Bill.

The SPEAKER: The question is that the Bill be read a third time.

Put to the House and agreed to.

Bill entitled:

"AN ACT to Amend the Betting, Gaming and Lotteries Act"

read a third time and passed.

The SPEAKER: Bill debated and passed.

Now, Members, in relation to the Casino Gaming Act, 1 do report progress and seek leave of the House to sit and continue at a later date.

Put to the House and agreed to.

The SPEAKER: House Leader?

ADJOURNMENT

Mr. HOLNESS: Mr. Speaker, it is not proposed to do any further business today.

(Inaudible comments)

Oh, you wanted more? I now, therefore, Mr. Speaker, move that the House do adjourn until Wednesday, March 3, when we will resume the sitting of the House.

The SPEAKER: The motion before the House is that this House do adjourn until Wednesday, March 3 at 2:00 p.m.

Put the House and agreed to.

The SPEAKER: (Gavelling) This Honourable House stands adjourned.

The House accordingly adjourned at 5:58 p.m. until Tuesday, March 3, 2010 at 2:00 p.m.

WEDNESDAY, March 3, 2010

PURSUANT to Notice of Adjournment the Honourable House of Representatives resumed its sitting at Gordon House, Kingston at 2.21 p.m.

PRESENT

THE SPEAKER

HON. DELROY HAWMIN CHUCK, (JLP), St. Andrew, North Eastern.

MRS. MARISA COLLEEN DALRYMPLE-PHILIBERT, (JLP), Trelawny, Southern, Deputy Speaker.

MEMBERS OF THE CABINET

THE HONOURABLES:

ANDREW MICHAEL HOLNESS, (JLP), St. Andrew, West Central, Minister of Education, Leader of Government Business and Electoral Matters.

DR. HORACE CHANG, (JLP), St. James, North Western, Minister of Water and Housing.

DR. CHRISTOPHER CHARLES TUFTON, (JLP), St. Elizabeth, South Western, Minister of Agriculture.

MINISTERS OF STATE

THE HONOURABLES:

DARYL WESLEY PHILLIP VAZ, (JLP), Portland, Western, Minister without Portfolio in the Office of the Prime Minister, Information and Telecommunication.

MRS. SHAHINE ELIZABETH ROBINSON, (JLP), St. Ann, North Eastern, Minister of State in the Office of the Prime Minister.

WILLIAM JAMES CHARLES HUTCHINSON, (JLP), St. Elizabeth, North Western, Minister of State in the Ministry of Agriculture.

CLIFFORD EVERALD ERROL WARMINGTON, (JLP), St. Catherine, South Western, Minister of State in the Ministry of Water and Housing.

NEVILLE ANDREW GALLIMORE, (JLP), St. Andrew, West Rural, Minister of State in the Ministry of Labour and Social Security and Deputy Leader.

MICHAEL ANTHONY STERN, (JLP), Clarendon, North Western, Minister of State in the Ministry of Industry, Commerce and Investment.

OTHER MEMBERS

DR. ST. AUBYN BARTLETT, (JLP), St. Andrew, Eastern.

MR. ROGER HAROLD CLIFFORD CLARKE, (PNP), Westmoreland, Central.

DR. DONALD K. DUNCAN, (PNP), Hanover, Eastern.

MR. COLIN ALFRED A. FAGAN, (PNP), St. Catherine, South Eastern.

MR. IAN DAVE HAYLES, (PNP), Hanover, Western.

MRS. MAXINE ANTOINETTE HENRY-WILSON, (PNP), St. Andrew, South Eastern.

MR. FITZ ARTHUR JACKSON, (PNP), St. Catherine, Southern.

MR. DERRICK FLAVIUS KELLIER, (PNP), St. James, Southern.

MR. DESMOND GREGORY MAIR, (JLP), St. Catherine, North Eastern.

MR. ERNEST AUGUSTUS SMITH, (JLP), St. Ann, South Western.

REV. RONALD GEORGE THWAITES, (PNP), Kingston, Central.

PRAYERS

Prayers were offered by Mr. Gregory Mair.

The House resumed its sitting at 2.21 p.m.

The SPEAKER: Please be seated.

This Honourable House now resumes its sitting.

CALL OF THE ROLL

(See Listing)

The SPEAKER: Members, this afternoon we would like to welcome in the Gallery 33 students and one teacher from the Meadowbrook High School. Welcome to the sitting of Parliament this afternoon. (Applause)

ANNOUNCEMENTS

The Clerk laid on the Table of the House a copy of the following:

- Office of the Contractor General of Jamaica
  Report of the investigation conducted into procurement practices of the Ministry of Health and Environment and/or Regional Health Authorities
- Certified Appropriation Accounts Taxpayer Audit and Assessment Department for 2008/2009

The SPEAKER: Members, as I indicated yesterday, a number of the documents which will be presented to Parliament, especially the Contractor General's Report, he has provided us with a disc where we can put it on the website. So if you want a hard copy from Parliament we can give you a hard copy, but failing which, you can also read it on the website or you can download from the website itself. So, Members who are here or any Member can get a hard copy of the Contractor General's Report. But immediately after the Announcements it will be placed on the website. So that not only Members but the public at large will be able to access the Contractor General's Report, that which was provided yesterday and also today and in fact other Contractor General's Reports.

And as we indicated, it may be that other Government agencies that they provide us with a limited number of hard copies, but they will give us the disc so we can put it on the Parliamentary website to avoid the paper chase, which is what we have here in Parliament over the years.

(HON. JAMES RUDOLPH EDWARD ROBERTSON, (JLP), St. Thomas, Western, Minister of Mining and Energy, entered and took his seat.)

Mr. HOLNESS: Mr. Speaker, the Member from South East St. Andrew, I recall, has a question that is due for answer. May I ask for recommittal of the item.

(MR. TARN ANDREW PERALTO, (JLP) St. Mary, South Eastern, entered and took his seat.)

NOTICES OF MOTIONS GWEN ORALLY

The SPEAKER: Yes, House Leader.

Mr. HOLNESS: Mr. Speaker, I move for the recommittal of the item Questions and Answers to Questions.

(DR. FENTON RUDYARD FERGUSON, (PNP), St. Thomas, Eastern, entered and took his seat.)

QUESTIONS AND ANSWERS TO QUESTIONS (Recommitted)

The SPEAKER: Mrs. Maxine Henry-Wilson.

Mrs. HENRY-WILSON: Mr. Speaker, I ask the Member to answer the questions which stand in my name, notice of which was given on February 9, 2009.

The SPEAKER: House Leader.

Mr. HOLNESS: Thank you, Mr. Speaker.

Question: Can the Minister inform the House of the status of the Strategic Policy and Plan for the Tertiary Sector in Jamaica and the schedule for laying and debating in the House?

Answer: Mr. Speaker, the Strategic Policy and Plan for the Tertiary Sector proposes to establish a Commission to regulate and give oversight to the sector. Consideration will be given to rationalizing a number of individual oversight bodies. The Cabinet Submission for this proposal will be tabled at Cabinet between the end of March and end of April.

Question: Can the Minister also indicate whether the document will be presented in the public domain for the purpose of public education and consultation?

Answer: Public consultation was done between 2006 and 2007 to inform the concept of the Commission.

Consultations have been done with the tertiary institutions and the University Council of Jamaica. The concept paper will also be made available on the Ministry's website, that's the Ministry of Education's website, and during the course of designing the Commission further consultations will be done.

Question: Will the Minister explain to the House the implications and likely impact of the conditionality confined in Jamaica's Memorandum of Economic and Financial Policies with the IMF, which states and I will read for the record: "A nominal freeze will also be implemented on tuition subsidies for tertiary education at the level of financial year 2009/2010 budget, while a system of means testing will be introduced.

Subsidies on external school examination fees will be reduced by improving the incentive structure, for example, providing reimbursement based on results.

The answer to that question what is the impact that this intent expressed in our Letter of Understanding with the IMF, what impact will this have on the Universities and the Tertiary sector in general. In 2009/2010 the University of the West Indies received a grant of $7 Billion with a proposed allocation of $6.7 Billion for the financial year 2010/2011, that's the financial year coming.

The University of Technology was allocated $1.9 Billion for the

fiscal year 2009/2010 and the projected budget for this year for the University of Technology is $1.8 Billion. The allocation overall for tertiary institutions in the current financial year was $12.4 Billion and for the year coming it will be $12.2 Billion.

As it relates to the CSEC examination and other such examinations which the government subsidies, the analysis of results from the CSEC exams reveal that the government is losing significantly based on the manner in which the CXC exams are subsidized. So the Ministry is proposing to implement an incentive scheme whereby students are reimbursed, Mr. Speaker, based upon their achievements in previous examinations. A system is also being considered of reimbursing students after they have achieved their actual grades at CSEC and, of course, we will also take into consideration the ability of the students to pay; and students who are PATH beneficiaries will continue to receive subsidies towards their examinations.

Mr. Speaker - you want me to...

Mrs. HENRY-WILSON: No, I prefer to.

Mr. Minister, I don't know that you have answered my questions but let me just go little bit further. I pose these questions because we all agree that the Tertiary sector is the one that is really going to allow us to ride the crest of that wave for the recovery. (Applause) I don't think there is any doubt about that.

(MOST HON. PORTIA LUCRETIA SIMPSON MILLER, O.N., (PNP), St. Andrew, South Western, Leader of the Opposition, entered and took her seat.)

Now, first of all the establishment of the commission of which I am aware, until then the sector is so growing like topsy. A lot of things are happening out there. What is the proposal, for example, to deal with the questions of accreditation and quality assurance, even before we get to the question of establishing a Commission, which has not even yet been designed as indicated by your response. That's the fast question.

The other has to do with - when I ask for implication and likely impact, while I appreciate the quantitative response, the monetary response, I really am talking about more societal impact. This system of means testing what is it going to mean in terms of students attending the institutions? What are the targets now, given the fact that we obviously in real terms are going to cut back the subsidies to these institutions, our targets for meeting tertiary education, given the fact that our neighbours are moving up to 60% and we are still below 30%? So I really am thinking more about the impact on our achievements in terms of tertiary education.

(MR. FRANKLYN ROBERT WITTER, (JLP), St. Elizabeth, South Eastern, entered and took his seat.)

And I don't know what you mean by achievement in previous exams. I am not sure how you are going to measure that. So what is going to be the impact in terms of students who just cannot afford - CSEC exams are

quoted in foreign exchange. So with each movement of the dollar there is a movement upwards of the cost of the CSEC.

I agree that the whole issue of efficiency in the expenditure has been under examination, but how do we ensure that we do not discriminate against those students who are just not able to afford the increasing cost?

Mr. HOLNESS: Should I respond to you one or...

Mrs. HENRY-WILSON: I am finishing. In that regard please remember that tertiary does not only include universities. In my question I also am interested in what is going to happen to our Teachers colleges and our Community colleges, which present an alternative pathway for our students to get in to the tertiary system.

Mr. HOLNESS: Thank you, Member, for those questions. Let's start watts the Tertiary Commission.

I think we are at one with the concern that the tertiary sector is growing rapidly in Jamaica, largely without government regulation or oversight. That is really to a large extent, a function of how we have managed the delivery of tertiary education in the past, whereby tertiary institutions have been given schemes of management and indeed charters that allow them to operate independently. But recently we have seen the phenomenon where private institutions are becoming major service providers in the tertiary sector and therefore it gives a role now for government to set standards and to invigilate those standards and also to look at how the limited resources that government provides to the system how it is used, leveraged in such a way as to advance our national benefit. And I believe that was the idea behind the Tertiary Commission as was proposed by the previous administration. Indeed, the Member asking the question was the minister at the time. It is a policy that the resent Government is continuing and we have advanced it, to the point now where all the institutions that have tertiary oversight: the UCJ which deals with the issue of quality as you have mentioned, the Council of Community Colleges which deals with the other first phase of tertiary, l would call it, and the joint Board is also being looked at as to how they would relate to the Tertiary Commission. And there are other players that will have to be incorporated. So in my answer to you I would say that in the design of the Commission there will be other consultations.

So we have prepared a Cabinet submission based on this policy of developing an oversight body for tertiary. It will go to Cabinet between - in the month of April I am expecting that the Cabinet submission, Member, will be ready to go to Cabinet. After it goes to Cabinet and is approved then it will come to the House, either as a Ministry Paper or through some other means for discussion. Once that is approved we will then go to further consultation as to exactly what should be the structure of this Commission. And by structure we mean should it take the form of other types of commissions that we have, for example, the Early Childhood Commission, or should we make it an Executive Agency. Those kinds of decisions would have to be made and consultations be had on those. And, of course, who should comprise the Commission. All those consultations will be had.

So I want to assure the Member and the House that consultation will be had and that

the policy is well on its way. It is being continued coming from the previous administration.

In terms of the concerns you raised about the freeze on fees, and l gave a quantitative answer to demonstrate that there will be no significant revision in the funding to tertiary. But at the same time I think everybody understands and accepts that the present economic circumstance that we find ourselves in, would dictate that we would not be able to increase in any significant way or if at all, the funding to tertiary. So we have to basically have a holding position for tertiary education until we find ourselves in better circumstances, which we project to be within the next 24 months.

Now, we acknowledge that the nominal freeze does not provide for inflation. And I want to point out to Jamaica, that even when the Government increased its subsidy in line or above inflation universities and colleges have increased their fees regardless. So my point is, and I have made this point before, that students will face an increase in their fees. We have said to the institutions that any increase must be in line with inflation. Certainly the Government would not support or sanction any increase in fees above that of inflation.

We do not know as yet what the internal workings of the universities, which are basically independent agencies in setting their fees, what those fees are as yet. So Member, I would not be able to say these are the fees for next year. But certainly we have given the guidance and we have sent the signal already. I think the universities understand and they have been cooperative so far. My own expectation is that in this instance the universities will understand and cooperate with the Government's directive.

It will mean hardship for some. And the hardship Member is not purely as a result of the increase in fees, these are difficult times. We expect to see more students being placed on the deregistration list, we expect that, and therefore, we are going to be making provision either directly through the Students Loan Bureau which we already do with grants, or separate provisions directly to the universities to address those students who are at risk of being deregistered. So we have already made that kind of accommodation for those students.

How we distribute whatever benefit we give, it has to be done on a means-tested basis. Means-testing is nothing new to tertiary institutions. Indeed, most of the grants and benefits that are given are done on some of means-testing, so this is nothing new and I don't think it is anything that students should concern themselves with.

The SPEAKER: Thank you.

Mrs. HENRY-WILSON: I don't want you to get my question incorrect or misinterpret. I am not even questioning the question of the subsidies. I am more okay, concerned about institutional development especially for the Teacher's colleges and the Community colleges. They have been underfunded for years, I know that from where I sat. And what we are finding is that they are falling behind again in terms of the provisions that are made. And so, my real question is, even if you can't answer it now, how are we going to bring these institutions up to scratch as they are the access point for many students? And what can be done in the discussions that we are having so that we don't

stick with just the universities, but we look at these other very important institutions?

Mr. HOLNESS: Once again Member, thank you for the question but each time you clarify and elaborate you bring in a new consideration.

As it relates to our Teachers' colleges and our Community colleges, I recently met with all the principals. And you would know that they several years ago, they decided to join together to offer a degree programme. In offering a degree programme they would have effectively started the institutional process of raising their level of quality and output. It has hit upon certain snags, you may very well be aware of them, but we have managed to resolve those. I have explained to all the principals regarding the level of funding.

The Government at this point though we are cognizant of what you have said, and I want it to be clearly lying idle for almost a year now, which understood that I am at one with you that we need to spend more money on tertiary and we need to spend more money in particular in improving our teachers colleges. But our coping strategy for right now as we are tied into an agreement with the International Monetary Fund and our own fiscal discipline, we would not be able to increase funding to those institutions right now. My discussions with all the principals have been, you must now look at your operations, remove inefficiencies and increase your effectiveness with the same level of funding that you have. And they have all embraced the challenge; and my own belief and from what l have seen is that all the principals understand this and that they are now looking at their own internal operations to streamline. You will notice that the Ministry itself, the Ministry of Education itself is looking at its own operations to see how best we can continue to deliver the same level, if not a greater level of service, with the current budget which has not increased, the current budget that we have. And that is the challenge that everyone in the education sector faces.

The SPEAKER: Reverend Thwaites.

Rev. THWAITES: Mr. Speaker, will the Minister acknowledge that the entire burden of his reply to my friend from South East St. Andrew is that it has to do with grants and with subsidies for tertiary education, when the main issue is really the funding of tertiary education by a proper students loan scheme. And I may I ask him to refer to motion No. 18 on the Order Paper which has been lying idle for almost a year now, which invites the Honourable House to debate the adequacy and affordability of loan financing for students in the Jamaican tertiary education system, and to consider whether the adequate answer to the problems raised in her questions by the Member, has to do with the proper capitalization, access and acculturation of the tertiary students to be paying for their own education in very significant part by means of a properly articulated loan scheme.

Mr. HOLNESS: Thank you, Member, I can always count on the Member from Central Kingston to raise pertinent issues in education which otherwise probably would not come to the attention of the House.

Member, I agree with you, you Ministry are right. The solutions to our tertiary to difficulties lie with the creation of a properly working credit market for tertiary education. What we would commonly call, a student loan programme. But we tend to see

the Student Loan programme, Member, as a subsidy itself. And really, what we need to be doing is to look at how you can use a commercial solution to the problem of access to tertiary.

The Government is seized of that point, and we are looking at ways to expand the student loan. And I want to throw out here, Member, just for discourse and debate, there is no policy, and I must emphasize that there is no policy around this, but inevitably, the Government will have to look at the money that it is spending on tertiary and decide whether or not it is going to give it as a subsidy to the universities or transfer it to the students loan. That is a decision that will have to be made eventually. I want to be clear, because I seem to be a candidate for being misquoted when I make these kinds of statements. There is no policy on it, but eventually the debate will have to lead towards that, that eventually the subsidy that we give may have to be transitioned into the student loan to properly capitalize the student loan. But if we do that we then have to make sure that the terms are such that they are not onerous and that they don't deprive any student of access. The work is presently being done as to how we could do it, but I think the only solution if we are going to really explode access to tertiary, is to expand tremendously student loans to make the loans less onerous, cheaper in terms of the interest rates and the conditions such that the average Jamaican can go in and access without need for guarantor or providing any other form of security other than the education that they will receive, which will eventually become a means of earning which will then contribute to the pool of funds from which they borrowed.

So I am in agreement with you, Member.

The SPEAKER: Yes, Reverend Thwaites.

Rev. THWAITES: Mr. Speaker, given that, will the Minister commit to let us have this debate very soon, where in his other capacity as House Leader?

Can you imagine, Mr. Speaker, what it would be if you had a student loan scheme, so calibrated with the principles the Minister outlines on the basis of $12 Billion a year, even for five (5) years, what $60 Billion a year could do to provide access to students; where they are building up their social capital for their benefit and that of the nation in a responsible credit environment rather than another aspect of trying to get something for nothing, which so dominates so many aspects of private and public discourse in this country.

The SPEAKER: I got the impression, Rev. Thwaites that it is on the agenda for debate shortly.

Mr. HOLNESS: I am sorry, I neglected to answer. Yes, the motion that stands in your name is scheduled for debate, and maybe what we should do is to bring forward the date that is assigned to it.

There is another question standing in the name of the Member from South East St. Andrew. 1 want to point out to the Member - and I want to do it as delicately as possible, Member, that by virtue of Standing Order 16 (c) (1) you have your Standing Order with you - and Standing Order 16 (g) (8) the question - I have the answer for you so I am going to give you the answer, but I am not going to do it here I am going to send it to you. The question would not have met the standards set by the Standing Orders.

Mrs. HENRY-WILSON: Thanks for the guidance, but I think the country still needs to get an answer because I think - why I raised the question is because I think it sends a kind of signal that could lead to the undervaluing of the CSEC exams if people begin to have doubts. So that is why I raised the question.

Mr. HOLNESS: Well understood, Member, and I struggled with whether or not I should address it, but there are some issues regarding questions which as Leader of Government Business, Mr. Speaker, you will understand that I have to ensure that the procedures are followed.

I would encourage you Member to rephrase the question. I am going to give you my answers anyway but I would encourage you to rephrase the questions and bring them back on the Order Paper.

The SPEAKER: When you do you propose to give the answer?

Mr. HOLNESS: I will give the Member the questions because I have them answered. I will give them to her now, but I won't, through this process of answering the questions in the House by virtue of the Standing Orders.

The SPEAKER: If you give her the answers now, then we could remove Question 45.

Mr. HOLNESS: And I am doing that now. What I want to say is that it is not the intention not to answer, but there is a procedural matter, Mr. Speaker, which as the Leader of Government Business I have to be careful that I follow. So I want the question to be rephrased, and I would want the debate but I am also mindful of the procedure that must be followed.

The SPEAKER: Well, what is the proposal then, should you give her the answer then complete it next....

Mr. HOLNESS: No. What I am saying, Mr. Speaker, is that I will give her the answer regardless. But the Member would want national debate, so I would ask her to resubmit the questions and then we will....

The SPEAKER: Okay, very well.

Rev. THWAITES: Mr. Speaker, I wonder if the Minister would indulge me. I intended to ask this as a question had he given the usual answers to this one. There is a great public disquiet regarding the re-submission of birth certificates for the examination.

The SPEAKER: But is that appropriate at this time?

Rev. THWAITES: But when this is going to be, sir? This is a matter of public concern. It has to be ventilated.

The SPEAKER: Yes, but now is not the right time, Reverend Thwaites.

Rev. THWAITES: When would you like me to do it?

The SPEAKER: We can do it at...

Mr. HOLNESS: You could either submit a question or after consultation with the Speaker.

The SPEAKER: At Notices of ...

Mr. HOLNESS: At Notices of - well, not at Notices.

The SPEAKER: At Motion for Adjournment.

Mr. HOLNESS: At Motion for Adjournment.

Rev. THWAITES: Would I be allowed?

The SPEAKER: You will.

Mr. HOLNESS: You would have to speak with the....

(Cross talk)

PUBLIC BUSINESS

The SPEAKER: House Leader.

Mr. HOLNESS: Thank you, Mr. Speaker.

At Public Business we will start, Mr. Speaker…… (Cross talk)

Mr. HOLNESS: Mr. Speaker, at Public Business we will start with Item No. 7 on the Order Paper under Government Business. That is, the continuation of the debate on the motion, a Bill entitled "*AN ACT to repeal the Police Complaints Act and the formation of the Independent Commission of Investigation*". We will start with that. It's continuing. We have persons who are ready.

The SPEAKER: It's Item No. 4, House Leader. You said 7. Number 4.

Mr. HOLNESS: Number 42

The SPEAKER: Number 4.

Mr. HOLNESS: That would be 7 under.....

Mr. KELLIER: Under Government Business.

Mr. HOLNESS: Under Government Business. I am sorry. On my paper it is incorrectly stated. Number 4. My apology.

We will continue, not debate but rather...

The SPEAKER: To complete.

Mr. HOLNESS: ...we will complete the committee's deliberation of the Casino Gaming Act, and then we will do - the Minister of Labour and Social Security will take the amendments to the LRIDA Act. So we will start, Mr. Speaker, with the Independent Commission of Investigations.

The SPEAKER: Very well.

Mr. HOLNESS: The first speaker will be Mr. Mair, Member from St. Catherine North East.

The SPEAKER: Mr. Mair.

Mr. MAIR: Thank you, Mr. Speaker.

Mr. Speaker, as a consequence of the failure of the systems that we presently have in place in order to ensure that agents of the State do not abuse the rights of the people, as a consequence of that failure, we have this Bill before us today. Because for far too long, and I would say in far too many instances have breaches of the rights of our people occurred by agents of the State.

(MR. PETER MURCOTT BUNTING, (PNP), Manchester, Central, entered and took his seat.)

(DR. THE HON. KENNETH LEIGH O'NEIL BAUGH, (JLP), St. Catherine, West Central, Deputy Prime Minister and Minister of Foreign Affairs and Trade, entered and took his seat.)

The Bill, it is my consideration that the Bill is a very good Bill. I think it has gone through quite a few amendments, and what we have today before us is a very good Bill. Nevertheless I would like to, in my contribution, suggest to the Members of this Honourable House four (4) more amendments, or amendments in four (4) areas which I think are important, and raise an area of concern that I have.

Mr. Speaker, Clause 3 subsection (2) deals with the appointment of the Commissioner. As the Bill is presented right now the Commission consists of one Commissioner who is appointed by the Governor-General after consultations with the Prime Minister and the Leader of the Opposition. And that Commissioner appoints five (5) Directors of Complaints, and that Commissioner also employs those persons that are considered necessary to assist in the proper function of

the Commission subject to the approval of the Committee of Parliament, of which you would be the Chairman. Therefore, it is clear that in the Bill this Commissioner, whoever this Commissioner is going to be, the appointment of this Commissioner is extremely, extremely important. And one of the concerns that I have is that - well, one of the recommendations that I would make is that, presently as it is in the Bill under Clause 3 subsection (2) it limits the pool of persons from which we can select a Commissioner because it says

> "that the Commission shall consist of a Commissioner, who shall be appointed by the Governor-General by instrument under the broad seal after consultation with the Prime Minister and the Leader of Opposition, from persons of high integrity"

And then further goes on to say

> "who possesses the qualifications to hold office as a Judge of the Supreme Court of Judicature of Jamaica".

What I would like to suggest, Mr. Speaker, is that we amend this subclause and delete the last part where it restricts - where it qualifies those who may apply to be the Commissioner. And I say so, Mr. Speaker, because I do really believe that what is needed is somebody who has a desire, and a heart, and the drive to really ensure that this Act fulfils its functions. So that is my first recommendation.

My second recommendation, Mr. Speaker, has to do with what - under Clause 11, which is now (10) after the amendments in the definition of complaints. Because if you look at Clause 4(2)(c) it speaks to the following

> "in exercise of its functions under subsection (1) the Commission shall be entitled to..."

and it numbers a few areas, and it says

> "...to the protection of complainants against reprisal, discrimination and intimidation".

In other words the Bill recognizes that the possibility of reprisal, discrimination and intimidation exists once a complaint has been made. Also, under Section 16(7) it speaks to

> "notwithstanding subsections (1) to (6) where the Director of Complaints or the Commission is of the opinion that the informal resolution was obtained as a result of a misunderstanding, threat, or improper pressure".

And it goes on.

> (HON. ORETT BRUCE GOLDING, (JLP) Kingston, Western, Prime Minister and Minister of Planning, Development and Defence, entered and took his seat.)

Where I am going, Mr. Speaker is that the Bill recognizes that there are instances in which after a complaint has been made a complainant might be subject .to threats, intimidation and other forms of pressure in order to probably withdraw their complaints. Nevertheless, under Clause 11 where it defines under what circumstances a complaint may be done, it is not there. Complaints may be made, as it says,

> "a complaint may be made to the Commissioner by a person who alleges that the conduct of a member of the security forces, or any special official, resulting in the death or injury to any person, they were involved in

sexual assault, involved in assault or battery, result in damage to property".

And then the last one, with the latest amendments, speaks to, although not falling within the previous subsections,

"is of the opinion of the Commissioner an abuse of the rights of a citizen".

It could be that that could fall in that category. But I do feel that since it is quite explicit that possibility exists after an investigation starts, I do feel it would be worthy that it is, in an explicit manner, placed as one of the reasons and the basis on which a complaint may be made by a member of the public for misconduct of a member of the security forces.

The third recommendation, Mr. Speaker, is under Clause 11 subsection 3(c), and it speaks to

"on the receipt of a complaint under subsection (1) the Director of Complaints shall...."

And it goes on and says,

"...if it relates to a fatality or rape, forward a copy of the complaint to the Director of Public Prosecutions forthwith".

I would recommend that we also include that

"if it relates also to grievous bodily harm",

because not necessarily somebody would have had to have died for it to be a serious matter to be sent immediately to the Director of Public Prosecutions.

(*Sotto voce* comment made by a Member)

(MR. ANTHONY GEORGE HYLTON, (PNP), St. Andrew, Western, entered and took his seat.)

Mr. MAIR: Under (c), 11(3)(c), it says if it relates to a fatality, death.

Mr. BUNTING: Assault or battery.

Mr. MAIR: It is just straightforward. It just says if you receive a complaint that involves death, or rape, a copy of the complaint should be sent to the Office of the DPP immediately. I am just saying we should also include

"in the case of grievous bodily harm or injury".

That's the third recommendation, Mr. Speaker. Because as I was saying, not necessarily a person - I don't think it's - not necessarily a person has to die or be killed for it to be considered something of such a grievous action that it should be forwarded to the Office of the DPP immediately.

Also, Mr. Speaker, an area where l feel we do need to make an amendment, and I think it's a very important point, is in Clause 18, now Clause 17, under the new set of amendments, subsections (10) and (11). Presently, Mr. Speaker, this section deals with the formal handling of complaints and, specifically, the subsection deals with what the Commission does once the report under investigation has been completed.

The Bill as amended now speaks to that

"the Commission shall furnish a copy of the report of the commission".

Section 18, which under the amendments - if you look at Clause 18 under the list of amendments that were tabled, would be under Clause what is now 17, but it's the old Clause 18, now Clause 17.

(HON. OLIVIA ATAVIA GRANGE, (JLP) St. Catherine, Central, Minister of Culture, Youth and Sports, entered and took her seat.)

It is requiring that the Commission shall furnish a copy of the Report of the Commission and shall, to the complainant, the concerned officer or the concerned official, the responsible head or the responsible officer and the Office of the Special Coroner where the incident involves the death of any person. And it further goes on to say subsection (11) that the Commission may furnish a copy of the Report to the Police Services Commission, the Public Service Commission, the Solicitor General and the Director of Public Prosecutions.

Mr. Speaker, I think we need to make an amendment here and I think it's a critical amendment. And why I say so? First of all I think the Commission should furnish a copy of its Report to the Office of the DPP and allow that office - the reason why, and on the other hand, I do believe that there is a problem in furnishing the reports the complainant and the concerned officer. I would further like to suggest that what should be furnished to the complainant and the concerned officer is probably a synopsis. And why I say so? Because the Report might have a lot of information concerning who made testimony and what they said, where they live, ballistic tests - I don't know but it's the final report. And all of this information is going to be given to the concerned officer against whom charges have not been made. I do believe there is a problem here and that we should consider that the complainant and the concerned officer not receive a full copy of the commission in first instance, but probably that they get a synopsis and that if charges were to be laid against that officer, then I gather their attorneys and lawyers would have to get a copy of the Report.

Mr. Speaker, those are the four (4) amendments that I would like to recommend to this Honourable House that we consider In this Bill, which is a very good Bill.

As a last point, as I said, I have an area of concern; it has to do with the taking charge and preserving the scene of any incident. It is just a concern because the Bill quite clearly says under Clause 4, section 2, subsection (d) that in the exercise of its function the Commission shall be entitled to take charge and preserve the scene of any incident. Nevertheless, under Clause 23, which is now renumbered 22 after the amendment, and it's the section that deals with the duty to preserve evidence, it says subject to subsection (3), which I will talk to after this,

> "the Commissioner of Police shall implement measures to ensure that the members of the Jamaica Constabulary Force shall attend at the scene of any incident in order to ensure the preservation of the scene until the arrival of the investigator assigned to that scene by the commission".

And it says subject to subsection (3) because subsection (3) says

> "for the purpose of this section the measures implemented by the Commissioner of Police may be such as are made pursuant to arrangements entered into between the Jamaica Constabulary Force and the Commission".

Why I have a bit of a concern, I just wish - just would have expected the Bill to be a little bit more what would I say, it would be clear that the main responsibility would be the Commission and that any arrangement that he might have with the Jamaica Constabulary

Force to preserve the scene, at the end of the day it is his responsibility. And why l say this, Mr. Speaker, I have had personal experiences in my constituency in which - in two incidents, in one incident two of my constituents were shot dead and another one, one constituent, two constituents were shot dead. The first instance if it wasn't for the member of the community bodies would have been removed, spent shells would have been collected and everything would have disappeared.

(*Sotto voce* remarks by Mr. Pickersgill)

Mr. WARMINGTON: Him just Come.

Mr. MAIR: In the other instance the members of the community after the two constituents were shot and removed, they knowing what would happen, they went and took up the spent shells to ensure that the evidence was kept.

(*Sotto voce* remarks by Mr. Pickersgill)

Mr. MAIR: No, you laugh. Forty-five minutes after there came two cars with flashlights looking for what was no longer there. So I do have a problem where the Bill…

(*Sotto voce* remarks by some Members)

Mr. MAIR: Well I think the Bill should be . . .

(*Sotto voce* remarks by Members)

Mr. MAIR: The Bill is not as clear in the second instance, which is Clause 23 that ultimately the responsibility ensures that the area is preserved, falls directly to the responsibility of the Commission.

With these suggestions, Mr. Speaker, recommendations for amendment, I close my contribution towards this Bill.

Thank you very much.

(Applause)

The SPEAKER: Mr. Bunting.

Mr. BUNTING: Thank you, Mr. Speaker. And I want to start by really supporting the point, the final point made by the Member for Northeast St. Catherine, and it's a point that the Member for Central Kingston also raised with me, and that is, the critical period in the whole investigation and in getting the forensic evidence, is the preservation of the crime scene. As soon as possible, let us say the scene of the incident, let's not presume it's a crime scene but it has been treated and preserved, and I take the point that the Member of Northeast St. Catherine is making. I want to start by just supporting that point because if that - if the crime scene or the scene of the incident is not properly preserved the whole investigation could be starting behind the eighth ball. I want to start by supposing that point.

Just a couple points, not so much objection, Mr. Speaker, but asking the Prime Minister in his closing if he could expand on these points, on the operational side of this.

First I just want to make a comment that it's perhaps a little unfortunate, it would have been ideal if the work that is being done by the team between the Government and Opposition on what we have now decided at this point to call the Police Management Authority, which was really taking the recommendation of the Strategic Review to combine the Police Civilian Oversight and the Police Services, it would have been ideal if the work that had been done there could have been input before this Bill was complete. Let's not make the best the enemy of the good. I only say that because we have been contemplating in that committee on the Authority, the Police Management Authority, there would have been a subcommittee or a committee of the Authority which would have dealt with investigating

complaints against police matters. I don't know if this eliminates that or whether the police would still need an internal investigative capacity, but it would seems now, it would replace that structure that we had contemplated. As I said that is still sometime away so let's not make the best the enemy of the good.

The major concern I have, though, has to do with the role of the DPP *versus* the Commissioner. And I would like the Prime Minister in his closing if he could just expand how this relationship would go operationally. Because most of the incidents that we contemplate here, incidents resulting in death, involving sexual assault, assault or battery, all these would have been crimes to be prosecuted by the DPP. And the Constitution now states that the DPP shall not be subject to the discretion or control of any other person or authority. And there is a section that does state briefly that the DPP can give some direction to the Commissioner. But just because of the extensive investigative powers which this Bill vests in the Commissioner and because perhaps experience has shown that when we have similar Commissions of Parliament with these extensive investigative powers, it seems sometimes there is a little bit of tripping up between the DPP and the Commission of Parliament. I think it would be useful, Prime Minister, if you could just expand a little bit in your closing on how that would work operationally, on a sort of case-by-case basis.

(*Sotto voce* remarks by the Prime Minister)

Mr. BUNTING: Well let me - it's not so much cite in the section as I wasn't able to find a section that deal with that issue, that really spoke to how they would relate on an on-going basis. But it did say section 17; this may have been amended to 18, where the Commissioner may, after consultation with the Director of Public Prosecutions and with the consent of all parties, *et cetera* refer matters to mediation, *et cetera*. What I am saying is that is where it's not going to be a criminal matter, but where there is a criminal matter, and the Director of Public Prosecutions may decide to take charge of the investigation, rather than have parallel investigations going or competing investigations, as we have seen with other commission of Parliament, sometimes there can be a little bit of knocking of heads between these Commissions of Parliament with extensive investigatory powers and the DPP who is constitutionally authorized to act in her own discretion and not take direction from any other person or authority. So I would just ask that since we have seen that this can be a potential point of conflict if, in closing, the Prime Minister could just expand on that matter.

The other thing, I really want to commend, having gone through the submissions from the Jamaicans for Justice in particular, and the other persons who - the other bodies that made submissions, I really want to thank them because the amendments that they recommended, which have largely been incorporated, which the Prime Minister mentioned in his opening, I think have really served to improve the Bill quite substantially. (Applause) And I think that sort of civic responsibility input into the legislative process is very useful, and they really did a tremendous amount of work in their various submissions, and I want to acknowledge that.

And finally, I am also happy to see that, in a sense, this is commencing the streamlining

of the various players in the public sector activity, in that we are creating this new body but not creating a new burden on the Budget, because essentially, it will be run by the savings in the other departments that it is replacing. And I want to acknowledge that as a very positive thing. And I will just ask the Prime Minister to make that clarification in his closing.

(The Speaker leaves the Chair, Deputy Speaker presides.)

Rev. THWAITES: Madam Speaker...

The SPEAKER: Just a moment. Member Smith.

Mr. D. SMITH: Thank you, Madam Speaker.

(Applause)

Mr. VAZ: Old boy is back!

(Laughter)

Mr. D. SMITH: Unfortunately, l wasn't exposed to the deliberations of the individuals and the organizations that made presentations, Madam Speaker, but I clearly recall this being a commitment of the Government while in Opposition, based on the fact that they were very concerned and fed up with what existed then, and up to now, really, in terms of abuse of individuals by agents of the State. And you know, Madam Speaker, I would like to speak about a personal experience.

(Laughter)

Mr. PICKERSGILL: Don't bother with that. Don't bother with that.

Mr. WARMINGTON: A you set it up!

(Laughter)

Mr. SMITH: Some time in the back end of December, about 5:30 one morning, I received a call about a policeman having killed a constituent of mine. 1, being a very concerned Member of Parliament, and factually, that section of the constituency had been very supportive over the last couple of decades.

Mr. PICKERSGILL: Don't go down that route. If it was a PNP section, you wouldn't go?

(*Sotto voce* comments by some Members)

Mr. D. SMITH: So, I made sure... I did not say that nor did I imply that. I did not say that nor imply that.

(Laughter)

Madam Speaker, I got there and I saw a large group of individuals demanding justice and about to block the road. Unfortunately, they were being abused by - physically abused, I saw that myself - by some agents of the State, but they were beyond the yellow tape that the police usually use to... what they call, protection...

Mr. PICKERSGILL: Of the crime scene.

Mr. D. SMITH: ...protection of the crime scene.

(*Sotto voce* comment by Mr. Clarke)

Mr. D. SMITH: I consider it my responsibility...

A MEMBER: Yes, as an officer...

Mr. D. SMITH: ....an elected representative to ensure that the persons who were attempting to block the road and to disturb the evidence - the crime scene, to go beyond the yellow mark....

(Laughter)

…to speak to the crowd...

(*Sotto voce* comment)

...to enquire about eyewitness - persons who saw what happened, and to find out from the

police if they had yet called the BSI to promptly come and take charge of the crime scene. The police there objected...

A MEMBER: yes.

Mr. D. SMITH: ...to the fact that I made that call to the Assistant Commissioner in charge of BSI - Assistant Commissioner Gauze. They expressed that objection that they are in charge, and I had no right to be coming there and making telephone calls.

(*Sotto voce* comment)

Madam Speaker, I say this - well, the net result of all of that was that I was charged for obstructing the police in the execution of their duties, one.

Mr. VAZ: I was charged too.

Mr. D. SMITH: I was charged by the police for not moving when I had been told to move and keep on moving.

(Laughter/*Sotto voce* comments)

That is after the police - that is after a corporal came in front of me and told me that if I did not move he was going to move me.

Mr. CLARKE: Yes, so you move...

Mr. D. SMITH: Madam Speaker, I am saying this to say that this Bill which will establish this Commission - l have just glanced through it, I really have not had time to go through it in detail, but I have had a previous briefing and understanding of what it is intended to achieve.

To a great deal, the previous speaker mentioned the responsibility of the Commissioner of Police, a great burden is going to be placed on the Commissioner of Police to ensure that the senior officer on the crime scene is responsible and provides urgently and promptly, reports of what happened at the crime scene. Because l will say, and we all know, that there is great collusion within the security forces.

Mr. PICKERSGILL: Don't say that.

Mr. D. SMITH: Don't do it, don't do it?

A MEMBER: Nuh you get tear gas...

Mr. D. SMITH: I am not saying total, I say great. And I repeat that word. I am not saying total. And without professional behaviour at the lowest rank, the constable, corporal, *et cetera*, supervised by the Superintendent who is responsible eventually to the Commissioner, we are going to have a problem achieving what we intend to achieve from this document.

Mr. PICKERSGILL: That's a good point.

Mr. D. SMITH: Well, you know, briefly though, Madam Speaker, I am saying that the administration must be congratulated. I know it perhaps took a little longer the originally intended because one of the first what I call little incidents that I experienced in my brief stint in the Ministry of National Security, was the shooting of a pregnant woman in Yallahs about a week after I assumed office in mid-September, 2007. And I know that really prompted the administration to put on fast track this document. And I am happy that today it will become a reality. And I do hope that the level of improved professionalism that we are expecting from all levels of the security forces, we achieve this so that the ordinary and otherwise poor, suffering, Jamaican from whatever walk of life will feel comfortable that future abuses by agents of the State will be dealt with properly and they will get what they demand and call for daily, justice.

Thank you, Madam.

(Applause)

Mr. PICKERSGILL: All right, former Minister, all right.

Rev. THWAITES: Madam Speaker... Madam Speaker...

(*Sotto voce* comments)

The DEPUTY SPEAKER: Go ahead, Member Thwaites, please.

Rev. THWAITES: Madam Speaker, I am glad that your eye caught the Member for - is it North Western St. Andrew before mine, because it is that kind of experience which points to the need for a strengthening, pointed out by previous speakers to this Bill. And I refer particularly to Section 23, subsection (3), in respect of the rather vague provisions that I hear, regarding the measures implemented by the Commissioner of Police, such as may be made pursuant to arrangements between the Constabulary Force and the Commission. This is in respect of the scene of crime.

Madam Speaker that is not going to be good enough. The fact of the matter is, and it is no use pulling the wool over our eyes, that there are elements in the police force who systematically and purposely interfere with the scene of crime in order to protect one another. The Member for St. Catherine spoke about it and the Member for St. Andrew has given a clear indication. The reason why nobody wanted him to cross that line was because he would see things, and he would witness things that may not have been suited to the version that was going to be given of the particular event.

I am making no allegations of any individual responsibility but that is an ethos that unfortunately exists, and thirty years of practice in this arena of the law, and I don't think I am alone in this regard, Madam Speaker, indicates that this is not an exception, this is an ordinary situation.

I do call upon the administration to consider strongly - consider seriously, a strengthening of Section 23 in that regard, to ensure that the Commission that we are enacting now, has the complete authority to secure and to see that the necessary arrangements are made, that crime scenes - or that scenes of alleged misconduct are not interfered it. Anything less will make this effort and all of the important energy that has gone into it, completely nugatory.

Madam Speaker, I remember the Honourable Member for St. Andrew who just spoke when he was Minister, I asked him a question in this House about accountability for arms and ammunition and he gave me a response, and I am sure it was with the best intention possible when he told me that from all reports that he had got from within the system that he presided over at the time, that all guns and ammunitions, every bullet was properly accounted for. Look what we now know.

(*Sotto voce* comments)

(HON. PEARNEL CHARLES, CD, Minister of Labour and Social Security, my, North Central Clarendon, entered and took his seat at 3:28 p.m.)

Now, the fact of the matter is, that it is extremely important. This piece of Legislation and the united effort of the Parliament of this country on behalf of the people we represent is the best effort that we can make at this time by setting up this Commission to ensure that these abuses and these cover-ups do not continue.

They are a reproach to the honest, decent, and predominant work of the constabulary force, and when they are connected with the army, of theirs as well. But, it is no longer a matter of isolated incidents. More than 200, and sometimes more than 300 Jamaican lives are lost, as well as a dozen and more of the security forces, as a result of official - actions by officials every year. This is as much a leak - a sap to the confidence of investors, of ordinary citizens, as is the exponentially large murder rate, Madam Speaker, and we must do something about it. I believe this is the best effort in this regard, and it must be strengthened in this particular instance.

If I may be allowed, the suggestions by the Member from St. Catherine regarding the section as to the capacity, and character, background of the Commissioner in section 3, I understand entirely what he is saying. You want a person with a heart and with good purpose. But the nature of the job here requires someone who is schooled in the law of evidence and criminal procedure. And therefore the provision that prescribes that the qualifications be that of the capacity to hold office as a Judge of the Supreme Court, I ask him to accept that they are necessary and best in these circumstances.

I agree with him entirely that the inclusion in all relevant sections of a provision protecting complainants against reprisal, discrimination and intimidation ought to be there because this is a common situation, Madam Speaker, a common situation. Even when counsel is involved, you know you find that some effort is made to intimidate a person who has evidence about an incident such as that which we are seeking to prevent at this time. And therefore, indeed, I believe section 11, I believe it is, ought to have a provision as he suggests.

Additionally, in the same section 11 regarding complaints, may I address another issue which my friend from Manchester Central raised, to do with the engagement of the Director of Public Prosecutions. And may I draw your attention and that of the House, Madam Speaker, to section 11 (3)(c) which reads,

> "that the Director of complaints shall, if it relates to a fatality or rape, forward a copy of the complaint to the Director of Public Prosecutions forthwith".

Madam Speaker, I don't know why one would want to limit that to circumstances of rape or fatality. Whenever the Director of Complaints or the Commission feels that there is evidence of criminal act that should immediately go to the Director of Public Prosecutions. There should be no gradation of type. It may well be as the Act later on prescribes, that some process of mediation may obviate prosecution even if evidence is there. I would have no objection to that. But it is extremely important that any complaint that evinces circumstances that may amount to a criminal offence should be sent forthwith to the Director of Public Prosecutions for her action. That is the law in respect of every citizen and it should be no different in this circumstance, Madam Speaker.

The other concern that I have relates to section 18 - I'm using the original draft - and to subsection (3) and I'm only concerned, Madam Speaker, that regarding the provision of the formal handling of complaints and reporting, section 3 reads:

During the course of the investigation the Commission shall:

> "unless it is satisfied as to the necessity for confidentiality, issue a press release at the commencement of the investigation and at intervals thereafter as it considers appropriate".

You know, Ma'am, I'd like to think that that is enough. But the history, unfortunately, of the Bureau of Special Investigations and of all the efforts at correcting police abuses up to now has been that time has been allowed to run its course and you wait months and months and months and there is no particular timeframe in which a reporting must be made. And I do believe that there should be a particular time elapse at that time when at least the parties concerned get a progress report as to what is happening in respect of a particular complaint. They deserve no less.

Otherwise to that, Madam Speaker, the concern that I should like to conclude with has to do with section 38 which provides that the Act be reviewed from time to time by a committee of both Houses of Parliament appointed for that purpose and that the first such review shall be conducted not later than three years after the date of commencement of this Act.

Bearing in mind the sensitivity and the burning need for this and the newness of the procedure in its comprehensive form, Madam Speaker, I'm wondering if the Government would not agree with a suggestion for a review in the first instance after one year and thereafter every three years. I believe that that would help us to iron out whatever inevitable difficulties there may be in the operation of this Commission and would allow us to gain more confidence in its efficacy and its progress.

May it please you. (Applause)

Mr. GALLIMORE: Madam Speaker, I rise to support the Act to Repeal the Police Public Complaints Act and to put in its place the Independent Commission of Investigations. I believe very strongly that this is fundamental to the basic human rights of the Jamaican public.

A Member earlier spoke to the constant cry that we see on our televisions so often of our citizens crying for justice. I believe that the relationship of our agents of the State, being our security forces, has been severely damaged with the general public, and that it is difficult to find citizens who feel comfortable having encounters with the security forces, whether or not they have done anything wrong. 1 think that their blood pressure and their anxiety goes up quite high because of incidents that they have had with the security forces or what they have seen.

As an elected representative, I have seen a lot. I have seen the police handle persons in ways that they should not be handled. I have seen instances where even a pregnant woman was gun-butted in her belly. I have seen instances where persons have been shot under very, very questionable circumstances.

Mr. BUNTING: You have seen it or you have heard it?

Mr. GALLIMORE: I have seen instances in that I have been on the location and I have seen the evidence and I have called the Bureau of Investigations to do the investigation as we do every time this happens. And I'm saying to you that the confidence that should be there in our security

forces - We haven't done a poll - we can't point to something objectively to indicate what that level of confidence is. But I'm of the view that the level of confidence in dealing with the security forces in our country is woefully inadequate. And that the perception that persons have is based on a degree of reality that should not exist if we believe that our citizens are to enjoy the basic human rights of being able to live. (Applause)

I look forward to what is outlined in this Independent Commission of Investigations because I believe that it will give the transparency and accountability that will rebuild the trust that is needed, that will give the average citizen confidence that our security forces are actually there to protect their interests; to reassure them rather than, as I say, having a situation where even when citizens have done nothing wrong and they are being approached they are very apprehensive and sometimes what Jamaicans say, 'tek weh demself'. And in the process of doing so may even look guilty of something that they have done nothing wrong in.

(The Speaker returns to the Chair.)

The Bill speaks to securing the crime scene and clearly identifies that it will be the obligation of this body to visit the scenes where incidents have taken place between agents of the State and our citizens and I think that that is critical.

The Member from Central Kingston mentioned a timeline. I was very pleased to read in the Bill that there is a prescribed timeline for reporting and that the person who is the complainant actually gets - they are on the list of persons who must be given a copy of the report and the update as to how the investigation is going on.

You know, it is interesting to note that when there is a problem all of us turn and call the security forces. They are the last line of defence that the law-abiding citizen has. We all turn to them and call them. And I hope that the comments such as I am making are not misconstrued to be battering our security forces, but I am hopeful that this legislation will change the way that the security forces deal with the public on a day to day basis so that they can get the level of cooperation that they need to get the intelligence that they need.

I look at our population of two point seven to two point eight million people, and I don't believe that one per cent of our population is the cause of why we live the way we live. I believe that it is a relatively small number that has our society turned upside down and has everybody living behind grills. It's a small number.

(Inaudible comments by Mr. Bunting)

Smaller than one per cent. And I believe similarly that there are a lot of very good police officers. But there is a percentage in there that is acting on such a regular basis.

Mr. PICKERSGILL: What percentage?

Mr. GALLIMORE: I can't give you the percentage, but I bet you, I bet you right now that every Member of this House could recite from memory, without studying, could recite the line that you normally hear when there is a shooting. Almost every Member could write it down and within one or two words everybody would be saying exactly the same thing. And so there is a level of skepticism that exists across the broad society, there is a level of mistrust that exists that I believe this Independent Commission of Investigations over time will erode and will change the

perception because members of our security forces will know that even if they are not held accountable today or tomorrow, that reckoning is coming and that is important, that accountability.

I will tell you that I was at a function where the Attorney General was the guest speaker. And the issue that was being put forward was the rights of the ordinary citizen. And most of the citizens who were there, not living above Liguanea, most of the citizens who were there were snickering and laughing as the Attorney General spoke. And they were saying that what you are talking about is theory. It has nothing to do with reality. Because when somebody cranks an M-16 and points it in the middle of your chest, the last thing you have on your mind is anything about rights.

(Cross talk)

So today, although we have rights that we speak of, or many of our citizens have rights that they speak of, in truth and in fact their reality is that they have no rights when they meet with the security forces. And what is going to happen with this is that they are going to now have an objective third party that has the power to investigate and to give that accountability and to ensure that their rights are preserved.

It is interesting to note, Mr. Speaker that our police work in a very, very dangerous environment. They work in a society where there is scant regard for law and order. And they do put their lives on the line on a regular basis in protecting the wider society. But the fact of the matter is that when our security forces make a poor judgment call or act in a callous manner, they leave either an individual with their entire life changed because there are many persons who wind up disabled as a result of actions through our security forces. And/or when a member of a family is taken away in one of these very questionable circumstances that changes the future of that family. That changes perhaps the future of the children in that family because one of the main breadwinners, one of the main role models may no longer be around to give guidance going forward.

And so, I see this Independent Commission of Investigations as being of utmost importance in ensuring that every Jamaican feels pride in being a Jamaican citizen and in knowing that they have rights and they are a First World citizen in their country.

We have seen instances up to recently, where in Clarendon, I believe it was, one set of police officers shot the other set of police officers. And it clearly indicates that the procedure of identifying yourself was not followed. And I am sure that if those were shot were not police officers, you would have heard the line that all of us in here can. As to them looking suspicious….

Mr. WARMINGTON: No, no, shootout!

Mr. GALLIMORE: Exactly, right.

Mr. MAIR: Gunman!

Mr. GALLIMORE: And so it is terrible to know that those who were trying to serve and protect and reassure and recover somebody who was in jeopardy, that this was what they had at the hand of the same security forces.

We have seen the case recently on the news, where a mother having a son of unsound mind called the police for assistance, and the end net result of that is that she has to bury her child.

How do we expect to get the citizens of this country to work with the security forces to give them meaningful intelligence, if you feel that when you call the security forces to report the actions of somebody living in your environment that you may in fact be passing a death sentence on them? It cannot work.

And so all that is contained in this Bill I support fully, and I hope that it will work as it is stated there, and I am glad that there are periods for review. And I'm looking forward to a day where every Jamaican will know their rights, and will know that when somebody tramples on their rights there is an arm of the Government that will ensure that their rights who are upheld. (Applause) And if we do that...

Mr. PICKERSGILL: Despite the M16.

Mr. GALLIMORE: …despite the M16, but I think that when accountability comes, that you will see a lot less cases of this abuse of power that takes place.

And so I want to say to those in the security forces who are abiding by the law, and who are reassuring and protecting our citizens, continue your good work, we support you. And we are going to have these systems put in place to try to ensure that more such persons serve in our security forces so that you will be well received wherever you go in Jamaica, and you will have the full confidence, and the full cooperation of the people of Jamaica.

Thank you. (Applause)

Mr. PICKERSGILL: I just want to ask one question, Mr. Speaker.

The SPEAKER: You have a word to say?

Mr. PICKERSGILL: Just a question, Mr. Speaker.

The SPEAKER: It's a debate you know?

Mr. PICKERSGILL: Yea, yea, I know, well, debate in form of a question.

I heard what my friend from Central Manchester said. How many bodies would have the right to visit a crime scene, is it the DPP, this new Commission, the Commissioner of Police, the Public Defender, how many?

The SPEAKER: Somebody who is in charge.

Mr. PICKERSGILL: In charge?

The SPEAKER: Yes.

Mr. PICKERSGILL: So if the others come they could chase them away?

The SPEAKER: One Commission is in charge.

Mr. PICKERSGILL: So what happens if the others go there?

A MEMBER: They can observe.

Mr. PICKERSGILL: So what happens if the others turn up?

Mr. WARMINGTON: You will know that.

Mr. PICKERSGILL: Like the other day we saw in Armadale the defendant says his man was chased away.

Mr. M. PEART: Ah buoy!

(Inaudible comments by Mr. Gallimore)

Mr. PICKERSGILL: No, that's not my point. How many now enjoy the authority to go, and how many will enjoy the authority to go after this Commissioner has been set up?

A MEMBER: To a crime scene.

Mr. PICKERSGILL: Yes, to a crime scene, yes, yes!

Mrs. NEITA-HEADLEY: It's a different thing.

Mr. PICKERSGILL: Because what this - based on what I heard my two friends across there saying, you know, section 23, it says:

"Subject to the general directions of the Commissioner of Police, it shall be the duty of any member of the security forces who is at the scene of an incident, or in any case where there's more than one such member, the member senior in rank and command; (b), without prejudice to the provisions of paragraph (a), the duty of the police officer in charge of the police division in which the incident occurred, to take such steps as are necessary for the purpose of obtaining or preserving the evidence and facilitating the making of reports to the Commission in relation to the incident".

Now, Mr. Speaker, 'empowered to take such steps'. And what I heard...

Mr. MAIR: Which clause?

Mr. PICKERSGILL: Twenty-three (a), (b). Now, this is suggesting...

(Inaudible comments by Members)

Mr. PICKERSGILL: Yes, and this is the Commissioner of Police. So that when that guy goes down there he's the sheriff in charge. And so what - the examples I hear coming from across there, the personal ones, it doesn't matter. If you go there the officer has a right to run you away once the scene is declared as a crime scene, and you'd be indulging in an illegality.

Mr. WARMINGTON: Illegality?

Mr. PICKERSGILL: But the other thing is, it does go on to say, though:

> "For the purposes of this section the measures implemented by the Commissioner of Police, may be such as are made pursuant to arguments entered into between the JCF and the Commission".

So am I to understand then, that they will meet and decide the procedure at a crime scene? And is there anything specific about what the other agencies have the right to do?

The SPEAKER: Mr. Mullings.

Mr. MULLINGS: Thank you, Mr. Speaker.

Well, firstly the issue as it relates to the crime scene of course, is dealing with where there is an allegation or in fact, a set of circumstances suggest abuse by agents of the State. And therefore, the Commission deriving its authority under this legislation, would act pursuant to the arrangements arrived at, or protocol agreed with, between the Commissioner of Police...

Mr. PICKERSGILL: Oh yes, right.

Mr. MULLINGS: ... and here, yes. So it wouldn't be crime scenes at large, but of course, those that involved agents of the State, where there's a question mark about the circumstances of the crime.

Mr. PICKERSGILL: Would it involve the DPP and the Public Defender?

Mr. MULLINGS: No, it would not, it would not.

Mr. WARMINGTON: Don't question, man. Don't pay him any mind.

Mr. MULLINGS: Mr. Speaker, this legislation is seeking to deal with a situation of lack of trust which is undermining the rule of law.

Over many years in Jamaica, the security forces have put forward explanations for engagements which we, as indicated by the Member from St. Andrew, which we know by rote; and there is a tension that suggests because of the high crime rate, that we should bend the rules or ignore them to get at the mischief devil. And in that process, it undermines law and feeds unwittingly, the crime rate. Because persons who see an

injustice and hear a contrary view which has no basis in truth, now see themselves pitted between the criminals and agents of the State. And persons will often indicate their preference, if they're caught in a situation between a criminal and a police officer.

That, Mr. Speaker, speaks to the death of civilized society. (Applause)

A MEMBER: Hear, hear!

Mr. MULLINGS: And this legislation is seeking to redress how to deal with that culture: One, known popularly to 'squaddy' culture where you protect your own and also to enhance, or improve the integrity of the police force. And it is not so much for the sake of the police force; it is for the sake of our nation. (Applause) And we must see in this, the beginnings of dealing with that problem.

And you know, Mr. Speaker, one of the challenges that the previous entity had was you go to a police station, an investigator goes there, they are not clothed with the authority as police officers, they make inquiries about the station diaries, they met with intimidating stares, or glares, or often remarks all designed to intimidate the investigator, or a page is missing - the relevant page - out of the station diary, or as happens in some instances in court, the rat has eaten the exhibit. So this is what we are facing.

And the legislation - and if we start from the penalties - goes a far way in dealing with that, because it speaks to a penalty, a fine of $1 Million and or imprisonment for three years. That is giving the Commission teeth and it is important, because in dealing with this problem, in changing a culture, in facing down a culture, penalties is the surest way to bring focus.

Indeed, Mr. Speaker, one of the issues so germane now, so germane, section 4, gives the Commission power to inspect records, weapons. How as a nation can we feel comfortable in knowing that the discovery of ammunition and guns was by accident? We've heard it suggested that the systems worked, save and except for the persons manning the system. That is totally unacceptable and inexcusable. We must be able to have the checks and balances to ensure that incidents like Minster Road and others which have happened before, and happened since, do not recur. (Applause)

And, Mr. Speaker, the Commission while now being armed with the penalties that will flow for any obstruction or hindrance, while given the power to inspect records, weapons and so on, I believe is being unduly fettered out of an abundance of caution which is displaced. In other words, the need to list the offences - I understand the concern was, as sitting as a Member of the Committee, was that there is a fear that the Commission would be swamped. But as my learned friends will appreciate, when you start to list offences you end up excluding others.

And so the catch-all phrase here in section - in the interpretation section, or the defining incident says that if you are not in the listed offences, if the Commission deems something to be of a grave and exceptional nature ...

A MEMBER: That was amended.

Mr. MULLINGS: But thankfully, that's amended, because you know why? Because you can have a situation – which is why you don't need a list. Because if you have a policeman who stands in front of the citizen and merely pats his firearm in his holster, or on his waist, acting on the mind of that citizen is something that would affect his or her will.

But at a distance it would seem open to interpretation, that the officer was merely caressing his firearm.

A MEMBER: It was amended.

Mr. MULLINGS: If something - I am obliged, I gather it has been amended.

If, Mr. Speaker, there is an incident and the Commission has the power to initiate an investigation, I respectfully submit, the issue ought to be one of misconduct, you need not list the offences. Nothing is gained by doing that. In fact, you run the risk of excluding other things. And I understand it could be out of an abundance of caution, but we need not be timid Mr. Speaker in that regard.

So the Commission has this power, the Commissioner himself is of a certain level, the character to that of a
Supreme Judge - Judge of a Supreme Court. It's very good. Penalties are there, excellent. And so it is a tremendous first step. What it means, therefore, is that as we get the push back from the 'squaddy' culture the Commissioner must enforce the law. (Applause)

It is going to cause disquiet, but it is a disquiet that should have been there a long time ago. Democracy thrives where justice thrives. Stability exists where there is peace. Peace can only come when the citizen has confidence in the agents of the State who are there to serve and protect. And so they can't say one thing and do another, because in doing that, what we will have is our common ruin.

Thank you, Mr. Speaker. (Applause)

The SPEAKER: Prime Minister.

The PRIME MINISTER: Mr. Speaker, I want to thank the Members who have contributed to the debate. I think that the points that have been made are with sufficient merit and are sufficiently persuasive that a number of them I am sure we can absorb or incorporate into the Bill.

I am sorry that I was late in getting here so that I didn't hear all of the points that were made by the Member for North East St. Catherine. Certainly, I think that we can support the proposal that we include the question of serious injury in the matters that should be referred to the DPP.

I would want to give even further consideration to the point that was made by the Member from Central Kingston, that if it involves criminality at all, rather than our exercising some judgment as to what areas of criminality the DPP should be concerned with - so that's something that we would want to consider.

An issue was raised by the Member for North East St. Catherine about the persons who should receive copies of the Report, and he has expressed some concern. That is going to require a little more thought. An intention in all of this was to try to be as fair as possible to all of the parties because we are not to presume that every complaint made against a policeman is necessarily well founded. And therefore, we wanted to ensure that a police officer against whom a complaint is made is given the opportunity to see what the Report of that investigation is.

I know the concern that the Member has spoken to, that it may include information that could prejudice the interest of persons who assisted in the investigation and in the preparation of the Report. That is moderated - that concern would be moderated to some extent by virtue of the fact that he is not the only one who would know. And therefore, the question of the protection of the interest of

those persons could be dealt with in another way. But it is something that I would like to take some advice on.

There is an issue that he raised about the reference to the Director of Public Prosecutions only - were you suggesting that it should not be referred?

(*Sotto voce* comment from the Member from North East St. Catherine)

The PRIME MINISTER: Okay. I see.

The Member for Central Kingston suggested that the provisions of section 23 should be strengthened, having to do with the question of the preservation of evidence. The sort of chain of control, in relation to a crime scene, or an incident scene, is already prescribed. It allows the police to go to the scene and to take control of the scene. It does do that, for the simple reason that the police may be the first respondent, or the first source of a response. It places a certain obligation on the police, who go there, and it actually specifies that if more than one, it must be the senior person who has a responsibility to preserve the evidence; and upon arrival of the Commission's representative, the Commission's representative takes control.

The mischief, of course, is that for a period of time that particular scene of the incident is under the control, is likely to be under the control of the police. I am not quite sure how we are going to be able to get around that. It is something that I would suggest that - I will seek to take some advice on it, and I would suggest that we take it in Committee.

And let me just say this, I think that the changes that are proposed here are sufficient that I would propose that we don't go into Committee now, this afternoon. I would want to work with the legal draftsmen, the Chief Parliamentary Counsel, on it, and then we can have some further discussions on it in Committee next week, and hopefully we can conclude it next week.

So what we will do is, those amendments that we feel are appropriate, we would have those prepared to be brought and to be taken at Committee Stage.

The Member for Central Kingston also spoke about a timeframe within which - were you saying press releases should be issued, or the information should be conveyed as to the status of the - I wasn't quite sure.

Rev. THWAITES: The latter.

The PRIME MINISTER: The latter.

Rev. THWAITES: Yes.

The PRIME MINISTER: That's something that we could look at as well. As a matter of fact, I had made a note to try to be a little more specific, in terms of when you must say - you must provide a status report, and not just leave it to determining periodically, and leaving it to the discretion of the investigators themselves.

The Member for Central Manchester had raised a number of issues - well, two issues in particular. The internal investigative machinery of the police force right now in dealing with these matters is the BSI. We do not see that the BSI would continue to exist once this comes into effect, because what we are essentially saying is that the police cannot investigate itself.

The police does need its own internal investigative capacity to investigate other things. For example, firearm missing from a station. Misappropriation of funds, and so on, which may be committed by a police officer, that's their internal matter, that doesn't involve the - directly impact the rights of citizens. But

we expect that that would be absorbed within the existing internal inspectorate and investigative machinery. Certainly, the funds that are provided in the budget now to finance the BSI, those funds are going to be reallocated to supporting the Commission.

Insofar as the DPP is concerned, there are three sections in the Bill where it speaks to the Commission seeking the guidance of or consulting it, or making submissions to the DPP. The DPP, as the Member has stated, is subject to the direction and control of no one. But it is important. Because these are potentially criminal investigations, it is important for the Commission to be required or - and in some instances to have the option of seeking the guidance of the DPP, because that investigation may very well be what - the basis on which the DPP will take a decision whether to prosecute.

The DPP has the authority, of course, to institute his or her own investigation in a matter that involves criminal conduct. I think we…

(*Sotto voce* comment from a Member)

The PRIME MINISTER: Yea, yea. I don't know how you are going to avoid it. I think we have to make some assumptions that two separate authorities of Government would at least be aware of what each other is doing. You can't fetter the DPP, but at the same time you want to make sure that the capacity to respond promptly to allegations of abuse by the security forces doesn't get lost in the myriad of investigation assignments that the DPP has to deal with. So that I think that's an area where we are going to have to depend on reason and agencies that will be working together.

There are – I think that covers the points that were raised. What I would propose is that we adjourn in consideration of the matter now. The Solicitor General and the Chief Parliamentary Counsel will work to see to what extent we can incorporate the proposals that have been made, and then the discussions on those changes we can take in Committee, and I would ask the House Leader to try to accommodate that for next week Tuesday.

Thank you, Mr. Speaker.

(Applause)

The SPEAKER: Okay.

House Leader - Members of the House, the proposal is for the suspension of the debate until next Tuesday.

House Leader.

Mr. HOLNESS: Mr. Speaker, we will now continue in Committee, our deliberations on the Casino legislation.

The SPEAKER: The House will now resolve itself into a Committee of the whole House to consider the Casino Gaming Act.

COMMITTEE STAGE

The CHAIRMAN: Mr. Shaw, my understanding is, there are some further amendments.

Mr. SHAW: Yes, Mr. Chairman. Let me explain why...

The CHAIRMAN: May l just make a further suggestion, though.

Mr. SHAW: I just wanted to explain the context.

The CHAIRMAN: Okay.

Mr. SHAW: These amendments, Mr. Chairman, came about - in relation to various - the various fines and/or imprisonment for violations. But the original drafts ignored the fact that there was a need to separate the

individuals from the corporate body, because you can't really imprison a corporate entity, *per se*, or for that matter, you can fine them but you can't imprison them. So we had to separate it so that individuals will be responsible in their own rights as operators and directors of the casinos.

The CHAIRMAN: May I suggest a procedure though, Mr. Shaw, that we go...

Mr. SHAW: So all eleven amendments here relate to that.

The CHAIRMAN: No, no. What I would like to do, Minister Shaw, is to complete the Seventh Schedule, and then we recommit the individual clause, and then you propose the amendments.

Mr. SHAW: Okay, sure.

The CHAIRMAN: So that in relation to the Seventh Schedule, you have some amendments to the Seventh Schedule?

Mr. SHAW: No, Mr. Chairman.

The CHAIRMAN: Okay. So if that is the case, I am going to put the Seventh Schedule, and then we recommit – I am sure we put the Sixth Schedule yesterday.
I understand that I did not put the Sixth - I think I did. Anyway, for good form. I am going to put the Sixth Schedule.

Motion put to the Committee and agreed to.

The Seventh Schedule put to the Committee and agreed to.

The CHAIRMAN: Members, we are now going to recommit section 13. Minister, there is an amendment, just propose the Amendment.

Mr. SHAW: Section 13 (2), Mr. Chairman, is basically to delete the existing subsection (2) and insert a new subsection which separates into two sections the fines that relate to individuals and the fines that relate to the corporate body.

The CHAIRMAN: Members, do you have copies of the amendments?

Mr. SHAW: Yes.

The CHAIRMAN: So in relation to the recommittal of Section 13.

Amendment to Section 13 put to the Committee and agreed to.

Section 13 as amended put to the Committee and agreed to.

The recommittal of Section 37 put to the Committee and agreed to.

Mr. MONTAGUE: No, no 37(3).

The CHAIRMAN: Well, 37, section 37. Yes, Minister Shaw.

Mr. SHAW: Thank you. In section 37 - 37(3), once again we will delete what was there and substitute a new section 33, which is broken down in similar form.

The CHAIRMAN: Members, I put the amendment to Section 37.

Motion put to the Committee and agreed to.

The CHAIRMAN: I now put Section 37 as amended.

Motion put to the Committee and agreed to.

The CHAIRMAN: I now recommit Section 38.

Mr. SHAW: In Section 38 Subsection (5), Mr. Chairman, we will delete that and substitute a new subsection (5).

The CHAIRMAN: I put the amendment to Section 38.

Motion put to the Committee and agreed to.

The CHAIRMAN: I put Section 38 as amended.

Motion put to the Committee and agreed to.

The CHAIRMAN: I now put section 40.

Mr. SHAW: In Section 40, Mr. Chairman, subsection (4) is to be deleted and substitute a new subsection (4) as set out.

The CHAIRMAN: Yes, actually, Minister, it should be -

The amendments to Clause 40 put to the Committee and agreed to.

The amended Clause 40 put to the Committee and agreed to.

The CHAIRMAN: I now put Clause 42.

Mr. SHAW: In 42, subsection (9) is to be deleted as it exists, and a new subsection (9) Mr. Chairman, will replace it as set out here.

The CHAIRMAN: I put the amendment to Clause 42.

Motion put to the Committee and agreed to.

The CHAIRMAN: I recommit Clause 50.

Mr. SHAW: In Clause 50, Mr. Chairman subsection (5) is to be deleted and a new subsection (5) with further subsections (a) and (b) to be substituted.

The CHAIRMAN: I put the amendments to Clause 50.

Motion put to the Committee and agreed to.

The CHAIRMAN: I put cause 50 as amended.

Motion put to the Committee and agreed to.

The CHAIRMAN: I recommit Clause 58.

Mr. SHAW: In Clause 58 subsection (4), Mr. Chairman, subsection (4) is to be deleted and we are to substitute a new section as indicated on page two of the list of amendments.

The CHAIRMAN: Mr. Kellier.

Mr. KELLIER: Yes, Chairman, thank you. The consistency of the Court matters seem to suggest in most cases that it is a Resident Magistrate's Court, but in this instance you have moved it to a Circuit Court. Is there any particular reason for that, bearing in mind that the fines - is it a matter of the fines being above what the RM Court would levy, or why you take it to a Circuit Court?

Mr. SHAW: Andrew, get the answer from the CPC for me please; in relation to 58(4).

The CHAIRMAN: Could you repeat the question again, Mr. Kellier?

Mr. KELLIER: I am asking why is it that for this particular fine we have to involve the Circuit Court, in 37 (3) that we just amended it is for the Resident Magistrate Court, and 38(5) was for the RM Court, as well as 40 subsection (4) So l am just asking whether it is for the size of the fine that is involved or what? Why you move it to a Circuit Court? Some in RM Court some in Circuit Court, it is same thing, I want some consistency.

The CHAIRMAN: The limited jurisdiction of the RM Court.

Mr. SHAW: Mr. Chairman, the explanation for the Member is that, in certain type of offences it was considered propitious and necessary to put it in a higher Court, in the sense that the higher Court has the discretion to increase the fine even higher than what is stipulated.

The CHAIRMAN: The higher court has unlimited jurisdiction.

Mr. SHAW: That is right. So in those particular types of offences it was considered that it would be useful to put it in the Circuit Court as opposed to the Resident Magistrate's Court.

Mr. KELLIER: But, Chairman, but the Bill has stipulated a term not exceeding 24 months from which he shall be... for imprisonment.

The CHAIRMAN: Notice, to a fine, remember conviction in a Circuit Court to a fine, so it could be a fine or term of imprisonment. So what the Minister is saying is that the fine would be of unlimited quantum.

Mr. SHAW: The fine can get more, but the RM Court can't do it, but the Circuit Court can.

You see what is important, Mr. Chairman, in relation to this whole casino business, we have to send a clear statement in legislation that we are not going to tolerate slackness and so there are certain types of offences that we are going to give the Court the latitude to be more extreme, and it is only in the Circuit Court that you can give that.

Mr. KELLIER: So why give them latitude in respect of the time? It says, while the fine - I understand the fine - they can impose what they want, but you have straight jacketed them to say, in default of payment a term not exceeding two years.

The CHAIRMAN: You see, Mr. Kellier, the term of imprisonment is not to serve, you know, is it just to coerce the payment of the fine. Okay.

Mr. SHAW: Very well, Mr. Chairman.

The CHAIRMAN: I put the amendment as indicated to Section 58.

Motion put to the Committee and agreed to.

The CHAIRMAN: I put Section 58 as amended. Agreed to.

Motion put to the Committee and agreed to.

The CHAIRMAN: I recommit Clause 59.

Mr. SHAW: Clause 59 subsection (3) is to be deleted, Mr. Chairman, and a new subsection (3) substituted.

The CHAIRMAN: I put the amendment to Clause 59.

Motion put to the Committee and agreed to.

The CHAIRMAN: I recommit Clause 60.

Mr. SHAW: Clause 60 subsection (2) is to be deleted, Mr. Chairman, and a new subsection (2) as indicated here to be inserted.

The CHAIRMAN: I put section 60 as amended.

Motion put to the Committee and agreed to.

The CHAIRMAN: I recommit Clause 67.

Mr. SHAW: In Clause 67, Mr. Chairman, we are to delete all the words appearing after the words Three Million Dollars and substitute therefor the following which is set out here.

The CHAIRMAN: I put the amendments.

Motion put to the Committee and agreed to.

The CHAIRMAN: What were you saying? It does not matter now, because there is a limit in the fine. Mr. Kellier, when you state the sum, the reason why they state the court is if the prosecutor wants to go for a higher sum.

The CHAIRMAN: I put Clause 67 as amended.

Motion put to the Committee and agreed to.

The CHAIRMAN: I recommit Clause 68.

Mr. SHAW: Clause 68 subsection (1), Mr. Chairman, delete the words, **"and held liable"** and substitute therefor the words **"and be punished accordingly".**

The CHAIRMAN: I put the amendments

to Clause 68, and this is an amendment to an amendment.

Motion put to the Committee and agreed to.

The CHAIRMAN: I put the amendment to Clause 68.

Motion put to the Committee and agreed to.

The CHAIRMAN: I now put the clause as amended.

Motion put to the Committee and agreed to.

The CHAIRMAN: Minister, I recommit Clause 72(1).

Mr. SHAW: Yes, you are recommitting 72(1) did we miss it? Not on my list.

The CHAIRMAN: Could you just indicate what the amendment is?

Mr. SHAW: What is it? (The Clerk explaining)

Mr. Chairman, Clause 72 subsection (1), in sub-subsection '(s)', 's' as in Shaw and Samuda, it will read - where it reads: **"prescribing offences and the penalties"** we are to put parentheses before the words **"including fixed penalties"** closed parentheses and insert the words after the close parentheses **if any**.

The CHAIRMAN: Members, it is an amendment to the amendment as proposed.

I now put the amendment to the amendment to Clause 72.

Motion put to the Committee and agreed to.

The CHAIRMAN: I now put Clause 72 as amended.

Motion put to the Committee and agreed to.

The Title and the Enacting clause put to the Committee and agreed to.

The CHAIRMAN: The question is that I do report the Bill as having passed Committee Stage with fifty-two (52) amendments.

Motion put to the Committee and agreed to.

RESUMPTION

The SPEAKER: I do report the Bill as having passed Committee Stage with fifty-two (52) amendments.

Minister?

Mr. SHAW: Mr. Speaker, I ask for third reading of the Bill.

The SPEAKER: The question is that the Bill be read a third time.

Put to the House and agreed to.

Bill entitled –

"AN ACT to repeal the Police Complaints Act and the format of the Independent Commission of Investigation Act"

read a third time and passed.

The SPEAKER: Bill debated and passed. (Applause)

House Leader. -

L.R.I.D.A. ACT

Mr. HOLNESS: Mr. Speaker, we will now have the Minister of Labour and Social Security taking an amendment to the LRIDA.

The SPEAKER: Minister Charles.

Mr. CHARLES: Mr. Speaker, last week at the House I requested that a motion be moved to install the amendment to the Industrial Disputes Act.

The Labour Relations and Industrial Disputes Bill was tabled on the 23rd of June 2009, and was passed without amendment on the 6th of October. This landmark Bill proposes the amendment to the Labour Relations and Industrial Disputes Act 1975 so

as to facilitate the referral of industrial disputes involving non-unionized workers to the Industrial Disputes Tribunal, to also increase the number of Deputy Chairmen who may be appointed by the Tribunal, and give the Minister power to amend the Second Schedule which provides for the constitution of the Tribunal by order. The opportunity was also taken to correct an error appearing in the Regulation 6 of the Labour Relations Regulations, 1975.

Mr. Speaker, I am pleased to announce that the Bill was passed in the Senate on the 26th of February with one (1) amendment. I now refer the amendment to the Honourable House for its approval.

Mr. Speaker, the Senate has approved a further Amendment of the Bill so as to facilitate the referral of *"disputes of rights only"*, to the IDT in respect of individual non-unionized workers. This was accomplished by the amendment of the term "*industrial dispute*" which is contained in Clause 2 of the Bill.

Mr. Speaker, the Honourable House will further recall that I had urged that non-unionized workers be granted redress to the IDT the same manner as unionized workers now have. However, after discussions and consultations with the social partners and the technocrats in the Ministry of Labour and Social Security, and in a review of the presentation of the Opposition in the Lower House, it was decided to support this important amendment based on the legal implication of referring "*disputes of interest*" as well as "*rights*" to the IDT in respect to the individual non-unionized worker.

Mr. Speaker, it is imperative to note that disputes are classified in two categories - "*disputes of rights*" and "*disputes of interest"*.

The "*disputes of rights*" refer to disputes which relate to application, interpretation or violation of existing contractual labour agreements and statutory provisions. At this stage the rights have already been established through negotiations or otherwise. On the other hand, "*disputes of interest*" refer to disputes not regulated by law or agreement. Disputes of interest generally refer to rights which are being bargained for, which are not yet the subject of any agreement - such as employment terms to be adopted for new agreements, or otherwise. This would relate to the negotiations of new terms and new condition of employment. Take, for example, the case of a worker who in negotiating with his employer to be paid a salary of say Two Million Dollars *per annum*, at this stage if there is a dispute in relation to the agreement to pay the sum this will be classified as a disputes of interest. However, once the parties have agreed to the payment of the sum of Two Million as the salary, if the employer fails to pay the sum the dispute pertaining to the matter would be classified as a dispute of rights. If the worker subsequently wants to negotiate an increase in his salary, from say Two Million to Two point Three Million, and there is a dispute between him and the employer relating to the payment of the increased sum this would properly be described as a dispute of interest.

Mr. Speaker, there is an important legal rationale for this restriction as to the types of matters which can be referable to the IDT in respect of the individual non-unionized worker. This rationale has its genesis in the central legal principle in contract law, respect for the freedom of the parties to enter into

contractual agreement and the freedom to choose the precise terms that form the legal enforceable obligation. The legal freedom of the parties to determine the terms of their economic relations remain fundamental principle on the law of contract which governs working relations to this day. This freedom has resulted in a great degree of diversity in the types of contractual relations which govern working relationship. As a result of this diversity, five (5) employees may work in the same business, performing the same task and yet all may have different contractual arrangement with their employer. The law does not generally seek to control the freedom of choice of the parties, choice to determine the contractual arrangement which is best suited for their needs.

In the context of Employment law, statute has only intervened in the freedom to enact provisions which protect workers, by establishing minimum standards which should govern the employment relationship. The Minimum Wage Act, Notice Provision of Employment, Termination and Redundancy Payment Act, Maternity Leave provisions and provisions relating to holiday with pay and sick leave are just a few examples of this protection.

Mr. Speaker, if disputes of interest are to be referred to the IDT in respect of individual non-unionized worker a third party, the IDT, would be given the authority to interfere with the freedom and the rights to negotiate their own terms and conditions within the employment contract. The IDT would, therefore, have the authority to interfere in the negotiation between the employer and the prospective individual employee by determining the wages which will be payable to each employee.

It must be noted that Section 2 of the LRIDA defines an employer as "*a person for whom one or more workers work or have worked, or normally work or seek to work*". The IDT would be given the power even in instances where either party disagrees with the interference in their negotiation. The parties will then be bound to accept the award of the IDT and to incorporate same in the contract of employment. This is a fundamental interference with the important legal principles of the freedom of the parties to negotiate and determine their contractual obligation. This interference cannot be accepted.

Mr. Speaker, the reason for this distinction in this instance between the unionized and non-unionized worker can only be appreciated if one is aware of the unique culture of the collective agreement.

A Collective Agreement is a bargaining reached between a trade union and an employer or groups of employers. The content of the Collective Agreement comprises elements such as wage rates, normal hours of work, and contain rules about how future labour relations should be conducted.

In the context of the Collective Agreement and the Collective Bargaining the individual has agreed to the subordination of his rights to that of the collective. In collective bargaining the interest of the group prevails over that of the individual. It is, therefore, acceptable and permissible to depart from the principle of freedom of the individual to negotiate his employment contract in the context of collectivity. Consequently, disputes of interest and disputes of right can be properly referred

to the IDT in the context of unionized workers. Therefore, this is not an issue of discrimination or treating one group less favourable that the other, this is an issue of enacting law which is in conformity with the established legal principles.

Mr. Speaker, I must also point out that in most cases involving unionized workers the IDT will be intervening in a dispute in which industrial action is threatened or contemplated in the essential or non-essential service where the national interest will be negatively impacted on by such industrial action or where the circumstances of the dispute constitute an urgent or exceptional situation. In such cases, Mr. Speaker, the IDT will have to intervene irrespective of whether the dispute is one of interest or right, so as to ensure that normalcy is restored to the industrial relation landscape as quickly as possible.

Mr. Speaker, as a result of the legal implication on the freedom of the parties to negotiate the terms of the employment contract it is recommended that only disputes of rights are referred to the IDT in respect of disputes involving individual non-unionized worker. I submit that this Honourable House may be accused of enacting bad law if this amendment was not approved.

Mr. Speaker, Cabinet's approval for this limitation was received on 15th February, 2010, by decision No. 6/10. The Office of the Parliamentary Counsel drafted the requisite amendment which received the approval of the Attorney General's Chambers. To give effect to this decision the Senate has approved the amendment of Section 2 of the principal Act by the deletion of the definition of industrial dispute currently contained in the Act by replacing it with the definition now contained in Clause 2 of the Labour Relations and Industrial Disputes (Amendment) Bill. The definition of "industrial dispute" in subclause (a) will be applicable to unionized workers. The definition encompasses disputes of rights and disputes of interest, the definition subclause (b) will apply to individual non-unionized worker. The definition encompasses only disputes of right.

Now, Mr. Speaker, the words *"terms and condition of employment* " have been deleted from subclause (b) as this is a dispute of interest. The term *"and condition of employment"* refers to conditions which are being negotiated between employers and employees. Some of the essential terms include: wages for work, notice period in the event of termination, and place of work, for example. However, once these terms and conditions have been settled between the parties they become *rights*, which are referable to the IDT pursuant to the proposed subsection (b).

Additionally, it must be emphasized that all statutory employments rights are referable to the IDT, rights in accordance with proposed subclause (b),(3) also. This includes the provision of Maternity Leave, Minimum Wage Act and Minimum Wage Order, Holiday with Pay Act, Regulations and Employment (Termination and Redundancy Payment) Act. Notice must also be taken of the fact that the terms and physical condition in which any employee is required to work in subclause (b) refers to the provisions of the Factories Act and the common law rules in relation to health and safety in instances where the statute is silent.

Finally, Mr. Speaker, the House should further be advised that the Ministry of Labour

and Social Security is in the process of reviewing the new Occupational Health and Safety Bill, which will be brought to this Honourable House after the relevant procedural steps have been taken. The subclause which eventually refers to the provision of this new Act when it is enacted.

The guarantee of health - for healthy and safe work environment for the Jamaican worker is an important right which should be referred to the IDT. So, Mr. Speaker, this amendment will provide non-unionized workers with less expensive and less adversarial avenue for seeking redress in cases where they may have been treated unjustly and harshly by the employer. However, this will be accomplished without interfering with the freedom of these workers and their employers or prospective employers to negotiate the term of their employment.

These workers, Mr. Speaker, will be able to address the IDT for guidance to their application, interpretation or violation of established agreement contained in the employment contract and all statutory rights contained in the employment provision. In addition, these workers will now be able to access the important protection for unjustifiable dismissal which is only accessible through the IDT.

So, Mr. Speaker, the amendment to the Act as approved by the Senate is as follows: section 2 of the principal Act is being amended by deleting the definition of "industrial dispute" and substituting same in the definition contained in Clause 2 of the Bill as amended by the Senate. The effect of this amendment is that only disputes of rights are referable to the IDT in respect of industrial non-unionized workers.

Mr. Speaker, this Honourable House is being invited to consider with a view of passing into law, the amendment to Clause 2 of the Labour Relations and Industrial Disputes (Amendment) Bill, 2010, as approved by the senate.

Thank you, Mr. Speaker. (Applause)

The SPEAKER: Mr. Kellier.

Mr. KELLIER: Mr. Speaker, the Minister has carefully outlined what the Senate amendment is. We had a fulsome debate in the House on these matters on the 6th of October last year, '09, and passed the amendments then. I had indicated, and the Minister is aware, Mr. Speaker, that part of what I said then and I quote from **Hansard** exactly what I said on that occasion. The section that says:

> "It is expected that full consultation and communication will be established between the parties, namely the worker and the employer, and cases that will be referred to the IDT will only involve issues of termination and/or suspension and not issues pertaining to wages and conditions. In other words, only issues of rights and not issues of interests will be referred to the IDT re the individual non-unionized worker".

I think that the amendment that has been made is in keeping with this section of what I said at that time, Mr. Speaker. And really, the debate doesn't have to start over. I concur with what the Minister has said and in keeping with what was proposed here that we have no difficulty with the amendment.

However, what we must always keep under consideration and under the microscope, though, since the matter has been raised and

the business of interest, the time may come when we have to look at it again. And at such time when we look at it again depending on how, from this level where we have reached, how things evolve, if it becomes necessary then the Minister, I am sure, would have dialogue with his people and bring something back here to redress any imbalance that is caused by the concerns about interest. But in respect of what we have before us, Mr. Speaker, the Opposition has no difficulty at this time in going forward with and supporting the amendment, because basically it is a step in the right direction, the entire Bill and I do not like to put anything in the way of holding it out any longer. The workers need to have this protection so they can go forward and, like I say, whatever happens down the road we can come back and make any adjustments to it that we need to do in the future. So we support the amendment and we expect you to go forward with it.

The SPEAKER: Mr. Charles.

Mr. CHARLES: Mr. Speaker, I want to give the Opposition the assurance that the Ministry of Labour monitoring team will continue monitoring situations at the workplace and, if necessary, the ministry will come back to the Parliament and report what's taking place there and appropriate action will be taken for the protection of the workers' rights and for good working relationship between the employer and the employee at the workplace.

I want to move that the Bill be read a second time.

The SPEAKER: The question is that the Bill be read a second time.

Mr. CLARKE: It's an amendment.

The SPEAKER: Members, this is an amendment coming from the Senate and the House is asked for its approval.

Put to the Committee and agreed to.

The SPEAKER: House Leader.

Mr. HOLNESS: Mr. Speaker, the Member from Western Westmoreland, the Chairman of the Public Administration and Appropriations Committee will now take the motion standing in his name on the Order Paper.

The SPEAKER: Dr. McNeill.

Dr. McNEILL: Thank you, Mr. Speaker.

Mr. Speaker, there are ten (10) Reports standing on the Order Paper. They are items Nos. 8, 16, 22, 25, 27, 37 and 41. What we are hoping to do is to take them as one and what we would do is just give some excerpts of the highlight of the Reports.

Mr. Speaker, before I go there I just want to make a few points:

(a) The Terms of Reference of the Public Administration and Appropriations Committee is that it shall have the duty of examining the budgetary expenditure of Government agencies to ensure that expenditure is done in accordance with Parliamentary approval;

(b) monitoring the expenditure as it occurs and keeping the Parliament informed of how the budget is being implemented; and

(c) inquiring into administration of Government to determine hindrances to efficiency and to make recommendations to the Government for improvement of public administration.

Mr. Speaker, the main problem that we are facing with the Public Administration and

Appropriations Committee is that we look at the current expenditure. We offer oversight of the expenditure of Government as it is happening. When the year is over then it becomes a matter for the Public Accounts Committee. So for us to be an effective oversight committee it means that we have to do our Reports and have the Reports tabled in a timely manner so that the Parliament can be kept abreast of what is happening. For this reasons, Mr. Speaker, we have had a discussion with the House Leader and made the point that for us to come here today and….

(*Sotto voce* remarks by some members)

Dr. McNEILL: At your indulgence, just to put this together. What has happened, Mr. Speaker, is that we have ten (10) Reports that have accumulated and some of those Reports would have really fallen into the first part of the last financial year, so that they are now more the purview of Public Accounts than they are of Public Administration and Appropriations. So what we have agreed with the House Leader, is that from hereon in we will be giving the Report in a quarterly manner. We will do all our sittings and at the end of the quarter we will give the Report and we are asking that those Reports be debated in an expeditious manner, so that the committee can do its work properly. (Applause)

Mr. Speaker, two reasons why this is so important. I want to just make a note. We will not be taking as I said, some of the Reports we will not go into any depth in them. But just for the record, last year March we tabled a Report here on our deliberations with the Ministry of National Security and within that Report we made the comment that the committee was informed of challenges in recruiting personnel to the Jamaica Constabulary Force and a shortage of staff at the Horizon Park Remand Centre. The committee recommends that provision be made for the employment of additional personnel at the Horizon Park Remand Centre, and this was from last year March.

Other issues such as the Air Jamaica Report are now somewhat redundant. So I think the important thing for us is to ensure going forward that we do the Quarterly Reports and, as much as possible, that we debate them in a very timely manner.

The second thing, Mr. Speaker, is once the Reports are tabled what happens to them. It is not sufficient that we come here and just table a Report and read and speak, but what we want is some action to be taken on them. Mr. Speaker, to that end, in discussions with the House Leader, we are also going to amend the resolution that is placed on the prayer of the Reports, so that not only will they be brought to the House for debate, but that once they are debated that they be referred to Cabinet, and the House Leader has agreed to the amendment. So moving forward we will be doing that in terms of it.

As it stands now, there is a Section 21 of the Standing Orders that speaks to it, but we are hoping to incorporate it. So, that is how we intend to move forward. So, Mr. Speaker, two of the important things is, one, we are hoping that we will do the debates in an expeditious manner, and the second thing is that once the Reports are debated that they will move to Cabinet quickly for their consideration.

Mr. Speaker, the Reports that we have here are: there is a Report on the Ministry of Health, a Report on the Ministry of Education's building projects, a Report on Transport and Works, a Report on National

Security, Air Jamaica, a Report on Agriculture, Labour and Social Security, Energy and Mining, JUTC and Tourism. What we intended was that the Report on Health, Education, Transport, Works, National Security, Air Jamaica and Agriculture were all taken before the period of July of last year. So, what will happen is that we will move today to just adopt those and we will not debate them, because as I said before, they now become more the purview of the Public Accounts Committee.

But we have before us Labour and Social Security, Energy and Mining, JUTC, and the Ministry of Tourism. And what I am hoping we can do, with your permission, is that we would take - I will give a summary of some of the issues that occurred in those four areas and then the Members can debate those and we can take it all as one, and we can move for the adoption of all the Reports. Is that okay?

The SPEAKER: That's appropriate.

If Members want to contribute after your point, it is up to them.

Dr. McNEILL: Mr. Speaker, I will go first to the report from the Ministry - the deliberations with the Ministry of Labour and Social Security. Mr. Speaker, a number of things came out of those deliberations, but there was one thing of particular importance.
It had to do with the National Insurance Scheme.

Your Committee was informed that the National Insurance Scheme was threatened as the proportion of the population that had attained the age of retirement was steadily increasing. At present, there were 270,000 persons over the age of 60, but that figure was expected to reach 320,000 or 14.2 per cent of the population by 2020, and 600,000 or 21.8 per cent of the population by 2050. The annual cost of pensions already exceeded yearly contributions by $2 Billion. This was due in part, to the fact that payments had been increased more frequently than contribution rates, but more so, to the delinquency of approximately 250,000 of the 700,000 persons who were deemed to be able to contribute to the Fund.

Your Committee, therefore, recommended, Mr. Speaker, that the Ministry intensifies its public relations efforts to encourage persons to prepare for retirement by contributing to the National Insurance Scheme.

The other issue was the National Insurance Fund. Your Committee was of the view that the National Insurance Fund, Mr. Speaker, should be prudently invested in ventures that would help to uplift the nation and the workers who contributed to it, thereby enabling even more citizens to participate in the programme, and not funnelled into establishing financial institutions whose profits were ultimately remitted abroad. We were advised that several viable businesses had been created, thanks to the sum of $1 Billion that had been allocated to small business development from the Fund, approximately three years previously...

(Applause)

...and some of these had generated additional employment; $65 Million had been used to provide small business loans at 40 per cent interest. Your Committee - we were informed that the remainder of the money was to be used to assist persons who had experienced redundancy, as some 15,000 cases had been reported to the Ministry between October of 2008 and June 2009.

Mr. Speaker, there was one other issue with the Ministry of Labour. Your Committee wishes to see changes to the means test which was used to establish the eligibility of the PATH programmes. Mr. Speaker, this eligibility test takes into account the possession of consumer durables and basic amenities, such as flushable toilets which sometimes have no bearing to one's ability to afford necessary goods and services.

(Applause)

Moreover, the rigidity of the measure might have been a factor in the programmes having been under-subscribed in the 2008/2009 financial year.

Mr. Speaker, your Committee therefore recommends that the criteria for eligibility be speedily revised so as to ensure that persons who are genuinely in need of assistance are not unjustly excluded from the programme.

A MEMBER: Hear, hear!

(Applause)

Mr. Speaker, that's a synopsis of the Report on Labour. Would you like me to take before, or would you take before?

(*Sotto voce* comment)

Dr. McNEILL: Mr. Speaker, the next one that was taken was the Ministry of Energy and Mining. Mr. Speaker, the Ministry of Mining and Energy, one of the issues that was found there was a difficulty with the purchase of the fuel. This matter was referred to the Contractor General, and is under consideration by him. So, I think that if there is no other issue, I think all Members can read the Report and if there are other issues that they would like to deal with, they can deal with that. That is from the Ministry of Mining and Energy.

Mr. Speaker, the next Report was on the Jamaica Urban Transit Company, and there were two problems that we found there. The first had to do with the factors affecting the JUTC'S profitability. Mr. Speaker, according to a report to the Committee from the JUTC, there were 2,488 illegal operators in the Kingston Metropolitan Transport Region which cost the company 39.4 million passengers or $1.57 Billion in revenue, annually. Revenue increased by up to 100 per cent when illegal operators were moved from the JUTC routes, but these efforts were never sustained.

Additionally, there were unprofitable arrangements with sub-licensees. Poor bus run-out also affected avenue. Bus run-out means the number of buses that were in operation each day, as the morning, and every morning. Between 35 and 40 of the 300 units deployed returned to the depots with defects by mid-day due to the advanced age of the buses.

The second thing that we found in the Committee, Mr. Speaker, was the possible grounds for the increase in fares. As you know, this Report was taken last year September. So, what has happened is that, now that the fares are going to be negotiated, some of these issues become even more relevant.

Mr. Speaker, it was reported that the current JUTC fare of $50 per adult passenger, and the concessions fare of $15 were insufficient, as an adult fare of $83 was required to enable the company to break even. Also, representatives of the company asserted that a recommendation that fares be revised annually to counteract the effects of inflation and devaluation which had been made by the Swedish consultants in 2005, had not been implemented.

Mr. Speaker, your Committee therefore, recommended that consideration of the request for a fare increase in the context of measures - be taken in context of measures to ameliorate the unfavourable factors mentioned before. The Committee Members felt very strongly that if you had the problem of the illegal operators on the routes, and you had the problems where, if properly managed JUTC could cut the losses that a fare increase had to be taken in the context of those things being resolved.

The second thing was a comprehensive Metropolitan Transport policy and a related business plan for the JUTC. And thirdly, increased collaboration between the Ministry of National Security and the Ministry of Transport and Works in the enforcement of laws that protect the bus company's revenues. Mr. Speaker that is the synopsis of the findings of the Report out of the JUTC.

The last Report that I will give has to do with the deliberations of the Ministry of Tourism. Mr. Speaker, the two things that - the two major issues that were found of concern first had to do with the Tourism Enhancement Fund.

Mr. Speaker, your Committee was dismayed to find that the use of the Tourism Enhancement Fund had been used to offset reductions in the Ministry's budget, which was seen as a threat to the viability of the Fund. As such, it is recommended that a five or ten-year plan for the Fund - be made for the Fund with clearly articulated aims and measurable objectives, as well as projected activities for each year, be developed and presented to Parliament, to enable the objective evaluation of expenditure of the Fund in terms of fidelity of these goods.

The second issue by the Ministry of Tourism, Mr. Speaker, had to do with the sponsorship of events. Mr. Speaker, the issue of sponsorship of the terms of sponsorship provided by the Ministry to profit-generating events, put on by the private sector promoters, also required attention. It was found that the Jazz and Blues Festival received a disproportionate amount of sponsorship, some US$500,000 *versus* US$76,000 for the second largest event, an there were no arrangements for compensation.

Mr. Speaker, the Committee supported the concept of Government sponsorship of activities to boost the tourism sector but recommended a review of the existing terms and exclusion of a requirement for reciprocal activity on the part of private entities that benefit from the public funds.

Mr. Speaker, those are the elements of the synopsis of the issues that were raised at the Public Accounts. In closing on this, I just want to say that one of the things that comes out is that the Public Administrations and Appropriations Committee, for its deliberations to be relevant and for the work it does to be efficient, it has to be done in a timely manner. As you can see from even the recommendations, a lot of them are overtaken by time because after a year most of the events are finished. This last one that has to do with the sponsorship of the Jazz and Blues Festival, when seen in November of last year, it was recommended in the Report that Parliament review it prior to the event. Two months later the Report still had not been debated, so Parliament did not have a chance to play a role in some of these events.

The SPEAKER: Thank you, Dr. McNeill. Mr. Fitz Jackson.

Mr. JACKSON: Mr. Speaker, my comments will be very brief. I wish to underscore the comments made by the Chairman of the Committee at the outset in terms of the purpose and function of this Committee and its importance.

As you are aware, Mr. Speaker, many times Members on both sides of the House and indeed the public in general, express displeasure at what comes out of the Public Accounts Committee. The significant difference with this committee is that it was intended to be more like a just-in-time committee, deal with matters currently being pursued by the Government in the current fiscal year. But most importantly, Mr. Speaker, if we don't respond to the examinations and the recommendations it makes the Standing Finance Committee very useless because at the Standing Finance Committee we review what is proposed to be expended not only in a quantitative way but what projects are going to be pursued in the current financial year or the year before us. This Committee's work seeks to apprise the Members of the House as to how well we are doing as a country in terms of what we commit to do in the current year.

And the second and last point I wish to make, and really for the attention of the Leader of Government Business. We refer to an amendment that was made to the Standing Order as the Sam Lawrence Amendment which sought to ensure that the Reports and Recommendations from Parliament not only from the Appropriations Committee, but all other resolutions that are passed in the House are placed before the Cabinet for its attention. Clearly the Cabinet being the Executive arm of Government has to act on any of these matters. But the Parliament, Members on both sides, were very, very distressed by the fact that we have all these examinations, whether it's Economy and Production, Infrastructure, whichever the committee, and nothing happens. The Standing Orders have been amended that once it's passed by the House - the Reports are passed by the House - they are placed before Cabinet and there is a required period of 21 days for a response to the House to tell us what you have done. If you have done nothing, let us know and if you decide to act what it is that you have decided to do so that the House and the country on a whole can get a sense of where we go from the deliberations that take place here. So I will urge, Mr. Speaker, that we pay attention to this provision so our purpose here can be seen to have some usefulness, not just to ourselves, but to the country on a whole.

I do support the recommendations.

(Applause)

The SPEAKER: Yes, House Leader.

Mr. HOLNESS: Mr. Speaker, you probably would recall several years ago when the Appropriations Committee was first brought here after being as part of our Order Paper, part of our Standing Orders, rather, regarding the Committees if the House, one of the required Committees. And we brought it for several years. Finally, Mr. Speaker, the Government of the day - and let's be fair. Whilst this Government was in opposition, the then Government made an attempt to conduct this form of present review of Government activity through the Appropriations Committee, current review. It did not work at the time. And it did not work primarily because it did not have the full support and effect of the Government behind it.

(Inaudible comments)

No, no, no, the Opposition? And there was a major... And, Mr. Speaker, just to refresh the memory of the House. The attempt made by the previous Government to implement the Appropriations Committee was not as this attempt, Mr. Speaker, wherein we made sure that the Chairman of the Committee is a Member of the Opposition. Previously, Mr. Speaker, that Committee was being chaired by a Member of the Government.

(Inaudible comments)

No, no. It's very important. The Member raised some important points. Very, very important. I want to assure the Member, because the Member raised the points regarding having gone through all this work - and it appears to me that the committee has done significant work, detailed work - that having gone through and having made the recommendations that they go for nought. I want to assure the Chairman of the committee that this Government, first of all, likes self-scrutiny.

Mr. MONTAGUE: Hear, hear!

Mr. HOLNESS: And it opens itself to the scrutiny of the Opposition... (Applause) ...because, Mr. Speaker, that is what is going to keep us on our toes.

Mr. MONTAGUE: Hear, hear!

Mr. HOLNESS: ...keep us transparent and keep us efficient as Government. And indeed, in the long run, keep us as Government.

Mr. MONTAGUE: Hear, hear! (Applause) (Laughter)

Mr. HOLNESS: So, Mr. Speaker, we welcome the Reports and I want to give the Chairman of the Committee my own personal commitment to ensure that the Reports are taken on Government Business on a timely basis because I think that is the first step. I want to say, Mr. Speaker, that we have come a long way with this Committee. And it is clear that the House is now evolving.

A MEMBER: The Chairman.

Mr. HOLNESS: And credit to the Chairman. The Chairman is working. (Applause) The success of the committee depends on the Chairman and...

A MEMBER: The Government Members.

Mr. HOLNESS: It depends really on the Chairman and his willingness to carry through the work and the willingness of the Government to allow the Committee to operate in a fashion where it has access to the Ministries and the civil servants and it is given feature in the business of Government.

(Cross talk)

So, Mr. Speaker, we on this side welcome the Reports and supportive approval of the Reports.

The SPEAKER: Thank you. Doctor McNeill. Yes, Mr. Kellier.

Mr. KELLIER: Mr. Speaker, I wish to add my own words of commendation to the Chairman of the Committee and the Members who served on it.

(Inaudible comments)

The Members who served on the committee. But the truth, Mr. Speaker, is that just recently it was published in one of the newspapers where your Deputy had to be admonishing Members who did not turn up for her to have a meeting that was set for the House. And if it is that when committees meet and Members take the time out when they are appointed to these committees, and they take the time out to come to these committee

meetings, spend lots of time examining the performance of the Administration and then in the long run these Reports really don't get debated in the House on a timely basis, it is frustrating. And that sometimes leads to people saying, well, this Report is not going anywhere so it doesn't make any sense I go to the meeting.

So I would like to endorse the position that has been proposed and that the House Leader seems to be accepting that we have a quarterly presentation to the House of these matters so that we can dispense with them on a timely basis. And that really the Government through the Cabinet will give effect to what is done here because otherwise it is just a talk shop and a waste of time. So really for the Parliament to work, for the workings of the Parliament to be meaningful, that exercise is very critical. And the House Leader has already indicated his willingness to move forward with them. So I'm just thanking him for saying that and hoping that we can have better deliberations come the next financial year.

Mr. HOLNESS: Just on a point of clarification. Mr. Speaker, the proposal is that we take the Reports quarterly. I think it would be in only proper order that we take the Reports as they are ready. And the Government would be prepared to do that.

The SPEAKER: Thank you.

Doctor McNeill, I'm going to propose that you put each Report, one by one and then we move for the adoption of each one. So, I ask you now to move one by one.

Dr. McNEILL: Let me say to the House Leader, we really appreciate the cooperation. I think that we have come a long way with the Public Administration and Appropriations Committee. I think it's a good example that was set from the Public Accounts Committee and I think that transparency is a good thing. And opening up these committees of Parliament has to be a good thing. You had said three things that you want to achieve with it and I wish you luck with two of them.

On our side, I just want to say congratulations were given to me and the Committee. I want to say that the Public Administration and Appropriations Committee Members are really a very hard working group and we hold our meetings every other week. And we have done as required. Just to say this.

Moving forward, Mr. Speaker, under the framework Agreement, the Public Administration and Appropriations Committee takes on a whole new role. We are mentioned in the Audit Bill that was put by the Minister of Finance last week and it is going to require us working even more. So we are speaking with the House Clerk to increase the number of days that we meet to try and get it to weekly, because if we are going to fight corruption in government and to open up transparency, the role of this committee is critically how we move forward. And we on the committee take our work seriously and we will be doing all possible to work with - both sides of the House, all of us - to work together to make Jamaica a better place.

So with that Mr. Speaker, I would like to first put the Committee's Report...

The SPEAKER: Members, we are going to move for the adoption of each of the Reports one by one. So place, just listen as Dr. McNeill, the Chairman of the Public Administration and Appropriations Committee presents them one by one.

Dr. McNEILL: I move for the adoption of the Deliberations on the Ministry of Health.

Put to the House and agreed to.

Dr. McNEILL: I move for the adoption on the Ministry of Education, Building Projects.

Put to the House and agreed to.

Dr. McNEILL: I move for the...

The SPEAKER: One second, Doctor McNeill. You're noting them on the Order Paper, please?

Dr. McNEILL: That's Number 9...8 on the Order Paper. Number 16. Under Number 16 we also have the Deliberations on the Ministry of Transport and Works.

Put to the House and agreed to.

Dr. McNEILL: The Report on the Deliberations of the Ministry of National Security.

Put to the House and agreed to.

Dr. McNEILL: Report on the Deliberations into Air Jamaica.

Put to the House and agreed to.

Dr. McNEILL: We move to Number 22. The Report on the Deliberations of the Ministry of Agriculture and Fisheries.

Put to the House and agreed to.

Dr. McNEILL: Number 25, the Deliberations on the Ministry of Labour and Social Security.

Put to the House and agreed to.

Dr. McNEILL: Number 27 the Deliberations on the Ministry of Education and Mining.

The SPEAKER: Those in favour?

A MEMBER: What?

(Inaudible comments)

Dr. McNEILL: Energy.

A MEMBER: Repeat it.

The SPEAKER: Ministry of Energy and Mining.

Put to the House and agreed to.

Dr. McNEILL: It's a Freudian slip. Number 37, report on the Deliberations on the JUTC.

Put to the House and agreed to.

Dr. McNEILL: And finally, Number 41, Deliberations on the Ministry of Tourism.

Put to the House and agreed to.

The SPEAKER: Thank you very much, Doctor McNeill.

Dr. McNEILL: Thank you.

(Applause)

ADJOURMENT

Mr. HOLNESS: Mr. Speaker, it is not proposed to do any further business today. I therefore move for the adjournment of the House until the 9th of March.

The SPEAKER: The Tenth.

Mr. HOLNESS: Ninth of March.

The SPEAKER: Ninth, Ninth, Ninth! Members, the motion before the House is that this Honourable House do adjourn until Tuesday, March 9, 2010 at 2.00 p.m.

Put to the House and agreed to.

The SPEAKER: (Gavelling) This Honourable House stands adjourned.

The House accordingly adjourned at approximately 5.40 p.m. until Tuesday, March 9, 2010 at 2.00 p.m.

THE HONOURABLE HOUSE OF REPRESENTATIVES

SESSION 2009 – 2010

TUESDAY, March 9, 2010

PURSUANT to Notice of Adjournment the Honourable House of Representatives resumed its sitting at Gordon House, Kingston at 2.15 p.m.

PRESENT

THE SPEAKER

HON. DELROY HAWMIN CHUCK, (JLP), St. Andrew, North Eastern.

MRS. MARISA COLLEEN DALRYMPLE-PHILIBERT, (JLP), Trelawny, Southern, Deputy Speaker.

MEMBERS OF THE CABINET

THE HONOURABLES:

ANDREW MICHAEL HOLNESS, (JLP), St. Andrew, West Central, Minister of Education, Leader of Government Business and Electoral Matters.

ORETTE BRUCE GOLDING, (JLP), Kingston, Western, Prime Minister, Minister of Planning, Development and Defence.

DR. KENNETH LEIGH O'NEIL BAUGH, (JLP), St. Catherine, West Central, Deputy Prime Minister and Minister of Foreign Affairs and Trade.

KARL GEORGE SAMUDA, CD, (JLP), St. Andrew, North Central, Minister of Industry, Commerce and Investment.

PEARNEL PATROE CHARLES, CD, (JLP), Clarendon, North Central, Minister of Labour and Social Security.

DR. CHRISTOPHER CHARLES TUFTON, (JLP), St. Elizabeth, South Western, Minister of Agriculture.

MINISTERS OF STATE

THE HONOURABLES:

MRS. SHAHINE ELIZABETH ROBINSON, (JLP), St. Ann, North Eastern, Minister of State in the Office of the Prime Minister.

WILLIAM JAMES CHARLES HUTCHINSON, (JLP), St. Elizabeth, North Western, Minister of State in the Ministry of Agriculture.

CLIFFORD EVERALD ERROL WARMINGTON, (JLP), St. Catherine, South Western, Minister of State in the Ministry of Water and Housing.

NEVILLE ANDREW GALLIMORE, (JLP), St. Andrew, West Rural, Minister of State in the Ministry of Labour and Social Security and Deputy Leader.

OTHER MEMBERS

MR. LUTHER BARTLEY MONTEITH BUCHANAN, (PNP), Westmoreland, South Eastern.

MR. PETER MURCOTT BUNTING, (PNP), Manchester, Central.

MR. ROGER HAROLD CLIFFORD CLARKE, (PNP), Westmoreland, Central.

DR. OMAR LLOYD DAVIES, (PNP), St. Andrew, Southern.

MR. COLIN ALFRED A. FAGAN, (PNP), St. Catherine, South Eastern.

DR. FENTON RUDYARD FERGUSON, (PNP), St. Thomas, Eastern.

DR. MORAIS VALENTINE GUY, (PNP), St. Mary, Central.

MS. LISA RENE SHANTI HANNA, (PNP), St. Ann, South Eastern.

MR. IAN DAVE HAYLES, (PNP), Hanover, Western.

MRS. MAXINE ANTOINETTE HENRY-WILSON, (PNP), St. Andrew, South Eastern.

MR. JOSEPH URIAH HIBBERT, (JLP), St. Andrew, East Rural.

MR. FITZ ARTHUR JACKSON, (PNP), St. Catherine, Southern.

MR. DERRICK FLAVIUS KELLIER, (PNP), St. James, Southern.

MR. DESMOND GREGORY MAIR, (JLP), St. Catherine, North Eastern.

MRS. NATALIE GAYE NEITA-HEADLEY, (PNP), St. Catherine, East Central.

MR. PHILLIP FEANNY PAULWELL, (PNP), Kingston Eastern and Port Royal.

MR. MICHAEL ANTHONY PEART, (PNP), Manchester, Southern.

MR. DEAN ALEXANDER PEART, (PNP), Manchester, North Western.

MR. TARN ANDREW PERALTO, (JLP), St. Mary, South Eastern.

DR. PETER DAVID PHILLIPS, (PNP), St. Andrew, East Central.

MR. ROBERT DIXON PICKERSGILL, (PNP), St. Catherine, North Western.

THE MOST HON. PORTIA LUCRETIA SIMPSON MILLER, O.N., (PNP), St. Andrew, South Western, Leader of the Opposition.

REV. RONALD GEORGE THWAITES, (PNP), Kingston, Central.

MR. FRANKLYN ROBERT WITTER, (JLP), St. Elizabeth, South Eastern.

PRAYERS

Prayers were offered by Mr. Gregory Mair.

The Honourable House resumed its sitting at 2.15 p.m.

The SPEAKER: This Honourable House now resumes its sitting.

CALL OF THE ROLL

(See Listing)

The SPEAKER: Members, this evening we would like to welcome in the Gallery, students and teachers from the Meadowbrook High School. Welcome to the sitting of Parliament. (Applause)

ANNOUNCEMENTS

The Clerk laid on the Table of the House a copy of the following:

- Jamaica Bauxite Institute Annual Report and Financial Statements for the year 2008/2009
- Jamaica Bauxite Mining Limited Annual Report and Financial Statements for the year 2008/2009
- Report of the Regulations Committee of the House of Representatives on its deliberations on the Legal Aid (Amendment) Regulations, 2010

NOTICES OF MOTIONS GIVEN ORALLY

The SPEAKER: Dr. Baugh.

TERRORISM PREVENTION ACT (IR)

Dr. BAUGH: Mr. Speaker, I beg to give notice at the next sitting of the House I will move to introduce and have read a first time a Bill entitled *"AN Act to Amend the Terrorism Prevention Act ".*

QUESTIONS AND ANSWERS TO QUESTIONS

CHINA HARBOUR COMPANY CONTRACT/ROADS ETC.

The SPEAKER: Reverend Thwaites.

At the expiration of twenty-one days

Reverend Thwaites to ask the Minister of Transport and Works the following questions:

1. Please give full details of the contract signed with the China Harbour Company for a loan to repair roads.
2. Please indicate the effects on proceeds of the Road Maintenance Fund being pledged to repay this.
3. Please state in detail the administrative and governance arrangements contemplated for the expenditure of the Chinese loan funds.
4. Bearing in mind the need of most roads in Jamaica for repairs, please state how choices and priorities will be established under this programme.

JUTC - INCREASED FARES - PROTECTION OF

At the expiration of twenty-one days Reverend Thwaites to ask the Minister of Transport and Works the following questions:

1. Will the Minister give assurance that the most vulnerable users of the JUTC service will be protected in the upward review of fares which is prescribed in our agreement was the IMF.
2. How will such protection be affected?

HEALTH NATIONAL NUTRITIONAL POLICY

At the expiration of twenty-one days Reverend Thwaites to ask the Minister of Health the following question:

Whereas the Minister of Health had promised the National Nutritional Policy in March 2010, could we have it now please?

The SPEAKER: House Leader.

Mr. HOLNESS: Mr. Speaker, there is a question standing in the name of the Member from Central Manchester, I have the answers ready.

The SPEAKER: Could we deal with that first.

Mr. Bunting, since you are here could you just - yes, Mr. Bunting.

MR. BUNTING - MINISTER OF EDUCATION TO REPLY TO BELLEFIELD PRIMARY

Mr. BUNTING: Mr. Speaker, I had asked the Honourable Minister of Education to answer question standing in my name.

The SPEAKER: Number 49?

Mr. BUNTING: Yes.

The SPEAKER: House Leader.

Mr. HOLNESS: Thank you, Mr. Speaker. The Member asked –

Question 1: Is the Minister aware that construction....

This is in regard, Mr. Speaker, to Question No. 49, which says -

> Will the Minister please respond to question regarding a contract valued at Two Hundred and Eight Million Dollars which was awarded to Bill Wright Construction Company in December, 2007, for the construction of the new Bellefield Primary School which when completed is expected to accommodate some eight hundred and forty pupils?

And the Member specifically wanted to find out -

Question 1: Is the Minister aware that construction has essentially stalled for the last six months or so?

Answer: The construction has not stalled The progress has been slow and the contractor has been written to regarding the slow pace. Since the contract started on March 28, 2008, there were periods when the progress of work was slow, extremely slow. Based on this the contractor was placed on notice of termination on the 29th of September, 2008.

As a result of the delays experienced during this period the contractor was awarded twenty-seven days extension of time, making the first revised completion date June 25, 2009. At the request of the contractor, further extensions were given to July 22, 2009, for the section of work which experienced the delays.

When it was recognized that the contractor would not have been able to meet the revised completion date a meeting was convened and the contractor given a final completion date of October 30, 2009. This deadline was again not met and a further commitment was given by the contractor for completion by the end of February 2010.

Throughout the contract period, although slow at times, there was no stoppage of work lasting more than one week. Well, there was one stoppage of work which lasted one week and that with during the Christmas holidays.

Question 2: Will the Minister advise of the new target dates for the completion of construction and for an official handing over exercise for Bellefield Primary School?

Answer: The February 2010 end date has now passed with the work being approximately ninety per cent (90%) completed.

And the progress, Mr. Speaker, continues to be slow.

The contractor has, however, given a new completion date of March 31, 2010. Considering the completion date of the school has been a moving target, we have had several commitments for completion from the contractor. The Ministry has not set a date for the official handing over exercise, but as soon as this is finalized we will inform the Member directly.

Question 3: Is the Minister aware that the enrolment at the school has fallen, from over six hundred and thirty pupils to four hundred and thirty-nine pupils, during the period of the construction?

Answer: Mr. Speaker, I provided a table, and I circulated the answers for the Members, and 1 believe some Members here, other than the Member may have the table. But the table shows below the present breakdown of enrolment over an eight year period, which indicates that has been a gradual decline.

And this eight year period, of course, Mr. Speaker, would be before the period of construction. So it is not quite accurate to say that it has declined from six hundred. In fact from the period of construction the enrolment would have been four hundred and eighty-two students. So there has been persistent decline over four years, but certainly at the time of construction six hundred and thirty students were not enrolled at the school.

Question 4: Will the Minister explain why a school facility projected to grow in enrolment at the time of the contract is instead now in decline.

Answer: The facilities at Bellefield are in a poor condition and affected student population, especially when it rains and when it is very hot. The conditions are not conducive to learning, hence the decision to replace the existing school on the same compound. The residents of the Blue Mountain and Broadleaf districts have been relocated by WINDALCO to surrounding communities in Williamsfield.

And this, Mr. Speaker, has resulted in some students relocating to the McIntosh Memorial Primary School where the facilities are better. It must be noted, however, that this is just as easy, that it is just as easy, Mr. Speaker, to access Bellefield as it is to access McIntosh. It has been reported over a period of time that the leadership of Bellefield Primary School has been weak. However, the former principal has proceeded on pre-retirement leave as at January 1, 2010, and a new principal is expected to assume duties as of May 1, 2010.

The new school that is the new Bellefield School, with modern facility coupled with a change in leadership will see an increase in enrolment especially since access to the school is just as good, Mr. Speaker, as that as of access to McIntosh, which is now overcrowded. Already the enrolment at Belfield has started to increase because of the improved plan.

The SPEAKER: Thank you, House Leader. Mr. Bunting.

Mr. BUNTING: Mr. Speaker, I want to thank the Minister for his extensive answers and I have just three quick follow-up questions for you.

Minister, although the overall school is 90% complete, I would say 75% of the classrooms and an administrative block they are 100% complete. And the block that is perhaps only 50% complete is at the end of the school in a discrete area that could be separately hoarded. I visited the school a couple weeks ago, may be a month ago actually, and the conditions that you speak to about the over-crowding, the heat, the dust, the dust in particular coming from the construction site and the amount of unpaved or un-grassed areas are making it extremely difficult for the children to learn in that environment.

Could you really, Minister, look at - if it is possible under the contract, to have a partial handing over of that 75% of the school which would be more than enough to accommodate all the students since the 850 capacity could

easily accommodate the 430 or so students that are there now. That is the first question, if you could find a way to do that.

Secondly, I am also very grateful for the decline in enrolment which you point to over a long period of time, for the figures, I am grateful for the figures. Well, the figures suggested that the decline over a much longer period of time than I had first thought. However, I think it points to a general problem we have in our project planning and implementation. It takes so long that often we are solving yesterday's problem and this is regardless of administration, it is not a political point, I have seen it from I was in Parliament the first time, when I was in the Ministry of Health, and we had the IDB project and we were building. The major project - one of the major projects was at KPH, when the population had shifted to St. Catherine and there was no project for St. Catherine, it should truthfully have been either at the Spanish Town or in Portmore. So because we have sometimes years, five to 10 years between the data which suggests that a physical facility is necessary and the actual completion of the whole planning, funding and construction cycle we end up, Mr. Speaker, solving yesterday's problems, and that is really in a sense what is happening here.

And I would just say to Minister that I understand that he is not as familiar with the constituency as I am, but what you have been told that Bellefield is just as accessible as McIntosh is not really true. Relative to where the population centres are, if you just look at the Bellefield Division *versus* the Royal Flat Division where McIntosh is and you look at just, use as a proxy for the population the amount of voters on the list, it is 5,000 in one *versus* almost 9,000 in the other division; and, that population is growing much faster while the Bellefield is pretty much stable or growing very slowly, the Royal Flat Division and the Royal Flat Community where McIntosh is. In fact, McIntosh is more overcrowded now than Bellefield Primary was at any point. My information is, enrolment is over 1000 students for a school that was designed for a little over 500, five hundred and odd. So that situation is urgent to deal with.

I hope some take-off will be able to happen from the McIntosh, but because the principal at McIntosh is very strong, and a good leader, everybody wants to send their children there because of the results that we are getting. So I would just ask the...

Mr. WARMINGTON: Mr. Speaker, on a Point of Order, Mr. Speaker. The Member ought to be asking a follow-up question not making a speech and under the Standing Order - No, no, we cannot be on our feet together Member, we cannot be on our feet together. Point of Order, we cannot be on our feet together. He is supposed to be asking supplementary questions not making a speech and that is what he is doing. Will you please guide him, Mr. Speaker.

(*Sotto voce* comments Members)

The SPEAKER: Mr. Holness.

Mr. HOLNESS: The Member is perfectly correct, Mr. Speaker. (Applause) I have not visited the area in which the school is, so I am merely going from the report prepared by the officers in the Ministry.

The request to have the school populated before hand-over is one that I will explore. I think it makes sense because the conditions as reported are really bad so we will explore having the students populate the

school before it is fully handed over.

We acknowledge that there are quality issues which affected, and the quality issues are not just with the infrastructure but quality issues regarding the leadership of the school, and we have changed principals and we intend to put a strong leader into that school. And so I am expecting that there will be some redistribution of the population.

I want to assure you, Member that now that you have brought this school to my attention I will be focusing on it directly.

The SPEAKER: Mr. Kellier.

Mr. KELLIER: Mr. Speaker, I would just like to get...

The SPEAKER: Just a second, there are no further - go ahead Mr. Kellier.

Mr. KELLIER: I would just like to get confirmation from the House Leader, Mr. Speaker, at this time as to the questions to be answered based on a schedule that has been presented. I just want to know for sure that on March the 10th we will be answering Question 49 and on March the 16th we will be doing be doing Questions 30, 35, 48, 50 and 51. It is very important for the smooth running of Opposition's Business that we get answers to these questions as agreed here, and not have them abrogated when the time comes. So I would like the House Leader to confirm to the House that these dates that are set out will be met.

The SPEAKER: You want it for the record in the House.

Mr. HOLNESS: Mr. Speaker, my job is to -

(*Sotto voce* comments by Dr. Davies)

Mr. HOLNESS: You want to hear what my job is? Mr. Speaker, we will be making all effort to ensure that we keep the schedule as much as possible. But as you are aware, Mr. Speaker, sometimes we are not able to, but it is not the intention of the Government not to answer questions.

The SPEAKER: Dr. Davies.

Dr. DAVIES: Mr. Speaker, if you look at Question 35, and I tabled the question on the 3rd of November, which is four months and a week ago. The questions are time specific, I was asking for information about the Road Maintenance Fund as at October 31, 2009.

(*Sotto voce* comments by Member)

The SPEAKER: Go ahead, Dr. Davies.

Dr. DAVIES: I just wanted to find out who is that stranger here.

The SPEAKER: I thought it was your MP.

Dr. DAVIES: Mr. Speaker, we are going through a ritual that we have these rules about after 21 days, that is why I posed the question as at 31st of October which would provide the Ministers with adequate, and the officials with adequate time to provide us with the answers. I cannot understand, Mr. Speaker, what could be the delay. lf it is that the ministries are unable to give to give members as at October 31 - we now have this Fiscal Responsibility Act which speaks to provision of information on a regular basis. Mr. Speaker, either the competence doesn't exist or the information is being deliberately withheld.

And your credibility, Mr. Speaker, with all due respect, your credibility, because you are there upholding these rules which are meaningless, Mr. Speaker, and that, Mr. Speaker, that Members of the governing side would seek to defend the indefensible is not justified, Mr. Speaker. (Applause)

The SPEAKER: Yes, House Leader.

Mr. HOLNESS: Mr. Speaker, we hear

the Member, Mr. Speaker, and we will provide the answers as they are ready.

The SPEAKER: But he wanted to know - do have you it on schedule that was provided?

Mr. HOLNESS: But, Mr. Speaker, the Minister of Finance to whom the question is posed is not here at the moment. So even if we were ready we would not have been able to present an answer.

The SPEAKER: Yes, House Leader since the Member has asked me - is bringing my creditability into question, could we ensure that 30, 35 at least maybe 41 to be answered very soon please?

Mr. HOLNESS: Mr. Speaker, we will.....

The SPEAKER: As we indicated, House Leader, even in respect to No. 30 some partial answer, and we accept that some partial answers may well be. . .

Mr. HOLNESS: We have agreed, Mr. Speaker, that Question No. 30 would be provided, Question 35 will also be dealt with, and all the other questions that are there. But l will just say, Mr. Speaker, that Members ought to use the facility of questions according to the Standing Orders that some questions are being asked that are extremely difficult to answer. Question are being asked that contravene the Standing Orders and we have from time to time facilitated them but I am saying, Mr. Speaker, that Members ought to be reasonable.

The SPEAKER: We'll see how it goes, Members.

PUBLIC BUSINESS

The SPEAKER: House Leader.

Mr. HOLNESS: At Public Business today, Mr. Speaker, we will continue the debate on the repeal of the Public Complaints Authority and the Bill, Mr. Speaker, to create the Independent Commission of Investigations.

The SPEAKER: Which are you proceeding with first? Okay, very well. Prime Minister.

Dr. GUY: Prime Minister - seeking some clarification, Mr. Speaker.

The SPEAKER: All right, Dr. Guy.

Dr. GUY: Prime Minister are you closing the debate now?

(*Sotto voce* comments by some Members)

The SPEAKER: Dr. Guy, the Prime Minister was closing it last week, so if there are questions or concerns, you will have to deal with it at Committee Stage.

BILL: PUBLIC COMPLAINTS AUTHORITY, (contd)

The PRIME MINISTER: I am prepared to...

The SPEAKER: No, no, Prime Minister, for good order, let's deal with it at Committee Stage.

Yes, Prime Minister.

The PRIME MINISTER: Mr. Speaker, when we adjourned the debate last week, we did so because a number of very useful points had been raised and we needed time to consult with the Chief Parliamentary Counsel to see how those recommendations could be accommodated in the amendments to the Bill.

I want to report just very briefly, an issue had been raised regarding the distinction that was made. I am looking at what is currently printed as Clause 11, but which is going to be re-numbered as Clause 10, where it placed an obligation on the Director of Complaints, in referring matters to the DPP, to refer

those matters that involve fatality or rape. And the Member for North East St. Catherine had suggested that it should include grievous bodily harm; the Member for Central Kingston had suggested that it should include any suspected criminal activity. We have accepted that, and an appropriate amendment will be presented in the Committee Stage to incorporate that.

In Clause 12, what is now 12 to be re-numbered 11, where it says:

> "The responsible head or the responsible officer, having been made aware of an incident which involves the relevant public body or the relevant Force, shall make a report to the Commission..."

This is the police officer –

> "...shall make a report to the Commission....forthwith..."

If the incident involves conduct that resulted in death or injury; and then not later than 24 hours in any other case.

We feel that he should report the matter forthwith in all cases. And therefore we propose an amendment to that section, so that the moment the police gets the report they have a duty to communicate with the Commission, which may very well have been advised, noticed otherwise, but an obligation on the part of the police to notify the Commission immediately.

In what is now printed as section 18 but to be renumbered section 17, there are a number of important amendments that we will propose, bearing in mind the suggestions that were made when we discussed the matter last week.

One has to do with the responsibility to provide updates on the progress of the investigation. There is a requirement under section 18, for the Director -

> "During the course of the investigation the Commission shall - take such steps as are necessary to inform the complainant, the concerned officer or concerned official and the members of the public of the status of the investigation, at such intervals as the Commission may determine."

We want to limit those intervals to sixty (60) days. So that a report must be made at intervals of sixty (60) days. or at such earlier periods as the Commission may determine.

There was a point that was made by the Member for North East St. Catherine, suggesting that the report should be - some restriction should be placed on making reports available to the officer against whom the complaint is made, because that may result in the whole purpose of the investigation being compromised. That was already addressed in the amendments that were circulated, and I am trying to find the exact section just to read it, section 18 -

> "The Director of Complaints may advise the Commission in writing with reasons therefor, against informing any or all of the persons mentioned in subsection (3)(b),where in his opinion, to do so might adversely affect the investigation, or where there are no new matters to report, and the Commission shall act in accordance with the advice, unless in its discretion it decides to act otherwise."

So there is some safeguard there, where the disclosure of the information could prejudice the conduct or the outcome of the investigation.

In subsection (8), what is now subsection (8) but will be re-numbered as subsection (7), we are going to amend it to make it a requirement that the Commission shall furnish a copy of the Report of the Commission to the Director of Public Prosecutions. But we will make it optional, if the Commission so chooses to submit reports to the Police Service Commission, the Public Service Commission and the Solicitor General, because it may not be appropriate in all such cases. We leave it as a - in the discretion of the Commission.

I think perhaps the most significant change, arising out of the discussions last week, has to do with the preservation of evidence. And a number of Members expressed grave reservations that in the present formulation, that the objective of ensuring that the scene of incidence cannot be manipulated or tampered with, would not necessarily be secured, because there was still ambiguity as to who has the authority, in terms of management of the scene of the incident, and more particularly, the responsibility for the preservation of evidence.

(MR. CLIVE ARTHUR MULLINGS, (JLP), St. James. West Central, entered and took his seat.)

We are, proposing, Mr. Speaker, to make this very, very clear and to make it explicit in the Act, that notwithstanding anything to the contrary in any other enactment it is the Commission that has primary responsibility for the preservation of the scene of an incident, and that the Commission shall issue such directions - whether orally or in writing - to the police, in terms of the management of the scene of incident.

The reason why we are insisting on orally and in writing, is to allow the Commission to maybe establish some standard guidelines which can be put in writing. But we want to make sure that the Commission's investigator who comes on a scene, can say to the police, don't do this, do that, cordon that section, don't allow people to cross over here. So it places that authority firmly in the Commission, and gives the Commission the power to issue the appropriate directions, but restricting it for the purpose of section 23, which is the preservation of evidence. So the Commission won't be able to give general instructions to the police, only in relation to the preservation of the evidence.

Mr. Speaker, I believe that the quality of the Bill has benefited significantly from the debate that has taken place. It will, of course, mean that it will have to go back to the Senate, since it had come to us from the Senate, it will have to go back to the Senate for them to consider the Bill as amended by us here.

But I believe that it certainly strengthens the provisions of the Bill, and it certainly goes a much farther way in helping us to create an institution that can hold accountable those to whom we entrust this tremendous power, and to say to them that while we support you in the lawful exercise of your duties, we are going to hold you accountable for how those duties are exercised, and in particular, for the extent to which those duties are exercised with full respect for the rights of the citizens of Jamaica.

I don't know whether or not the Member for Central St. Mary wishes me to yield or whether he wants to take up the matter during Committee Stage.

The SPEAKER: Prime Minister, could you ask for second reading?

The PRIME MINISTER: I beg to move second reading of the Bill, Mr. Speaker.

The SPEAKER: The question is that the Bill be read a second time.

Put to the House and agreed to.

Bill entitled:

AN ACT to Repeal the Police Public Complaints Act; to make provision for the establishment of a Commission of Parliament to be known as the Independent Commission of Investigations to undertake investigations concerning actions by members of the Security Forces and other agents of the State that result in death or injury to persons, or the abuse of rights of persons; and for connected matters -

read a second time.

The SPEAKER: The House will now resolve itself into a Committee of the whole House to consider the Bill clause by clause.

COMMITTEE STAGE

The CHAIRMAN: Dr. Guy.

Dr. GUY: Thank you, Chairman. Are you allowing me to - Thank you.

Prime Minister, under the former section 12, could I direct your attention to it.. .

(*Sotto voce* comment from the Prime Minister)

Dr. GUY: The Chairman has given me the latitude to ask, I was just wondering...

The CHAIRMAN: Is it a general question, Dr. Guy, specific to 12?

Dr. GUY: Specifically to 12. There is another general question.

The CHAIRMAN: Well, why don't we go with the general question, first.

Dr. GUY: Okay.

Prime Minister, you did indicate that there ought not to be any additional requirements on the State, in terms of funding, because indeed the PPCA has a budget, and that the BSI does have a budget as well, and that would take care of the requirements for the Independent Investigative Authority.

But from my understanding, sir, upwards of 90 per cent of the members of the BSI are police officers. And if you are going to no longer give them that investigative authority, they will be seemingly transferred back to the Police Force, and they would have to be paid a salary. How do we account, therefore, for not having any increased requirements for this particular Independent Investigative Authority, when you combine those two budgets?

The PRIME MINISTER: Well, if there are to be any increased financial requirements it wouldn't be for the purposes of these investigations, it would be for the purposes of expanding the capacity of the police force by the return of those persons who are currently paid by them. You have my assurance that the provisions will be made for that.

The CHAIRMAN: Okay, Dr. Guy, and then we deal with the other specific matter that...

Dr. GUY: Until we go to the - right. Thank you, sir.

The CHAIRMAN: Very well. Members, I now put Clause 1.

Clause 1 put to the Committee and agreed to.

The CHAIRMAN: I put Clause 2.

The PRIME MINISTER: Can we recommit Clause 1?

The CHAIRMAN: Recommit Clause 1? Members, the recommittal of Clause 1.

The PRIME MINISTER: Just an amendment...

The CHAIRMAN: It's a notional correction.

The PRIME MINISTER: An amendment to recognize that it is no longer 2009.

The CHAIRMAN: It's an editorial correction, Prime Minister. Very well.

I now put Clause 2.

The PRIME MINISTER: Clause 2, Mr. Chairman, we have already provided the Opposition with a copy of those amendments.

The CHAIRMAN: Have all Members been provided with the amendments?

The PRIME MINISTER: No, I can't say all, but the Leader of Opposition Business and I think some other Members have been.

The CHAIRMAN: And the Reports, Members had the Report before?

Very well, Prime Minister.

The PRIME MINISTER: To delete the definition of "Chairman", "Deputy Chairman" and Director of Administration", and insert the following definition, "Commissioner means the person appointed, pursuant to section 3, as Commissioner."

There are some other consequential changes that will arise from that, those were circulated as well. I believe that those have to do with Clause 3, Clause 10, Clauses 21 and 28, the First Schedule, and the Memorandum of Objects and Reasons. Remember we took a decision...

The CHAIRMAN: That is so, sir.

The PRIME MINISTER: …that we were dealing with a Commissioner rather than more than one Commission. So that there are some consequential changes. It will be tedious to go through all of this, because they really flow from….

The CHAIRMAN: From that amendment.

The PRIME MINISTER: ...that fundamental amendment, yes.

The CHAIRMAN: Very well.

I put the amendment as proposed.

Amendment as proposed put and agreed to.

The PRIME MINISTER: Sorry, the definitional clause - we are still on Clause 2?

The CHAIRMAN: Yes.

The PRIME MINISTER: In the definition of "incident", delete paragraph (e) and substitute therefor the following:

> "Although not falling within paragraphs (a) to (d), is in the opinion of the Commission, an abuse of the rights of a citizen."

We are expanding the scope of investigations, in other words, the range of matters that can be investigated. So it may not involve physical injury, but it may involve the abuse of the rights of a citizen. The Commission must have the power to investigate that as well.

The PRIME MINISTER: And then further, in the definition of...

Dr. PHILLIPS: Might I....

The PRIME MINISTER: Sorry...

Dr. PHILLIPS: If I may.

The CHAIRMAN: Yes, Dr. Phillips.

Dr. PHILLIPS: You are, as I understand it, you are, in fact, allowing all breaches to be reported?

The PRIME MINISTER: Where they involve a specified officer: police, correctional officer.

Dr. PHILLIPS: Yes, yes, okay. So, that is not restricted to serious and egregious...

The PRIME MINISTER: No, no!

Dr. PHILLIPS: Thanks.

The CHAIRMAN: Could you also continue, Prime Minister.

The PRIME MINISTER: It could be a threat, for example.

Dr. PHILLIPS: No, but in a sense it is leaving it to the authority to determine what they will deal with directly, or not.

The PRIME MINISTER: Well, we specify a number of breaches but we are expanding that to include; "*where in the opinion of the Commission an abuse of rights has been committed*" so that that is fairly broad but damage can be done to a citizen without physically harming them. That's what we want to capture.

The CHAIRMAN: Could you continue with the corrections, Prime Minister? The definition of security forces.

The PRIME MINISTER: In the definition of "security forces", to delete from paragraph B, the words., "*when acting in support of the constabulary force*". This has to do with the military. And what we are saying is that the military must be held accountable whether they are working with the police or they are working on their own, because abuse of rights doesn't necessarily have to involve joint operations.

Delete from paragraph C, the word "*and*" because we are including another sub paragraph, and then delete the full stop at the end of paragraph D, and substitute therefor, a semicolon and the word "*and*" in order to include a new subparagraph E which will bring into the range of specified officers, "*parish special constables*". They were actually omitted in the original legislation.

The CHAIRMAN: Very well.

The PRIME MINISTER: Those are the proposals for Clause 2.

Dr. PHILLIPS: Just one, I don't have a copy of the amendments that you are reading from before me. But in relation to the JDF, having no objection to what you are proposing, providing that we have never been in a state of war, so to speak, we have never had the occasion, hopefully we will never have to, but perhaps we should make it clear that where this reference is speaking specifically to them in their conduct in relation to support for civil authority. I am not necessarily saying that it is only where they are with a police officer that it arises but that one would not want in the events, say there is some... as has happened elsewhere in the Caribbean where there is some extraterritorial force launching an attack, and they are in fact having to embark upon military as the thing from policing activities that - are we intending to fetter them in that regard?

The PRIME MINISTER: Well, the answer is yes. In the circumstances - in the extraordinary circumstances to which you referred, one would presume that they will be operating under emergency powers in which case all of these provisions would be frozen. If they are not operating under emergency powers, they must operate in a context where they are going to be held accountable.

I think the Member would appreciate, and there have been incidents reported, where members of the Defence Force, not acting in support of the police but encounter citizens and citizens may suffer abuses of one kind or another. What we are saying to them, you will not be able to offer as a defence that you were

not operating with the police. If you go and kick down a man you are going to be held accountable.

Dr. PHILLIPS: I accept that point. I just was - and I think your answer probably may address it. That is to say, if they are operating under emergency powers, or if Jamaica is at a state of war then that is a separate category of activities. And once you are satisfied that the distinction is sufficiently clearly expressed, I don't have a problem.

The CHAIRMAN: Members, I now put the amendments as proposed.

Put to the Committee and agreed to.

The CHAIRMAN: I now put Clause 2 as amended.

Put to the Committee and agreed to.

Clauses 3, 4, 5, put to the Committee and agreed to.

The CHAIRMAN: I put Clause 6.

The PRIME MINISTER: Mr. Chairman, l hope that in putting Clause 3 - and you have a copy of...

The CHAIRMAN: I have everything here.

The PRIME MINISTER: I hope that in putting Clause 3 - I think that we better do it so that there is no misunderstanding - if we could ask for recommittal of Clause 3, and let us do it properly.

(Laughter)

The CHAIRMAN: Recommittal of Clause 3.

Put to the Committee and agreed to.

The CHAIRMAN: Clause 3.

The PRIME MINISTER: We are proposing, Mr. Speaker, the deletion of what now appears as subsection (2) of Clause 3.

The CHAIRMAN: Be deleted.

The PRIME MINISTER: That's the one that speaks about the Commission consisting of a Chairman, Deputy Chairman and so on. And what we are proposing, consistent with what I said earlier, the Commission shall consist of a commissioner, a commissioner...

The CHAIRMAN: And that's it.

The PRIME MINISTER: ".....who shall be appointed by the Governor-General by instrument under the Broad Seal after consultation with the Prime Minister and the Leader of the Opposition from persons of high integrity who possess the qualifications to hold office as Judge of the Supreme Court of Jamaica."

The CHAIRMAN: With that proposal for the amendment to Clause 3.

Put to the Committee and agreed to.

The CHAIRMAN: I now put Clause 3 as amended.

Put to the Committee and agreed to.

The CHAIRMAN: I recommit Clause 4. Those in favor... sorry, consequential amendment again, Prime Minister. Therefore, let's go through each one then.

(*Sotto voce* comments by the Prime Minister)

Yes, Prime Minister, from the report itself, there seem to be...

(*Sotto voce* comment)

Okay, so I now put Clause 6.

Put to the Committee and agreed to.

The CHAIRMAN: I now put Clause 7.

The PRIME MINISTER: Clause 7, Mr. Chairman, some amendments already circulated. Delete from the marginal note, the words, "*director of administration*", delete subsection (1), re-number subsection (2) and (3) as (1) and (2) respectively. We are taking

out clause 7. We are deleting subsection (1), which says, "there shall be a Chief Executive Officer of the Commission who shall be known as the Director of Administration." And then we are proposing the deletion from the renumbered subsection (2). All the words preceding "shall be appointed" and substitute therefor the words, "*the Directors of Complaints*," the intention being... it's really an administrative structure that we are seeking to change. Subsection (2) would then read: "The Directors of Complaints shall be appointed by the Commission at such remuneration..."

The CHAIRMAN: And everything remains.

The PRIME MINISTER: "....and as such other terms and conditions as may be approved by the Committee."

The CHAIRMAN: I put the amendment to Clause 7.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 7 as amended.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 8.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 9.

The PRIME MINISTER: We are proposing the deletion of Clause 9. Again, that refers to the Director of Administration. We are taking that position out of the Statute.

The CHAIRMAN: Members, notice then that Clause 9 is deleted. Consequently, all the other clauses will have to be renumbered.

The PRIME MINISTER: Will have to be renumbered, that's right.

The CHAIRMAN: I put Clause 9, deleted.

I now put Clause 10 which becomes Clause 9. So, I am going to continue with the renumbering. So, I now put Clause 9 which is Number 10, Prime Minister.

The PRIME MINISTER: In that regard, Mr. Chairman, we are deleting the word, "*chairman*" wherever it appears, substituting the word "*commissioner*", and we are deleting the words "*deputy chairman*" and "*director of administration*," consistent with what I said earlier.

The CHAIRMAN: Very well.

I now put Clause 9, which is the new Clause 9.

Put to the Committee and agreed to.

The CHAIRMAN: I now put Clause 10 which is new Clause 10, the old Clause 11.

The PRIME MINISTER: We have some amendments that we are proposing there, Mr. Chairman. We want to insert in the marginal note after the word, "*complaints*," a comma, and the words "*limitation period*," consistent with the comments I made earlier.

And then in subsection (1), we want to delete paragraph E, that now says, "*although not falling within any of the preceding paragraphs is of the opinion of the Commission of a grave or exceptional nature*"; and to substitute for that, "*although not falling within paragraphs A to D is in the opinion of the Commission, an abuse of the rights of a citizen*." That's the broadening that I referred to earlier. So, it is not just sexual assault and battery and injury and death, but we are now saying if you abuse the rights of a citizen, that is a genuine basis for a complaint and for investigations.

And then to insert after subsection (3), the following as subsection (1): Or, perhaps

before I get there, Mr. Speaker, to ask for a further amendment in subsection (1), can I.... no, I am going to have to ask for a deferment and get back to it. I have asked the... did you send it to me? Oh... 11(3) I am sorry, I didn't realize it had come.

(HON. OLIVIA ATAVIA GRANGE, (JLP), St. Catherine, Central, Minister of Information, Culture, Youth and Sports, entered and took her seat.)

Proposing, Mr. Chairman, in what is now 11; it will become 10, in subsection (3) as (c). Going back to the point that was raised by the Member for North East St. Catherine, to propose that what now appears as subsection (c) be deleted and we substitute therefor: "If in the opinion of the Commission, the conduct complained of" and it relates to the point for the Member for Central Kingston - "*If in the opinion of the Commission the conduct complained of constitutes the commission of an offence, forward a copy of the complaint to the Director of Public Prosecutions forthwith*." So, once the Commission is of the view that a criminal offence might have been committed, that a copy of the complaint should be forwarded to the DPP.

The CHAIRMAN: Very well. I now put the amendments...

The PRIME MINISTER: No, sorry, sir, just one last one.

The CHAIRMAN: Which one?

The PRIME MINISTER: Two last ones. Insert 'next' after subsection (3), the followings subsection (4) and subsection (5). The new subsection (4) would read: "*Subject to Section 40(1)(b) and subsection 5, a complaint may not be acted upon by the Commission unless it made not later than 12 months from the day on which the complainant had notice of the conduct alleged, hereinafter called the limitation period*". We have to put a cut-off.

You don't want somebody to be filing a complaint about something that took place five years ago, because we must never ignore the fact that some of the complaints that may be made to this important institution we are setting up, some of it may be vexatious. Some of it may be frivolous. And therefore, you don't want to leave it open. And then to add subsection (5), "*the Commission may act upon a complaint made outside of the limitation period if in its discretion it considers that the circumstances make it just to do so*."

Those would be the amendments, Mr. Speaker.

I'm being reminded that …and for completeness can I propose as well in 11 subsection (1)(c), where it says: "A complaint may be made by a person who alleges that the conduct of a member of the security forces, or specified official involved assault or battery..." We are proposing that after the word 'assault' we include the words **'including threats of harm, reprisal or other intimidatory act'**, just to make it clear that threats, intimidation would also be proper grounds for a complaint. Those would complete the amendments to Clause 10, which now appears as Clause 11.

The CHAIRMAN: Okay, Members, I now put the amendments to the new Clause 10.

Put to the Committee and agreed to.

The CHAIRMAN: Sorry, Mr. Kellier, sorry.

Mr. KELLIER: Mr. Chairman.

The CHAIRMAN: Yes, Mr. Kellier.

Mr. KELLIER: I'm just wondering if the - not that we have any great difficulty, but I'm

just wondering the Prime Minister would consider to have all of this just put back into the Bill and just bring it so we could dispense with it quickly ...

The CHAIRMAN: No.

Mr. KELLIER: ...next week.

The CHAIRMAN: No, no I don't think - no, no!

Mr. KELLIER: I mean, it is laborious to go through this where we are going.

(Inaudible comments by Members)

Mr. KELLIER: Yes, but I'm sure you recognize that for it to flow properly, you could really - it's a very important Bill like all Bills, but I think it has too much...

Mr. MAIR: Go do yu homework.

(Inaudible comments/cross talks)

Mr. KELLIER: No, no, it's just the matter of the...

The PRIME MINISTER: Mr. Chairman.

The CHAIRMAN: Yes.

Mr. KELLIER: Mr. Speaker, the voluminous amount of the thing there that needs consideration.

The PRIME MINISTER: Mr. Chairman, the amendments that I just presented are contained in the sheets that were provided to the Opposition, with the exception of that one provision relating to intimidation, right. The Member needs to be practical. We could very well have embarked on a Bill and we could have 40, 50, 60 proposals for amendments coming from the Opposition. We would have to take them and both consider them and do some pencilling in.

Parliament is going to be prorogued in two weeks' time. We know that the first six (6) weeks of Parliament is going to be taken up with budget debate. It's a question of how much importance we attach to this very significant piece of legislation, right.

It may not be a matter of great concern to the people of South St. James, but to the people of Central Kingston and West Kingston it is a matter of great concern, and therefore we attach great urgency to it.

The CHAIRMAN: It won't take too long, Mr. Kellier.

Mr. WARMINGTON: Don't pay him any mind.

The CHAIRMAN: One proposal though. When we continue, we're just going to deal with them in their original numbers, Prime Minister...

The PRIME MINISTER: Yea, okay.

The CHAIRMAN: ….and then the draftsmen will just renumber them.

The PRIME MINISTER: Okay.

The CHAIRMAN: Okay? So we don't get into the renumbering and new numbering. So that I now put the amendment once again to the new Clause 10

Put to the Committee and agreed to.

The CHAIRMAN: I now put Clause 10 as amended.

Put to the Committee and agreed to.

The CHAIRMAN: Now just to remind the Members, although I am going to put clause 12 when it is renumbered eventually it will be clause 11, but we are going to continue with the old numbering. So I put clause 12.

Dr. GUY: Chairman, Chairman, Chairman!

The CHAIRMAN: Yes, Dr. Guy.

Dr. GUY: Thank you. Just a concern here, 12...

(Inaudible comments by a Member)

Dr. GUY: I know, so is the Speaker.

The CHAIRMAN: Yes, Dr. Guy.

Dr. GUY: Chairman, section 12 subsection (1), '**the responsible head, or the responsible officer, having been made aware of the incident which involves the relevant public body, or the relevant force, shall make a report to the Commission of the incident**'. And that particular section speaks to what needs to be done. The Prime Minister did indicate that subsection (1)(b) would be amended.

The question I want to ask; what sanction is available if the responsible officer, or responsible head does not make a report to the Commission? Even though further down it says that '**the member of the security force or a specified official which is involved in an incident shall take the steps as are necessary to ensure that a report is made to the commission in accordance with subsection (1)**'. Now he has to take that necessary step, but what if the responsible head does not, what are the sanctions available, can we get an idea as to what it ...?

(Inaudible comment by the Prime Minister)

Dr. GUY: No, it's one part, Prime Minister. What happens if the responsible head does not make a report to the Commission?

The PRIME MINISTER: Well, if you look at section 34, it says that '**any person who fails to comply with any lawful requirement of the Commission, or any other person under this Act, or wilfully refuses or neglects to carry out any duty required to be performed under this Act, is guilty of an offence**'. And the sanction is conviction in an RM Court to a fine not exceeding $3 Million or to imprisonment for three years, or to both imprisonment and fine. So it's captured in the offences section. It's a lawful requirement under the Act, and if they fail to carry that out they would be subject to the sanction in section 34.

Sorry, Clause 12, Mr. Chairman, as I had indicated before...

Dr. PHILLIPS: Just before proceeding on that...

The PRIME MINSTER: Yeah.

Dr. PHILLIPS: ...I don't recall - in relation to the point raised by Dr. Guy, is there a requirement for reports to be sent routinely in relation to police officers, say to the Commission, Police Services Commission, or Oversight Authority, is there any provision that makes it a requirement?

The PRIME MINISTER: I spoke to that earlier, that is addressed in section - what is now section 18, I think - Clause 18, it leaves it up to the discretion of the Commission, whether they should send the report to the Police Service Commission, or the Public Service Commission. It makes it obligatory on them to send it to the complainant, the particular officer complained of, the responsible head, the Director of Public Prosecutions and the office of the Special Coroner, but it makes it makes it discretionary for them to send it to those other bodies.

Dr. PHILLIPS: No, but subsection (8), is it amended? What I have here in 18 subsection (8), it says the Commission shall furnish.

Mr. MAIR: That's changed.

Dr. PHILLIPS: It's changed.

(Inaudible comments by Mr. Mair)

Mr. PHILLIPS: For the amendments here. Okay.

The PRIME MINISTER: Eighteen subsection (8), what we are proposing in the amendments, which you don't have a copy of the...

Dr. PHILLIPS: Yes, yes, I just got, yes. You are proposing to make it discretionary?

The PRIME MINISTER: The Commission shall furnish a copy of the report to the complainant, the concerned officer, or the concerned official, the responsible head or the responsible officer, the Office of Special Coroner where the incident involves death, the Commission may furnish - may - a copy of the report to any of the following: Police Service Commission, Public Service Commission and the Solicitor General. But we have amended the earlier one to include the DPP as somebody to whom it must be sent.

(DR. DONALD GLADSTONE RHODD, (PNP), Portland, Eastern, entered and took his seat.)

Dr. PHILLIPS: Yes, but what's the rationale for that? I would have thought - and I don't know if it can be revisited, but particularly in view of the responsibilities of the Oversight Authority - and I know you plan to merge them - but particularly in view of that and particularly where it involves members of the Constabulary Force, that it is desirable that they be routinely sent to that Authority.

PRIME MINISTER: I would have no objection to that. I suspect that part of the challenge may have been a wording challenge...

Dr. PHILLIPS: Yeah!

The PRIME MINISTER: ...so for example, if you were to include all of them as we have it in the Bill, you would...

Dr. PHILLIPS: No, I follow that, but l would pick that out particularly where it affects - well it's not the JDF, but where it affects members of the Constabulary Force...

The PRIME MINISTER: Yes.

Dr. PHILLIPS: ...then the Commission shall send it forward. Because it assists, I mean, it's a difficulty already of just getting...

The PRIME MINISTER: But we would also need to say where it affects public officers that they would send it to the correctional officer.

Dr. PHILLIPS: Yes, yes, yes! Well, if we could ask - I don't know if Mr. Edwards and those could take the comments and go ahead and see if it is a form of...

The PRIME MINISTER: Can I ask them to do that now as we continue? So it would really be - the ones that we would leave to absolute discretion would be the Solicitor General...

(Inaudible comments)

Dr. PHILLIPS: No, not Director, Solicitor General.

The PRIME MINISTER: What we would leave to total discretion would be - let me just check - the Solicitor General, because as was pointed out to me there may be issues that involve civil suit.

Dr. PHILLIPS: Yeah!

The PRIME MINISTER: But we would say that - the wording would have to say that where it involves a police officer - Police Service Commission.

Dr. PHILLIPS: Yeah.

The PRIME MINISTER: Where it involves a public officer, the Public Service Commission. We've captured that, okay. So can we go back to that? But there are some other amendments to...

Dr. PHILLIPS: Twelve.

The PRIME MINISTER: We are dealing with 12.

As I indicated, Mr. Chairman, we want to delete - if you look at what is there in 12 now, in the fourth line after the word '*shall*', to insert the word '*forthwith*'. So it shall "*forthwith make a report to the Commission of the incident*." And we delete everything else in that subsection.

The CHAIRMAN: Is everybody with the Prime Minister on that?

Dr. DAVIES: No!

The CHAIRMAN: Prime Minister.

The PRIME MINISTER: Look at section 12 - Clause 12.

The CHAIRMAN: Clause 12.

The PRIME MINISTER: We are not limiting the obligation to report to where it involves death, or injury and we are not saying that where it doesn't involve death or injury the report must be made not later than 24 hours after. We are saying once you get a report of an incident involving any of these specified officers, you must forthwith report it to the Commission. So the head of any agency, be it the Correctional Services, be it the police, any agency, be it the army, if you have a report of an incident that falls within the definition of incident under this Act, immediately upon receiving that report, even while you are pursuing your own investigations, notify the Commission that you have received this report.

The CHAIRMAN: Yes, Mr. Fagan.

Mr. FAGAN: Mr. Chairman, in relation to the same matter there, I am trying to find out. The Commission would have gotten the Report, but there seem to be any cap on the…

The PRIME MINISTER: The Commission may or may not. If for example, an incident happens, a member of the Police Force discharges a firearm and somebody is injured, somebody may call the police and say look, or somebody from the party may actually call the head of that police division and say look, an incident has happened, somebody has been injured. What we are saying is that once that report is made, the head of that division has a duty to notify the Commission that they have received this report of an incident involving one of these specified officers, so that the Commission, if it has not been otherwise notified, would at least be notified. We don't want them to wait 24-hours to notify the Commission, we want the Commission to be notified immediately.

Mr. FAGAN: But, Mr. Chairman, once the Commission is notified, is there any - in the same way that you have 24-hours for the report to be made, is there any period that could be given to the Commissioner to wrap up the particular incident of report?

The CHAIRMAN: But that's a different matter, Mr. Fagan. The point is that - apart from the Report you are asking about when the Report would be done, I mean, when the Commission would do it, but that's a different matter. I mean, what this section is dealing with is the reporting of the incident.

Dr. PHILLIPS: Clause 13 goes on further, what is now 13 to indicate what action is to be taken, but there is discretion provided for in 14 and 15.

The CHAIRMAN: Very well.

Now I put the amendment to Clause 12?

Put to the Committee and agreed to.

The CHAIRMAN: I now put Clause 11 as renumbered.

Put to the Committee and agreed to.

The CHAIRMAN: I now put Clause 13.

The PRIME MINISTER: Sorry, Mr. Chairman. I am sorry, Mr. Chairman, I get confused with the numbers, which one are you on now?

The CHAIRMAN: I am now on Clause 13 which will be renumbered as 12.

The PRIME MINISTER: Can I ask that Clause 12 be recommitted.

The CHAIRMAN: Now, Prime Minister, aren't we at clause…

The PRIME MINISTER: What is Clause 12 in the Bill, because there are some amendments that I want to move to subsection (2) and subsection (3).

The CHAIRMAN: That is the one, Prime Minister, isn't that the one you just . . .

Dr. PHILLIPS: You just did that, didn't you?

The PRIME MINISTER: Mr. Chairman, what I did and the House accepted was an amendment to subsection (1).

The CHAIRMAN: Yes.

The PRIME MINSTER: There are some amendments I am proposing to subsections (2) and (3).

The CHAIRMAN: I see. We recommit clause…..

Dr. PHILLIPS: No, you actually did, you actually did…

The CHAIRMAN: Recommittal of Clause 12. Go ahead, Prime Minister.

The PRIME MINISTER: In subsection (2), Mr. Chairman, insert immediately her the words "*ensure that*," that is in the third line of subsection (2), the words "*measures are implemented, so that, reports of incidents involving members of the relevant force or relevant public body are duly made to the Commission*". And then to delete subsection (3) as it appears. Subsection (3) says:

> *"A member of the security forces or a specified official who is involved in any incident shall take steps as are necessary to ensure that a report is made to the Commissioner*."

We want to change that and substitute therefor the following:

> "*A member of the security forces or a specified official, who, in the course of his duty becomes aware of;'*
>
> b) *is involved in any incident, shall take such steps as are necessary including reporting the facts there up to the responsible head or the responsible officer to ensure that a report is made to the Commission in accordance with subsection (1)."*

So what we are saying is that, the duty to report doesn't arise only if you or yourself involved in the incident, but if you become aware of the incident, it imposes a duty on you to report it to the Commission as well.

The CHAIRMAN: Very well. Members, I now put the amendment to Clause 12 as proposed.

Put to the Committee and agreed to.

The CHAIRMAN: I now put Clause 11 as renumbered with the amendments.

Put to the Committee and agreed to.

The CHAIRMAN: I now put Clause 13 to be renumbered Clause 12.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 14 to be renumbered Clause 13.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 15 to be renumbered Clause 14.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 16 to be remembered Clause 15.

The PRIME MINISTER: I have some amendments that are proposed, Mr. Chairman, these were circulated. Delete from subsection (4) of. 16, where it says "*No reference shall be made in the personal record of a concerned officer or a concerned official to a complaint resolved under this section*," to delete from that subsection the words "*no reference*" and substitute therefor, "*unless the Commission otherwise directs in a particular case, no reference shall be made*". We want to - instead of making it mandatory, where issues may be resolved, we want to leave it to the discretion of the Commission because there may be circumstances in the resolution of the dispute which do not absolve the official of the wrong.

For example, an officer does something wrong, the question of whether he did it is not in dispute, but the complainant decides, I don't want to pursue this matter anymore, I have made up. Officer and I went to Church yesterday and we got blessing. (Laughter) But you still want to recognize on the record, that that official engage in conduct, that may be of relevance in the future and, therefore, we want to create some discretion on the part of the Commission in determining whether any reference should be so made.

The CHAIRMAN: Very well.

The PRIME MINISTER: Now, that Clause 16 **secondly**, in subsection (6) delete the numerals 15 and substitute therefor the numeral 14, that's really as a result of the renumbering.

The CHAIRMAN: Members, I put the amendments to Clause 16?

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 16 as renumbered 15.

Put to the Committee and agreed to.

The CHAIRMAN: I now put Clause 17 as renumbered 16.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 18 renumbered 17.

The PRIME MINISTER: Now that, we have been discussing some of the amendments there. I am proposing in subsection (1), again because of the renumbering - don't need to spell that out, Mr. Chairman?

The CHAIRMAN: No, it is consequential.

The PRIME MINISTER: Consequential. In subsection (3), we are proposing to insert in paragraph B immediately after the words "*take such steps*," the words "*subject to subsection (4)"*. And then, immediately - sorry. Substitute a semicolon for the fullstop at the end of paragraph (b) and insert the following as paragraph (c): "*At intervals of not more than 6 months, submit to Parliament a Report on the investigation"*.

This is important because what it is doing it is requiring Parliament to be kept informed.

The CHAIRMAN: Which is what, Mr. Fagan was asking.

The PRIME MINISTER: Parliament has to be informed. But, included in this section is an amendment that we are proposing to address, one of the concerns that was raised last week in subsection - insert in paragraph (b) immediately after the word "*interval*," in the second to last line of (b), the words "*of not more than*," and this is where perhaps we need to have some discussion.

I am suggesting that the interested parties, for want of a better way of putting it, the

complainant, the officer about whom the complaint is, who are required to be notified once the investigation commences, we are saying that at the intervals of not less than 60 days some update must be provided to them, to say well, this is where the investigation has reached or the investigation has been completed and this is what has been found.

There was a thought of making it 30 days, but we feel that 30 days will be too tight, so we are proposing 60 days.

The CHAIRMAN: Agreed?

The PRIME MINISTER: Then now, continuing with the other amendments, to renumber subsections (4) to (6) as (5) to (7), and to insert next after subsection (3) a new subsection (4), which says: "*The Director of complaints may advise*…." - I want the Member for North East St. Catherine to pay close attention.

The CHAIRMAN: Mr. Mair, you following?

(Mr. Mair gives a thumbs up)(Laughter)

The PRIME MINISTER: "*The Director of Complaints may advise the Commission in writing with reasons, therefore, against informing any or all of the persons mentioned in subsection 3b where, in his opinion, to do so might adversely affect the investigation or where there are no new matters to report and the Commission shall act in accordance with the advice, unless in its discretion it decides to act otherwise*". So what this now says, is that the Director of Complaints, the person who is directly involved in the investigations can recommend to the Commission that the reports that are required under the law to be provided to these various persons, that the report should be withheld from any or some of them if in the opinion of the Director to provide the report would impede or affect the investigations or perhaps put some of the parties to the complaint at risk, so it creates that space that the member had sought, that's the purpose of that amendment.

And then in subsection (5) as renumbered, to delete the words "*or at such other intervals of 30 days*". Subsection (5) as renumbered, I want to just get my numbers right. Four to six, so it would have been four, yes. What now appears as four to delete the words "*or at such other intervals of 30 days*", and really leave it to the discretion of the Commission to determine.

In subsection (6) as renumbered, some consequential renumbering, delete the words "*Director of complaints where they first appear*," and substitute therefor the words "*commission, transmitted through the Director of complaints*"… No I am sorry, we have a further amendment there. In that subsection, where it requires that the Director of Complaints shall submit the report to the Director of Administration for delivery to the Commission, we are proposing that we delete the word "*Director of Administration for delivery*, so that the Director of Complaints doesn't have to go through the Director of Administration, that position no longer exists, we have taken it out so that's consequential on that. I am sorry, Member had wanted to raise something?

And then, Mr. Chairman, they are proposing deletion of what appears now at subsections (7) and (8) and insert the following as (8), (%, (10), (11) and (12). We have circulated these before. I will read them into the record. New subsection (8):

(8) After receiving and considering a final investigation report

submitted under subsection (7) the Commission shall make its own assessment of the investigation and form its own opinion as to the matter under investigation.

(9) The Commission shall then prepare a report on investigation including its recommendations arising therefrom, whether or not confirming any of the proposed recommendations that are to be acted upon herein also referred to as recommendations for action.

(10) The Commission shall furnish a copy of the report to the Commission - of the Commission to the complainant, the concerned officer or the correctional officer or the concerned official, the responsible head or the responsible officer, the Director of Public Prosecutions…

Remember we had discussed that.

…the Office of the Special Coroner where the incident involves the death of any person.

And that's where now we are trying to put in the amendment that the Member from East Central St. Andrew is proposing, which would be to add a new subsection (f) and to say "*the Police Service Commission where the incident involves the conduct of a member of the*…"

Dr. PHILLIPS: The Constabulary.

The PRIME MINISTER: Does that coverage Island Special Constabulary and the Parish Special, the Jamaica Constabulary Force?

Mrs. HENRY-WILSON: Prime Minister, I wonder if what you have there for the amendment does not cover what the Member is asking because it says it may, "*the Commission may furnish a copy as it considers appropriate".*

The PRIME MINISTER: No, but what the Member was saying is that where it involves a police he wants it to be obligatory.

The CHAIRMAN: We are number now at 10. You are reading 11.

Mrs. HENRY-WILSON: That's what I am wondering if 11 does not cover what the Member is asking.

The PRIME MINISTER: The difference really is that the Member felt that if it involves a member of the police force then the report to the Police Service Commission should be mandatory and similarly, where it involves a member of the public service it should be mandatory for the report to be made to the - and that's what we are trying to accommodate.

Dr. PHILLIPS: I think that the Jamaica Constabulary Force would cover those because they all report to the Commissioner.

The PRIME MINISTER: So let me go through again. It would say (f) the Police Service Commission where the incident involves the conduct of a member of the Jamaica Constabulary Force and then (g) the Public Service Commission where the incident involves the misconduct of a specified official. What about the JDF?

Dr. PHILLIPS: You would have to add Chief of Staff.

The PRIME MINISTER: And then we would have to add an (h) the Chief of Defence Staff where the incident involves the conduct of a member of the Jamaica Defence Force.

The CHAIRMAN: Just for my record, Prime Minister, what is (e)?

The PRIME MINISTER: My apologies to you and the Clerk. I am sorry what is that?

The CHAIRMAN: (e).

The PRIME MINISTER: (e) would be the Office of the Special Coroner where the incident involves the death of any person, (d) would be the Director of Public Prosecutions.

The CHAIRMAN: And just remind me what is (g) then, Prime Minister?

The PRIME MINISTER: (g) - well you know what is (f), (f) is the Police Service Commission where; (g) is the Public Service Commission where the incident involves the conduct of a specified official. Specified official is defined in the law.

Mr. PICKERSGILL: They should write this thing over. This is a new book.

The CHAIRMAN: No, this is the most difficult one.

The PRIME MINISTER: But with the neatest of respect, you now, the Leader of Opposition Business knows that we cannot reprint a Bill that is brought here from the Senate. We can amend it but we can't reprint it.

The CHAIRMAN: We are going to go through quickly now.

The PRIME MINISTER: We circulated the amendments last week.

The CHAIRMAN: Okay. I now put the amendments to the amendments Clause 18 now renumbered 17.

Put to the Committee and agreed to.

The CHAIRMAN: I now put Clause 18 as renumbered 17 with the amendment.

Put to the Committee and agreed to.

The CHAIRMAN: I now put Clause 19 renumbered 18.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 20 renumbered 19.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 21 renumbered 20.

The PRIME MINISTER: Mr. Chairman, just some consequential renumbering there. In reference to Clauses 14 and 15….

The CHAIRMAN: I now put Clause 21 renumbered 20 with the consequential adjustment.

Mr. MAIR: Mr. Chairman, but there is also a replacement of Chairman or Deputy Chairman for a Commissioner.

The PRIME MINISTER: Yes.

The CHAIRMAN: Very well. Okay, I now put the amendment to Clause 21.

The PRIME MINISTER: Could you just pause there for me one moment. The Member is right.

The CHAIRMAN: It's consequential from what you have been saying, sir.

Mr. PICKERSGILL: What was said previously.

The CHAIRMAN: It's consequential from what you have said previously, Prime Minister.

The PRIME MINISTER: The Commissioner and the investigative staff of the Commission shall, in the exercise of their duty under this Act, have the like powers, authorities and privileges as are given by law to a constable. So it's a commissioner, not chairman and deputy chairman.

The CHAIRMAN: Okay. I put the amendment to Clause 21.

The CHAIRMAN: I put Clause 21 renumbered 20.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 22 renumbered 21.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 23 renumbered 22.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 24 renumbered 23.

The PRIME MINISTER: Clause 24.

The CHAIRMAN: Sorry, Prime Minister, I understand, are there some amendments to Clause 23 which is to be renumbered 22? A recommittal of Clause 23 renumbered 22.

The PRIME MINISTER: This has to do with the preservation amendment. We are proposing, Mr. Chairman, the deletion of subsection (1). Subsection (2) which would now become subsection (1) would read:

> "notwithstanding anything to the contrary in any other law the Commission shall have primary responsibility for the preservation of the scene of an incident or alleged incident and may issue directions whether orally or in writing to the police or any other authority for the purposes of this section".

Two, subsection (2), the new subsection (2) would read: *"The commissioner"*, which is really a replacement of what is there now at subsection (1),

> "the Commissioner of Police shall implement measures in accordance with the directions issued under subsection (1) to ensure that members of the Jamaica Constabulary Force shall, as soon as practicable after being notified of an incident, attend at the scene of the incident in order to ensure the preservation of the scene until the arrival of an investigator assigned to that scene by the Commission and thereafter each member shall be under a duty until the investigator is satisfied that it is no longer necessary to do so, to continue to take steps for the purposes of preserving the scene"

And then subsection (3) - and I invite your attention to what now appears at subsection (2). Subsection (3) would read, not subject to the general directions of the Commissioner of Police. It would simply read,

> "it shall be - (a) the duty of any member of the security forces, *et cetera*; and (b) without prejudice to the provisions of paragraph (a) *et cetera* to take such steps-in accordance with the directions issued under subsection (1) as are lawful and necessary for the purpose of obtaining or preserving the evidence and facilitating the making of reports to the Commission in relation to the incident"

The purpose of all of this is, as I indicated before, to establish beyond any ambiguity that it is the Commission or its representative that have primary, superior responsibility for that scene and that the police must act in accordance with such directions verbally or in writing as the Commission or its representatives deliver. And to make it clear that the police have a duty in relation to a report of an incident to take steps that are necessary to secure the scene until a Commission, representative, Commission investigator arrives.

Dr. PHILLIPS: Prime Minister, I don't know if we could get, before we finally settle

on that, I don't have a - that wasn't included in the list of amendments that was circulated. Is it possible to get a copy of those amendments? I am concerned - let me just deal with the substantive question. I understand the intention. I am wondering though…

The PRIME MINISTER: Can I make a suggestion and to try and maybe meet some of the concerns of the Leader of Opposition Business. As I indicated before we can't reprint a Bill that we are amending. We had circulated the amendments. It is arising out of the discussions last week and the points that were made by a number of members that we came up with some additional amendments. I would like us to complete the clause by clause examination.

What I would ask the Chief Parliamentary Counsel to do is to have a composite set of amendments prepared. It would be fairly simple to do it and to attempt to get it to the Opposition as early as possible, tomorrow morning. And I am going to, with the concurrence of the Leader of the House, ask that we - since there doesn't appear to be any disagreement - to see whether or not we can finalize it and pass it tomorrow in order that it can go to the other place where it has to go. Now regrettably I won't be in the House tomorrow, but I will leave the matter in the capable hands of the House Leader to see if we can complete the process.

Dr. PHILLIPS: I don't have a problem with the procedure. Let me tell you my concerns, and they are not at this point so strong as to cause me to say I am objecting to what is - the amendments which you just read. But the deletion of the provisions, subject to the general directions of the Commissioner of Police, I don't know - let's say - an incident takes place, citizens are injured, a crime may have been committed by other civilians but there are reports of police misbehaviour; there is then an obligation both to investigate whatever behaviour or misbehaviour may have taken place by the police and the crimes that have taken place by other civilians.

I am concerned that we do not create an impractical situation where on that crime scene there are two separate final authorities, the police person and the Member of the Commission. When the Select Committee deliberated on this particular matter, it was felt that we really needed not to divide the authority so to speak, but that you are placing the obligations to satisfy the Independent Commissioners. We run the risk, I fear, of creating a kind of paralysis in some of the situations by just having the, you know, the bifurcation of authorities that would take place. And 1 think the way to approach it is really to have the police officer to whom the Commissioner's powers are delegated, the senior officer, exercising ultimately authority, but placing an obligation to aid and abet in every respect the work of the Commissioner.

The PRIME MINISTER: Well, my response to that is firstly, you will acknowledge - the Member will acknowledge, I'm sure, that we are not talking about any crime scene now, we're talking about one in which there is an alleged abuse by some. But that was precisely the concern that's expressed last week, I remember very strongly, by the Member for Central Kingston, that - and 1 remember the Member for North-West St. Andrew spoke quite strongly that the intention behind the establishment of this Commission is going to be frustrated if you're not able to

preserve the evidence. Which is why it is only in relation to the preservation of evidence, Section 23, that we are defining this superior authority and responsibility and placing it with the Commission. I find that in the way in which authority at that location is structured in the present Bill that is where it's sort of divided in such a way that almost a paralysis could take place. I was moved last week to the view that the purpose of all of this is to hold agents of the State accountable and therefore put this investigative body in charge of that scene where the accountability of, and the conduct of an agent of the State is being called into question, without necessarily doing any prejudice to the investigation of any crime that may have been committed in the course of the response to which an abuse of rights may have taken place. Now...

Dr. PHILLIPS: That is my concern. And as I said, I haven't read what you just spoke to, that is, the amendments. But you know, as a practical situation, I foresee problems because one will suffer. In other words, either the investigation of the original crime that may have precipitated the abuse or the other, especially if there is tension. Now, the assumption, I mean I just would not want in law there be to any uncertainty as to who is in charge of a crime scene or any kind of opportunity given to the clever, to claim, to rest a defence for somebody accused on these issues. Now, what is different, the Member from North-East St. Catherine asked? What is different? One is that we now have a Commission, an authority which is independent, the Independent Commission of Investigations; and two, what I think would be very different is that the obligation would be placed on the senior officer to preserve the crime in accordance with the demands of the Commission to do so, but that the responsibility is going to be clearly placed. You know, we can define the laws to our satisfaction here. But I fear we may be ending up with what is an unworkable and impractical situation. In every instance - not in every instance - but in many instances where the abuses take place there is another criminal event also at work. And we really run the risk that we are either going to be relieving those who are charged of the responsibilities to pursue it, or, on the other hand, we are going to be just having uncertainty in a moment of all kinds of danger as to who in fact can give orders. What, you know.

The PRIME MINISTER: The concern is not one to be dismissed. But we also have to look at the mischief that this whole exercise is intended to arrest. What would happen, for example, if I am the Commission's investigator? I arrive at a scene based on information I have got about something that happened. And when I get there, whether it is a constable, a corporal or a sergeant, says to me, oh, you are the man from the Commission. All right, just hold on little bit. We are finishing up some work here. I need to get inside the house because that is where this alleged incident took place. But I stand up outside for half an hour, waiting until I am allowed to enter the house, by which time the place looks clean and spic-and-span.

MEMBERS: Yes.

(Cross talk)

Dr. PHILLIPS: ....the power of example, Prime Minister, I'm certain we are going to deal with some other examples running counter. And in a sense there is going to be no easy risk-free decision that we may take. You

can have the alternative situation. Yes, there is an allegation that police abused a person, gunmen were approaching. The investigator comes on to the site and says open the house, let me in to the scene. He says some people are over there and they are still firing, my men are at risk, I'm not moving.

Dr. DAVIES: People are at risk.

Dr. PHILLIPS: People are at risk, not moving. I need to assure the safety of the citizens. What happens?

A MEMBER: But suppose the public....

Dr. PHILLIPS: Who then?

(Inaudible comments)

Preservation of evidence might mean that you don't run over the area.

(Inaudible comments by Government Member)

Precisely, precisely. You may well be.

Mr. MULLINGS: Mr. Chairman, if I may. There are two things, with respect; I think we ought to look at. Firstly, the reservation of a crime scene is in everybody's interest. The expiration of the issue of the abuse of someone of the State or another crime has been committed. So that is clear. Under the legislation, the Commissioner of Police will settle the protocols for the Commission on which to act. Now clearly...

(Inaudible comments by Dr. Phillips)

Mr. MULLINGS: Yes, but the point I wish to make is this, that the law...

Dr. PHILLIPS: No longer. Not any longer in relation to the amendments just done. But anyway, go ahead.

Mr. MULLINGS: But the point I want to make is this, that the legislation cannot cover any and every situation. That's a fact. So, what is important would be firstly, who has a responsibility under law to preserve a crime scene.

Dr. PHILLIPS: Hmhmhm!

Mr. MULLINGS: Secondly, whether the interruption of a crime scene is pursuant to a greater interest, as you have indicated.

Dr. PHILLIPS: On the last point that you raised, I agree. And it would seem to me that both, that obligation to preserve it should be placed on all the officers of the Constabulary, especially the senior to ensure it and also I don't have any problem with the Commissioner taking precedence - or the Commission. Now, in the event that say 'hostilities' are still taking place, what happens? What happens?

Mr. MULLINGS: Well, clearly, the scene would still be live. It would be hot, and therefore one could not have a dispassionate examination of a crime scene. The point I wish to make is...

Dr. PHILLIPS: Oh, no, no, no, it doesn't necessarily follow.

Mr. MULLINGS: Hmhm!

Dr. PHILLIPS: A citizen calls in, confusion is reigning, a citizen calls in. The officer from the investigative office presents himself. Hostilities are still taking place. Police officers are there. What happens?

Mr. MULLINGS: Then you have to wait until the scene is able to be dealt with. I mean, the point...

(Cross talk)

Dr. PHILLIPS: Is that fair?

Mr. MULLINGS: No, but I think we have to bear in mind as well, Member, that common sense doesn't go through the window. The law can't cover everything. The fact of the matter is...

Dr. PHILLIPS: That's the point I'm taking. I'm taking that point precisely. And as I said, it's not a hostile...

Mr. MULLINGS: I understand. I understand that...

Dr. PHILLIPS: Intervention.

Mr. PICKERSGILL: Are you saying that the preservation of the evidence supersedes all else? Because that cannot be so.

Mr. MULLINGS: But clearly not, because the preservation of the evidence is pursuant to…

Mr. PICKERSGILL: But this is how it is coming across.

Mr. MULLINGS: No, no! The preservation of the evidence is to ensure that no shenanigans go on. If the preservation of the evidence is threatened by a situation where bullets are flying….

Mr. PICKERSGILL: Yes.

Mr. MULLINGS: …then clearly, commonsense doesn't go through the window.

Mr. PICKERSGILL: So, you can't…

(Cross talk)

Dr. PHILLIPS: Mark Twain as he once said, 'It's a very uncommon thing, commonsense'. And so, there just needs to be some clarity at the scene of who it is.

Mr. PICKERSGILL: Exactly so.

Dr. PHILLIPS: Now, to my mind, what we are saying is that the senior officer is going to try and - the senior officer of the Constabulary, who commonsensically, should be required and should be expected to deal with that to preserve the scene. Now to my mind, if you place that obligation under penalty, both of dismissal, but on conviction of all of these things that are going to be independently adjudged by the Commission, that creates a different situation than what you would have now. In other words, you will have an investigator of the Commission that is able to give evidence and say that the officer there sullied the crime scene, contaminated the crime scene..

Mr. PICKERSGILL: Countermanded it.

Dr. PHILLIPS: …and he would be, by virtue of this legislation, subject, if convicted, to penalties and to reports going to the Police Service Commission, which does not exist now. The question that arises, in that context, given the ultimate authority to which now is picket fenced with a lot of checks and balances, is that not the safer course, given the new situation than leading us in a situation where we have a scene and we are not clear who is in charge? That's my only point.

(Cross talk)

The CHAIRMAN: Hold on one second. Mr. Thwaites has been trying to say something. Yes, Reverend Thwaites.

Rev. THWAITES: I think we're confessing two things. The prosecution of a crime by the police is clearly the responsibility of the police officer who is in charge of the operation. Any action that is required to prevent the deliberate sullying of the crime scene and the camouflage or the destruction of evidence, is the responsibility of the representative of the Commissioner. And I do not think there is anything in the amendment proposed by the Prime Minister that lacks clarity in those two distinct simulations. That you will have instances of overlap and the need for immediate decision is unavoidable. But it is quite clear, the Office of the Commissioner has no jurisdiction at all in terms of the prosecuting of a particular crime. But in terms of ensuring that no one, for whatever purpose, deliberately removes those

things, those items, those instances that go to the possibility of prosecuting or of investigating an abuse by the Security Forces, that is important for it to be maintaining ....Caesar cannot be in charge of Caesar's troops in that instance.

Mr. MULLINGS: I hear what the Member says, Mr. Chairman, but I want to make this actual point. Mr. Chairman just indulge me.

There are two things which we are very clear about. Firstly, quite practically you might not have someone from the Commission's office being on the scene and I would prefer, quite frankly, having the first officer who is there being charged with that responsibility under a penalty if that scene is sullied. So that would deal with the practical situation. I take that point.

Dr. PHILLIPS: Yes.

Mr. MULLINGS: However...

Dr. PHILLIPS: If I might add an addendum to that point, with which I agree. We are not talking about conceptual separations here, as my friend from Central Kingston suggests. It might not only be prosecution and investigation of a crime scene, you may be actually at the same time as you are trying to protect it, keep people's life safe, and somebody has to be giving orders. You may still be under assault, attack, fire, anything. There are multiple responsibilities for officers of the law. Now, I take the point that what you have to do is to place the obligation squarely, anybody who deliberately contaminates it, and if there is somebody who alleges that and the evidence is there, then that must be punished. What you don't want is any point at which somebody says is not me in charge is you in charge.

Mr. MULLINGS: Yes. But I think you are confusing there now the issue of the protocol, one, what would obtain and, two, the question of evidence as to whether a crime scene has been sullied.

(*Sotto voce* comment by Mr. Pickersgill)

Mr. MULLINGS: Absolutely. But the point is this....

(*Sotto voce* comment by Mr. Pickersgill)

Mr. MULLINGS: But you would narrow it, you narrow it. A scene that implicates a situation of State action, an abuse of State action, you have a protocol that is established. Preferably whoever is on the scene first you preserve that. Because if you put a burden on the person from the Commission's office and he is not their first time and it is sullied, to whom do you turn? So it is...

Dr. PHILLIPS: But who is the protocol provided for?

Rev. THWAITES: Hard cases make bad law. Hard cases make bad law, Mr. Chairman. Yes. And if you do not give the Commission the authority over the preservation of the crime scene you gut this entire legislation.

Mr. MULLINGS: Absolutely.

Rev. THWAITES: It has no meaning.

Mr. MULLINGS: Absolutely, absolutely!

(*Sotto voce* comment by Mr. Pickersgill)

Dr. PHILLIPS: If the Member from Kingston Central has the actual words that the Prime Minister gave and I am satisfied, that's all right. I have not seen that. My list doesn't have that amendment so I need to see it to ensure that it is in fact practical.

The PRIME MINISTER: Let's look a moment at what obtains now. A questionable incident occurs; the Bureau of Special Investigations is dispatched...

Dr. PHILLIPS: That is police. Remember that.

The PRIME MINISTER: I know, I know. That's the point I am making. My understanding, my understanding, whether this is in regulations or it is just in administrative policy, my understanding is that once the BSI representatives arrive they take charge. Whoever is there before reports to them what has transpired up to now and they withdraw. The BSI takes charge. But we are trying to address the other problem, where the BSI is sort of Caesar investigating Caesar. So we are seeking to set-up an independent authority. We run into this problem now where the BSI which in a sense could be there in two capacities: they are there in investigating what happened but they are also there in terms of investigating the conduct of one of their own. We run into this problem of how do we make the investigating authority independent but still support it with the statutory authority it needs to discharge its investigating duty.

Dr. PHILLIPS: What will practically happen now, Prime Minister is that the senior officer on the scene, whether BSI or not, would be the person that would be in command of the scene and they would in fact work out, you know, in a way that might not be conflict prone. Now if you say - now imagine the new situation, okay, the Commission's investigator presents himself. If everything is calm, there is no public upset, demonstration, firing, no ongoing crime, then it is easy for them to come and take control of the scene. No problem. The issue in my mind only arises if there are still continuing crimes, upheavals and disturbance, then you have two contending interests - on the one hand you have the need to preserve life and safety of citizens and at the same time preserve the scene of any scene of crime. If there is imminent danger to citizens, matters of public liability and all of that are going to come up for the State and everything, the question is, where is the ultimate responsibility directed for all of that? Where does it lie? Now there is no easy solution. I accept that.

My query is, is it better for us to locate that authority with - and it may be with the senior ranking person there, placing an obligation punishable by all the disciplinary powers of a Service Commission, punishable by the fines provided for and any other penalties that places the obligation - now an obligation that in a sense will be tested, not by the testimony of other police but tested by what the Commission says if they have somebody on the scene who will be able to adduce that evidence that the officer, if he believes that to have happened, in fact contaminated the scene in this and that particular way. Now there is an obligation here on that officer which doesn't - well, doesn't exist in the same form as before.

Mr. HOLNESS: Member, I just wanted to be clear because in following your scenario, you are saying that there should be - the onus for handing over the crime scene should rest in the hands of the police officer that is in charge, the senior officer that is in charge. So that officer will make a determination when the threat of further crime no longer exists. That's how I interpret what you are saying.

Dr. PHILLIPS: That's why I wanted to see - I want to...

Mr. HOLNESS: Yes, but here is the problem. Member...

Dr. PHILLIPS: I don't mind - again not having looked, I don't mind something that

says "assumes control of it excepting where..."

Mr. HOLNESS: But Member, here is the problem with that. Once you give the determination to the officer to hand over, he could create mischief. You defeat the purpose. So that's why I am saying, Member. You will not solve the problem either way, so I think the better solution is to go with what is proposed as the Commission in charge.

Mr. MULLINGS: But wouldn't you agree though, Member, that the crime scene is *ex post facto*? I think we have to be very clear.

Dr. PHILLIPS: If you spell that out I don't have a problem. If you spell that out, the *ex post facto*, if a spam of words that says, well, this is now a crime scene and not a scene of criminal gunman confrontation, I don't have a problem with that. In fact I believe I am protecting the State against a lot of suit or the Commission against a lot of suit afterwards in the event that they go unto a scene and are accused as having been the cause of injury or loss of life.

Mr. MULLINGS: Yes. But I think though, and I take your concern, but if we take the premise that the crime scene is indeed *ex post facto* - because the reason why it is important...

Dr. PHILLIPS: 1...

Mr. MULLINGS: The reason why it is important. If you will just indulge me.

Dr. PHILLIPS: Now I accept the premise. All I am saying I, without reading what is said, I can't know whether that premise is in fact incorporated in the amendment moved.

Mr. MULLINGS: One of the things I think we ought to bear in mind, however, is that you do not want on the other side of the coin to open up the possibility of an officer delaying a set of circumstances which is designed to frustrate. So that, if we take the premise and assume that it is *ex post facto,* I think we would have cured it.

The CHAIRMAN: Yes, Mr. Pickersgill.

Mr. PICKERSGILL: Is the contention as to who should be in charge of the crime scene, or preserving the evidence?

The CHAIRMAN: Isn't that your understanding?

Mr. PICKERSGILL: Pardon me.

The CHAIRMAN: Isn't that your understanding?

Mr. PICKERSGILL: Yes. And if that is the understanding, if it is not the Commission then what is new?

The CHAIRMAN: Could you ask Dr. Phillips then.

(Cross talk)

Mr. PICKERSGILL: It has to be. All I'm saying is that don't believe is Sunday School out there. And you still have a lot of challenges. But you can't go through all of this and put the police in charge.

The CHAIRMAN: Absolutely. You see to answer, Dr. Phillips, there is no doubt that the fact that the Commission comes and is in charge, let us say the Commissioner or his representatives, that doesn't stop the police from acting. All that I understand the Act to be saying is that the Commission's representative is there to ensure that the crime scene is protected.

Mr. MULLINGS: The responsibility to act, Mr. Chairman.....

The PRIME MINISTER: What I propose, Mr. Chairman, because we are not going to be able to truncate the discussion on

this matter if the concerns linger. What I am going to suggest, since the Member for East Central St. Andrew pointed out that he doesn't have the benefit of the wording in front of him, we are going to prepare a composite set of amendments...

Dr. PHILLIPS: I got it now. I am just looking at it.

The PRIME MINISTER: You now have it?

Dr. PHILLIPS: Yes.

The CHAIRMAN: Dr. Phillips, we will proceed and then return. We are now putting Clause 23, renumbered 22. At the moment we are going to put, then move to Clause 24, renumbered 23.

The PRIME MINISTER: In Clause 24, Mr. Chairman, in subsection (2) insert immediately after the words "*steps as are"* insert the word "*lawful and*" just to be absolutely clear that the steps that we are referring to must be steps that are within the law.

The CHAIRMAN: Yes.

The PRIME MINISTER: And then to insert after subsection (2) a new subsection (3) which says

> "*where the relevant force or the relevant public body does not comply with the recommendations of the Commission the Commission shall*".

and here we need to make a decision whether we are going to say

> "*shall forthwith or not later than fifteen days after being made aware of the non-compliance, cause a report thereon to be laid on the Table of each House of Parliament".*

I am going to suggest "*not later than fifteen day* " to at least give it some time. If it's notified that there is non-compliance it may want to enter some discussions that may secure compliance. But this is where the Commission recommends, like say the Public Service Commission or the Police Service Commission, or the head of some department that your officer acted improperly and we are recommending that the following action be taken and they refuse to....

The CHAIRMAN: Another word, Prime Minister, could be "*within a reasonable time*".

The PRIME MINISTER: What's that?

The CHAIRMAN: Another word could be "*within a reasonable time"*.

The PRIME MINISTER: Yeah, fifteen days may even be short.

(*Sotto voce* comment by a Member)

The CHAIRMAN: Exactly, depends on the circumstances. Or, "*at the earliest possible time ".*

(DR. ST. AUBYN BARTLETT, (JLP), St. Andrew, Eastern, entered and took his seat.)

You see, one of the concerns that I have, Mr. Chairman, which I think may be causing you to make that suggestion is, even after the Commission makes a recommendation, that officer or that agent of the State may still be entitled to their own due process. And I am not sure myself that compliance with the recommendations can in all circumstances be completed within that 15-day period.

Mr. PICKERSGILL: Why you want to put that in front of necessary.

The PRIME MINISTER: In subsection (2)(a)?

Mr. PICKERSGILL: Is (2)(a) that? At the bottom of 2(a).

The PRIME MINISTER: The responsible head or the responsible officer shall. ..

Mr. PICKERSGILL: Take such steps as are necessary.

The PRIME MINISTER: Such steps as are lawful and necessary.

Mr. PICKERSGILL: Why you don't leave it as it is?

The PRIME MINISTER: I think the draft…

Mr. PICKERSGILL: Listen man, the man might have to lick a head yes.

The PRIME MINISTER: Well, suppose the Commission makes a recommendation that a certain action be taken, suppose the Armadale Commission were to recommend that the Prime Minister must dismiss the Commissioner of Corrections, the Prime Minister has no such power, and any such attempt would be unlawful. It is some other entity that has that power.

Mr. PICKERSGILL: This is something at the scene, you know, this is something at the scene... **to take such steps as are necessary for purpose of the obtaining or preserving the evidence and facilitating the making of reports...**

The CHAIRMAN: No, this is not at the scene, you know.

Mr. PICKERSGILL: It is where?

The CHAIRMAN: Read it again.

Mr. PICKERSGILL: Subject to the general direct... the duty of any member of the security force who is at the scene of the incidence...

Dr. PHILLIPS: Subject to subsection (2).

Mr. PICKERSGILL: Two - subsection (2)?

The CHAIRMAN: It is afterwards.

Mr. PICKERSGILL: It is at the scene. This is the old Act, because I am confused about this. The old one is 23.

Dr. PHILLIPS: This is recommendations...

The CHAIRMAN: You are looking at - Mr. Pickersgill look No. 2 Clause 2 where the recommendations relate to disciplinary proceedings.

Mr. PICKERSGILL: Oh, relate to - then that is where the Prime Minister was having the word lawful?

The CHAIRMAN: Where you thought he was?

Mr. PICKERSGILL: Where the word necessary is here?

The SPEAKER: At the fourth line after Clause 2(a) fourth line in subclause 2(a). "*Such steps that are lawful and necessary*".

Dr. PHILLIPS: "*That are lawful and necessary*" at the end of where you have "*are lawful*".

The PRIME MINISTER: In relation to the new subsection (3), Mr. Chairman, I am going to propose if I have the agreement of the House. I am going to propose that we delete - from what I had proposed delete **forthwith** and delete the **15 days.** What I am going to suggest is that it would read:

> **Where the relevant force or the relevant public body does not comply with the recommendations of the Commission, the Commission shall after being made aware of the noncompliance cause a report thereon to be laid on the table of each House of Parliament.**

I think if you put a firm time line on it you are going to am into collision with various processes that have to be dealt it. I mean, for example, the Commissioner of Police who gets a recommendation from the Commission about the behaviour of a superintendent, he don't have the power to discipline, he has to report it to the Police Service Commission. It has to go through a process; there are hearings that have to be held, lawyers that may be involved. It may take three months, four months, six months. I think we should not tighten it up so much that it doesn't work.

The CHAIRMAN: I agree, Members agree? But I am asking if you agree. We need to move on. You agree now.

Mr. PICKERSGILL: Mr. Chairman, I have the old thing here...

Dr. PHILLIPS: Use the new one then.

Mr. PICKERSGILL: Where is it, which new one?

The CHAIRMAN: Go ahead, Mr. Pickersgill.

Mr. PICKERSGILL: The old one 23 - yes, I had asked you permission to return to 23, because I see here in one instance to take such steps as are necessary for the purpose. Why you don't have lawful there, then?

The CHAIRMAN: What page are you on, let me ask you what page are you on?

Mr. PICKERSGILL: Page 17.

The CHAIRMAN: Yes, so you are at 24?

Mr. PICKERSGILL: Yes, parts of 23 are on page 24.

The CHAIRMAN: So you are now on 24 clauses - it will be 23. So you are now on subclause (2)(a), the fourth line?

Mr. PICKERSGILL: I am saying, I saw where thy words "*lawful and necessary*" or "*lawfu*l" is added.

The CHAIRMAN: As are lawful and necessary, yes.

Mr. PICKERSGILL: And I am seeing under (b) consistency. You say to take such steps as are necessary.

The CHAIRMAN: Whatever was proposed is that, "*as are lawful and necessary*" so you are not in agreement?

Mr. PICKERSGILL: No, no! He didn't trouble that, that is still here. .

The PRIME MINISTER: The Member was not paying any attention. We have proposed a complete amendment of that section, that section which now reads from the top of page 17. What that would read under the amendment that I propose is as follows:-

"**It shall be**. . .

not subject to direct general directions.

It shall be:

(a) the duty of any Member of the security forces *et cetera*

(b) without prejudice to the provisions of paragraph (a) *et cetera*

And then when you get beyond (b) now it says:-

"**to take such steps in accordance with the directions issued under subsection (1) as are lawful and necessary for the purpose of obtaining or preserving the evidence and facilitating the making of report to the Commission in relation to the incident.**"

Mr. PICKERSGILL: Well, that makes it consistent then.

The PRIME MINISTER: If we could look at 25, Mr. Chairman, since we are going to come back to 23.

The CHAIRMAN: Yes, but could we confirm 24 renumbered 23.

Could I first put the amendments to the amendments.

Motion put to the Committee and agreed to.

The CHAIRMAN: I now put Clause 24 renumbered Clause 23 as amended.

Motion put to the Committee and agreed to.

The CHAIRMAN: I now put Clause 25 renumbered 24.

The PRIME MINISTER: Now in that clause, Mr. Chairman, we are proposing an amendment to insert immediately after the words "*a complainant*", the words

"*The concerned officer....*

Well

"*…complainant, concerned officer or concerned official as the case may be"*

What we are saying here is that, it is not just the complainant who if not satisfied with a decision should be entitled to judicial review. If a police officer, for example, is not satisfied they too should have the right of a judicial review.

Mr. MULLINGS: I am not sure - my understanding is, that there is an inherent right to judicial review, a person has that, it is going to be pursuant to the legislation. So I am not sure if any harm would be done in that regard because whether it is stated or not, the officer would have that right to judiciary review.

The PRIME MINISTER: What this does Member for West Central St. James, it is not seeking to convey the right, that is inherent. It is placing on the Commission an obligation to ensure that a complainant which is what it says now, and we want to broaden it to include the public official, to ensure that a complainant who is not satisfied with the decision of the Commission is advised of the right to seek judicial review, is advised that the Commission has an obligation to say to them, if you are not happy you have the right to seek judicial review.

The CHAIRMAN: I now put the amendment to Clause 25.

Motion put to the Committee and agreed to.

The CHAIRMAN: I now put the new Clause 24 amended.

Motion put to the Committee and agreed to.

The CHAIRMAN: Yes, Dr. Phillips.

Dr. PHILLIPS: Having received and read the Clause 23, I am satisfied that it doesn't create the kinds of difficulties that I envisaged.

The CHAIRMAN: Very well, Members, could we then put the new - okay Members, can I put the Clause 23.

Motion put to the Committee and agreed to.

The CHAIRMAN: I now put the new Clause 22 as amended.

Motion put to the Committee and agreed to.

The CHAIRMAN: I now put Clause 26 as renumbered 25.

Motion put to the Committee and agreed to.

The CHAIRMAN: I put Clause 27 renumbered 26.

Motion put to the Committee and agreed to.

The CHAIRMAN: I put Clause 28 renumbered 27.

Motion put to the Committee and agreed to.

The CHAIRMAN: I put Clause 29 renumbered 28.

Motion put to the Committee and agreed to.

A MEMBER: Mr. Chairman, there is an amendment.

The CHAIRMAN: Yes.

The PRIME MINISTER: Mr. Chairman, Clause 29 which deals with the obligation of secrecy. We have some amendments which follow from the fact that we are not having a Chairman and Deputy Chairman we are going to have a Commissioner that is in 29(1). So 29(1) would now read:-

> "**The Commissioner and every person concerned with the administration of this Act shall regard as secret and confidential all documents, information and things disclosed to them in the execution of any other provisions of this Act except that no disclosure made by the Commission..."**

Am I correct in saying that it is only change, to address the problem of a Commissioner as distinct from a Chairman and Deputy Commissioner or…?

The CHAIRMAN: No, there are some other changes.

The PRIME MINISTER: There are some others. So let me present it.

> **"....except that no disclosure (a) made by the Commissioner or any such person in proceedings for an offence under section 33 of this Act, or under the Perjury Act by virtue of section 21(3) of this Act or (b) which the Commissioner or any such person thinks necessary to make in the discharge of his function and which would not prejudice the security, defence or any international relations of Jamaica shall be deemed inconsistent with any duty imposed by this section."**

And then it goes on to subsection (2)-

> **"Neither the Commissioner nor any of the persons aforesaid shall be called upon to give evidence in respect of or produce any such document, information or thing in any proceedings other than the proceedings mentioned in subsection 1 or section 25.**

It is the somewhat standard secrecy provision to ensure that the integrity of the investigations and any findings thereof are protected.

The CHAIRMAN: I now put the amendment to Clause 29.

Motion put to the Committee and agreed to.

The CHAIRMAN: I now put Clause 28, the new Clause 28 as amended.

Motion put to the Committee and agreed to.

The CHAIRMAN: I now put Clause 30 renumbered 29.

Motion put to .the Committee and agreed to.

The CHAIRMAN: I put Clause 31 renumbered 30.

Motion put to the Committee and agreed to.

The CHAIRMAN: I put Clause 32 renumbered 31.

Motion put to the Committee and agreed to.

The CHAIRMAN: I put Clause 33 renumbered 32.

Motion put to the Committee and agreed to.

The CHAIRMAN: I put Clause 34 renumbered 33

The PRIME MINISTER: Clause 34, Mr. Chairman, renumbered 33 delete from paragraph C of 34…

The CHAIRMAN: Consequential Prime Minister.

The PRIME MINISTER: Pardon me?

The CHAIRMAN: They are consequential readjustment.

The PRIME MINISTER: Oh they are consequential, okay, fine.

The CHAIRMAN: Oh, they are consequential okay fine.

I now put the new Clause 33.

Motion put to the Committee and agreed to.

The CHAIRMAN: I put Clause 35 renumbered 34.

Motion put to the Committee and agreed to.

The CHAIRMAN: I put 36 renumbered 35, consequential Prime Minister.

The PRIME MINISTER: Consequential 36.

The CHAIRMAN: I put the new Clause 35.

Motion put to the Committee and agreed to.

The CHAIRMAN: I put Clause 37 renumbered 36.

Motion put to the Committee and agreed to.

The CHAIRMAN: I put Clause 38 renumbered 37.

Motion put to the Committee and agreed to.

The CHAIRMAN: I put Clause 39 renumbered 38.

Motion put to the Committee and agreed to.

The CHAIRMAN: I put Clause 40 renumbered 39.

Motion put to the Committee and agreed to.

The CHAIRMAN: I put Clause 41 renumbered 40.

Put to the Committee and agreed to.

The CHAIRMAN: I put Clause 42 renumbered 41.

The PRIME MINISTER: Mr. Chairman, we are proposing the deletion of Clause 42, which should never have been there in the first place.

The CHAIRMAN: Very well. So it is now 42, which is the new 41, deleted.

The PRIME MINISTER: This is the one that imposes on the Commission an obligation to take over the staff of whatever existed before. We want to leave the Commission free to choose whatever staff they want.

The CHAIRMAN: So in essence, we have stopped at Clause 40.

The PRIME MINISTER: Yes.

The CHAIRMAN: Very well, yes. Because 41 is deleted - the 42 which would be 41, is deleted.

I now put the Title and Enacting Clause - I am sorry. I put the First Schedule.

The PRIME MINISTER: The First Schedule...

The SPEAKER: No, no, consequential, Prime Minister.

I put the First Schedule. Those in favour?

The PRIME MINISTER: Well, consequential in relation to the removal of the

Chairman and Deputy Chairman, yes.

Put to the Committee and agreed to.

The CHAIRMAN: I put the Second Schedule.

Put to the Committee and agreed to.

The Title and Enacting Clause put to the House and agreed to.

The PRIME MINISTER: I had done 18, you know. Did we have a difficulty with the rewording of 18? We spent quite a bit of time on it. I thought we had completed it to accommodate the point that the Member for East Central St. Andrew had raised.

Well, what I had read, we had made provision that (g) - (f) would have dealt with the Police Service Commission where it involves conduct of a member of the Jamaica Constabulary Force; (g) would have involved the Public Service Commission, where the incident involves the conduct of a specified official. And we wanted to add an (h), The Chief of Staff of the Jamaica Defence Force, where it involves the misconduct of a member of the Jamaica Defence Force.

The CHAIRMAN: You are okay with that. So if that is the case then, I can now put Clause 18, renumbered 17. Or should I say - could I put the amendment to Clause 18.

The amendment to Clause 18 put to the Committee and agreed to.

The PRIME MINISTER: My understanding, and I want to – the Member for East Central St. Andrew had raised the matter - the Jamaica Constabulary Force covers the ISCF, the rural police, the Parish Specials, so we don't need to make any special reference to them.

Dr. PHILLIPS: You may be safe by putting it *"and its auxiliaries*", might be safer.

The PRIME MINISTER: The Police Service Commission where the incident involves the conduct of a member of the Jamaica Constabulary Force.

The CHAIRMAN: I understand it's not necessary. Is that right? It's not necessary?

The PRIME MINISTER: I am advised that we have to spell them out. So it would be the Jamaica Constabulary Force, the Island Special Constabulary Force, Rural Police, and Parish Special...

The CHAIRMAN: District Constables - Parish Special Constables.

The PRIME MINISTER: And Parish Special Constables.

The CHAIRMAN: Very well. Okay. Members, having heard the proposed amendments, I put the amendments once again.

Mr. FAGAN: Mr. Chairman, Mr. Chairman...

The CHAIRMAN: Clause 18. Yes, Mr. Fagan.

Mr. FAGAN: Rural Police, what is meant by that?

The CHAIRMAN: D.C's.

MEMBERS: D.C's.

(Cross talk)

Dr. PHILLIPS: That's what it is called.

The PRIME MINISTER: That's what they call it in the law.

(Heckling/cross talk)

Mr. FAGAN: Go back go drink some rum nuh, man!

Mr. HOLNESS: So in town they are Special Constables.

Mr. FAGAN: As a matter of - Mr. Chairman... (Cross talk)

The CHAIRMAN: It's a definition, Mr. Fagan.

Mr. FAGAN: Yes, sir. But I was asking for a recommittal, sir. I am in possession of the old - I am not sure if the new amendments, the amendments that are brought forward now, had done some revision in respect to 39 - that would have been 38(b).

(Cross talk)

It would have been 38(b).

Now, Mr. Chairman, I was wondering if the holder of that office, unwilling or by reason of his - and I was wondering if the term - if there was a bias here. I don't know if it was...

(Cross talk)

The PRIME MINISTER: It's the correct term in law.

Where are we now, Mr. Chairman?

The CHAIRMAN: Prime Minister - all right, Mr. Fagan, for completion, for completion, Members, Prime Minister, could we at Clause 18, the new Clause 17, just for completeness, could we just read subclause 11. Do you have it available there, sir?

The PRIME MINISTER: Subclause 11.

The CHAIRMAN: Yes. So that everyone can be assured what is in subclause 11.

The PRIME MINISTER: Subclause 11 of 18?

The CHAIRMAN: Yes, sir.

The PRIME MINSTER: All right, it says as follows...

The CHAIRMAN: Okay. Members, please, let us finish up. We just need to be clear. That's the new Clause 17.

The PRIME MINISTER: Perhaps I should read subclauses 10 and 11.

The CHAIRMAN: That's okay, sir.

The PRIME MINISTER: Subclause 10 says:

"The Commission shall furnish a copy of the report of the Commission to -

(a) the complainant;

(b) the concerned officer or the concerned official;

(c) the responsible head or the responsible officer;

(d) the Director of Public Prosecutions;

(e) the Office of the Special Coroner where the incident involves the death of any person; and

(f) the Police Service Commission, where the incident involves the misconduct of a member of the Jamaica Constabulary Force, the Island Special Constabulary Force, the Rural Police, and the Parish Special Constables.

The CHAIRMAN: Very well, sir.

The PRIME MINISTER: And then –

(g) the Public Service Commission, where the incident involves the misconduct of a specified official; and

(h) the Chief of Defence Staff where the incident involves the conduct of a member of the Jamaica Defence Force".

The CHAIRMAN: Right so.

The PRIME MINISTER: You want 11 now?

11: "The Commissioner may furnish a copy of the report to any of the following, as it considers appropriate in any particular case, namely: The Solicitor General" -

That's the only one. The Commissioner may furnish a copy of the report as it considers

appropriate in any particular case to the Solicitor General.

The CHAIRMAN: That is so, sir, Okay.

I now put the amendments to the new - sorry, I now put the amendments to Clause 18.

Put to the Committee and agreed to.

I now put the new Clause 17 as amended.

Put to the Committee and agreed to.

The PRIME MINISTER: Title and Enacting Clause, Mr. Chairman?

The CHAIRMAN: No, that's it, sir. I think we have finished everything.

I do report the Bill as having passed Committee Stage with thirty-three (33) amendments.

Put to the Committee and agreed to.

RESUMPTION

The SPEAKER: I do report the Bill as having passed Committee Stage with thirty-three (33) amendments.

The PRIME MINISTER: Mr. Speaker, I move that the Bill be read a third time.

The SPEAKER: The question is at the Bill be read a third time.

Put to the House and agreed to.

Bill entitled

"AN ACT to repeal the Police Public Complaints Act; to make provision for the establishment of a Commission of Parliament to be known as the Independent Commission of Investigations to undertake investigations concerning actions by members of the Security Forces and other agents of the State that result in death or injury to persons or the abuse of the rights of persons; and for connected matters" -

read a third time and passed. (Applause)

The SPEAKER: Bill debated and passed. House Leader?

NOTICES OF MOTIONS GIVEN ORALLY

Mr. HOLNESS: Mr. Speaker, at this time I beg to recommit the items, Notices of Motions Given Orally – two items - and Reports from Committees.

REPORTS FROM COMMITTEES

The SPEAKER: Members, the motion before the House is for the recommittal of item "Notices of Motions Given Orally".

Put to the House and agreed to.

Sorry - and also to recommit Reports from Committees.

Put to the House and agreed to.

Mrs. DALRYMPLE-PHILIBERT: Mr. Speaker, I beg to lay on the Table of the House a copy of the Report of the Regulations Committee of the House of Representatives, on its deliberations on the Legal Aid (Amendment) Regulations, 2010.

Also, Mr. Speaker, I beg to give notice that at the next meeting of the House I will move:

Be it Resolved that the Report of the Regulations Committee of the House of Representatives, on its deliberations on the Legal Aid (Amendment) Regulations, 2010, which were laid on the Table of the House on the 9th day of March, 2010, be approved.

Mr. Speaker, I further beg to give notice that at a later stage today 1 will move for the suspension of the Standing Orders to enable me to take this motion.

The SPEAKER: House Leader.

RESOLUTION: TERRORISM PREVENTION (REPORTING ENTITIES) REGULATIONS 2010

Mr. HOLNESS: Mr. Speaker, on Notices of Motions Given Orally, Mr. Speaker, I beg to give notice that at the next meeting of the House - and this is on behalf of the Minister of Foreign Affairs and Foreign Trade I will move:

Whereas by virtue of section 47 of the Terrorism Prevention Act, hereinafter referred to as the Act, the Minister may make regulations generally for giving effect to the provisions of the Act;

And Whereas on the days to be determined, the Minister made the Terrorism Prevention (Reporting Entities) Regulations, 2010;

And Whereas it is proposed by section 47 of the Act that regulations made under that section, shall be subject to affirmative resolution;

Now Therefore, Be it Resolved by this Honourable House as follows:

(1) this resolution may be cited as the Terrorism Prevention (Reporting Entities) Regulations Resolution, 2010; and

(2) the Terrorism Prevention (Reporting Entities) Regulation, 2010, which were laid on the Table of the House on the 9th day of March, 2010, are hereby affirmed.

PUBLIC BUSINESS

The SPEAKER: Continue House Leader at Public Business.

BILL: CREDIT REPORTING REGULATIONS 2010

Mr. HOLNESS: Mr. Speaker, Item Number 10 on the Order Paper, Mr. Speaker, I will be taking the matter on behalf of the Minister of Finance. The matter, Mr. Speaker, is the affirmative approval of the Credit Reporting Regulations, 2010. Mr. Speaker, it is a relatively simple matter.

(*Sotto voce* comments)

Mr. Speaker, the Credit Reporting Bill by Section 19(1), gives the Minister of Finance powers to make regulations to effect the provisions of the Credit Reporting Act. Specifically, Mr. Speaker, it gives the powers to the Minister of Finance to make Regulations to effect the process of licensing **credit reporting agencies**, and it sets the fees for those agencies.

Mr. Speaker, the regulation sets out the fee for licensing under section 4(1) of the Act which is set at $25,000 for licensing a Credit Bureau - for applying for a licence for the credit bureau. The regulations also set the requirements for applications which are, Mr. Speaker, the Memorandum of Association, the Article and Certificate of Incorporation, and the requirements for audited statements.

Mr. Speaker, the Regulations also set out the licensing fees required for renewing licence. And it sets, Mr. Speaker, a minimum fee of $50,000, plus $100 for every 1,000 credit enquiries therefrom up to a maximum of $5 Million. That's the licensing fee, Mr. Speaker. It sets the capital requirement of any agency wanting to take on the status of a recognized credit bureau. And that capitalization subscription requirement Mr. Speaker is the Jamaican equivalent of US$100,000 at the existing rate at the time of

applications. It sets also the requirement for the licensee to maintain insurance coverage, and that limits will be set by the authority prescribed within the Credit Reporting Act, and it sets out, Mr. Speaker, various forms in the Schedules that should be used in the process of application.

And as I said before, Mr. Speaker, it is a relatively straightforward Regulation and I now, therefore, Mr. Speaker, move that the Regulations be affirmed.

The SPEAKER: Okay, Members, before the House is Number 10 on the Order Paper as presented by the House Leader, the affirmation of the Regulations for the Credit Reporting Act, 2010.

Put to the House and agreed to.

The SPEAKER: Regulations approved.

Mr. HOLNESS: Mr. Speaker, there are two Private Member's motions...

The SPEAKER: House Leader, the Legal Aid Regulations, yes.

Mrs. DALRYMPLE-PHILIBERT: Mr. Speaker, I now move for the suspension of Standing Orders to enable me to take the motion, notice of which I gave earlier.

The SPEAKER: Members, the motion before the House is for the suspension of Standing Orders to allow the Member to take the motion, notice of which was given earlier.

Put to the House and agreed to.

The SPEAKER: Deputy Speaker.

(*Sotto voce* comments)

The SPEAKER: No, go ahead. You are going to take it now? Okay, very well. House Leader. Go ahead now, House Leader.

Mr. HOLNESS: Mr. Speaker, there are two Private Member's motions on the Order Paper. The Member from South Central St. Catherine will take the motion standing in her name.

Mrs. HAY-WEBSTER: Mr. Speaker...

The SPEAKER: Could you hold a second please... could you hold a second. The motion before the House is for the suspension of Standing Orders to allow the Member to take a Private Member's motion.

Put to the House and agreed to.

The SPEAKER: Mrs. Sharon Hay-Webster.

CARIBBEAN TERRACE ACTION COMMITTEES EXPECTATIONS

Mrs. HAY-WEBSTER: I thank the Members and thank you, Mr. Speaker.

Mr. Speaker, I rise to speak to a Private Member's motion I had given last year February, now listed at Number 8 on the Order Paper. And while I may have vested interest, I really rise to speak on behalf of the community of Caribbean Terrace.

(The Speaker leaves the Chair and the Deputy Speaker presides)

In doing so, Mr. Speaker, I want to raise for consideration - Madam Speaker, some matters that had already been put on the table from our reports which had been sent to the relevant Ministries at the time.

And I would raise them because they are still relevant now. It says what does a Caribbean Terrace Action Committee expect from Government. Three (3) matters:

(1) prompt and forthright response to the issues raised at the various meetings and in sundry communication with authorities;

(2) ongoing dialogue and participation in resolution of problems faced by the communities, and

(3) access to information regarding the various studies being undertaken and already carried out in respect of the committee.

Government officials and political representatives have met and visited with Caribbean Terrace and with the Action Committee, and the wider Committee, and given their sympathy and presented certain understanding. Among those who have visited have included are four (4) Prime Ministers: MOST HONOURABLE P. J. PATTERSON, MOST HONOURABLE PORTIA SIMPSON MILLER, HONOURABLE BRUCE GOLDING, HONOURABLE PATRICK MANNING, Prime Minister of Trinidad and Tobago. We have had visitations from OLIVER CLUE, our COUNCILLOR HIS WORSHIP THE MAYOR, DESMOND MCKENZIE, HONOURABLE PETER PHILLIPS in his time as Minister of National Security, HONOURABLE DEAN PEART in his time as Minister of Lands and the Environment, and HONOURABLE HORACE CHANG in his time here now as Minister of Water and Housing, MESSRS DANVILLE WALKER, JOSEPH HIBBERT, our MP National Works Agency, Solid Waste Management, NEPA, ODPEM and the Police Area Command.

Summary and conclusion from those visits: There is a unique combination of the storm surge and river floodwater, which accounts for the destructive force and nature of the occurrence of damage in the community. The fact that the river eroded and eventually breached the dilapidated, artificial banks or defence wall, as we like to refer, and flowed in front of that, explains the extent of the damage beginning, first with Ivan. The protection from the river is gone and has caused gross pooling within the community.

And, Madam Speaker, I know that Members of - many Members of the House don't really feel that there's interest that needs to be placed in this, but I would point out to them that we are in a period of climate change and Jamaica as an island nation. Many of our constituents notwithstanding those who are centre of parishes, many of us are affected - although not yourself, Madam Speaker - by coastlines, and in particular those on the east and south coast: Portland, St. Mary, St. Andrew, some parts of Clarendon and St. Elizabeth, will be grossly affected by this climate change, and we will have to take due consideration of the need to move from communities because of storm surges. And we need to take consideration of that now.

Just to give an example of our ineptitude as I put it, in respect of our preparedness to deal with this, let's look at then and now. Then, in 2005, after Hurricane Ivan, there was a setback defined and agreed because there were 14 households that were demolished by the wave action, and by the flooding from the river; fourteen (14) in Caribbean Terrace itself, and three (3) at Copely Drive right beside it. Notwithstanding all of the frontage of what we knew as Harbour View Drive Inn, went. Then we were told it was one-in-fifty and it was not likely we are going to have that happen again, Madam Speaker. So, the rest of us settled and said all right, we good. Then came Dean.

Then in Dean there were 23 homes affected. So more the the initial in the first sense. And this is 23 directly in Caribbean Terrace now, not nearby Copely or further up the line at Wicky-Wacky, much further on going towards the other end of the

constituency. At that time there was a declaration of one no-build zone. And the concurrent understanding then that Government would use the same formula which had been used at Ivan to arrive at some settlement with the 23 affected householders, then.

Madam Speaker, we felt a sense of abandonment since then because then came Gustav, and the bridge was gone. I can tell you, Madam Speaker, having stood there that morning, there is nothing to compare to that feeling, especially when you have a child who is asthmatic and the nearest hospital is back in St. Thomas. I will say to you that because of the nature of my child's illness I had to drive... six-and-a-half hours it took me. Leaving Caribbean Terrace 3:00 o'clock the Sunday afternoon, I landed in Stony Hill Square eighteen-and-a-half minutes past nine. I don't forget it because I had to make sure that my daughter was safe. And why I give this example, a man travelling from the other end of the constituency died on that river bank the next morning because of an asthma attack and he could not cross the river in time. So, what I am speaking to is not just a matter of settlement that we need new houses. There is the issue, the real experience of what has happened to us: Ivan, Dean, Gustav and who knows what will come now with the current La Nina which we expect from July onwards in the deep rainy period.

You know, the sense of abandonment comes even moreso Madam Speaker, when one morning we were woken up by gunfire in the community. So, some of us gather and run together to find out what was happening. JDF was conducting a training exercise and we said to them, but hold on, some people live here, you know. And they said, ‘but we didn't understand that, we are sorry. We were advised that this is abandoned community.' This is the same force that must defend us. When they came to the front of the community now - and I telling you real things you know, it is not no story. When we took that training force that had come along the coast line and carry them to the front of the community and say, look here, we still have two rows of houses occupied by people. They apologized most profusely and said they were going to ensure that this would never happen again.

A MEMBER: Who is the MP?

Mrs. HAY-WEBSTER: But, if looking at the - to be fair to them, you approaching the community from the shoreline you would never believe that anybody still lives there. Well, 1 can speak on behalf of the rest of us that do, we still live there. And we live there with sandbanks that are high, we live with pooling, we live with health threats and security threats. And this is the reason - one of the reasons that I have raised this Private Member's Resolution. For the third time, I put Caribbean Terrace back on the agenda for discussion.

And why am I putting it even moreso? I've told you those stories. And in closing - because it's just a short statement I would want to make - Madam Speaker, we've been robbed; every single householder still in Caribbean Terrace has been robbed.

A MEMBER: What?

Mrs. HAY-WEBSTER: Some of us have been attacked at gunpoint and had to literally fight for our lives and our families - at least three of us - because to use the terms of the street, 'dem pre yu' and dem wait on yu and dem know what time yu come home and

they wait for you. That has caused us to have to fight to ensure that we protect each other. Families have been fractured, split!

There is one member now who we know we have to visit in Bellevue. He came home, wasn't able to live alone, was sent back to live with some other family members, couldn't be comfortable with them, because he's used to his own space. As we get older you know, Madam Speaker, and all of us has to recognise that you know, when we use to a way of doing things and we have to live with other people, it's not easy.

So him being in his own space and used to that and not having it anymore and coming back home, in a couple of months, became senile, was diagnosed with alzheimers and had to be placed in Bellevue. There are families as residents who are there are, still fractured today, live separate and apart, children live one place, parents and another child live in another place and because as government, we have taken far too long to respond.

There is one resident who lost her child after Dean because of high blood pressure at the time and still has not been able to have that blood pressure reduced. Yeah, we might run a joke and say well, 'all pressure come with storm', but that's the harsh reality that we face and she is not been able to find a home since.

One senior lecturer and administrator with a tertiary institution has to be considering whether or not she can come back to the Terrace, because where she is living now, she has been given notice, she can't afford to move to somewhere new and government hasn't settled with her yet, Madam Speaker, not settled with her yet. And she has a family to secure and she is a responsible parent.

Madam Speaker, some of us have been personally abused as women, yes, as residents we have been raped too as a result of the storms, because we've been left insecure. More than half of our community has been destroyed by sea action and river action, flooding left many homes unoccupied. Some of them now, the ownership of the State, and yet when police come to our meetings, MP, they tell us they have no room to go in and take people out of the State property.

Somebody needs to decide what the responsible residents' value of their tax dollar, and responsible action is, to the Government of Jamaica, because the majority of residents within Caribbean Terrace are civil servants, retired civil servants, contracted civil servants till now. Taxpaying residents of Jamaica.

And as one person said recently in a Citizens Association meeting, 'better we did live pon a gully bank and hold up a sign sey we want justice, maybe we would a get a response from government faster'.

Madam Speaker, the residents have offered their technical competence as engineers, as draftsmen, as architects, as accountants, as fanciers and said, we can put a plan forward for your consideration, which has been done, and we've not had a response. We have been taken on visits to many pieces of property, we've had significant meetings, seem to have seen a light at the end of the tunnel, and this resolution, when it had been put in 2009, being spoken to in 2010, we are facing *la Nina*, we are facing more rain.

If I speak about a resident who is behind me - Uncle Richie, senior Civil Servant, industrial relations specialist, publisher - flooded out in Ivan, worst flooded in Dean,

lost over half of his furniture, has had to strip out everything out of his house and go back to basics. Where is Uncle Richie now? Shaky and feeling that the Government of Jamaica has abandoned him and left him all alone. He has had to leave his home because he cannot function in that space any longer. And not all of us who are still there have the means to continue to be there.

Our children who played on the streets can't do it anymore, because we have strangers in our community. Those empty houses are being used as motels in the day...

A MEMBER: Yes.

Other MEMBER: Really?

Mrs. HAY-WEBSTER: Motels in the day. School children, older men, strange cars that pass through and the police tell us they have crime elsewhere, sorry, they can't manage that one today.

All that we ask - all that I ask on behalf of the residents – and yes, I'll admit that I have vested interest - that look, we have submitted models, financial as well as technical. We've been left open to too much abuse and feel terrorized now, because we're not even safe in the space of our singular homes. All we ask is for respect and a solid, safe solution that we can have faith and its delivery, and we ask that, before the start of the next storm season which is June, 2010.

Thank you, Madam Speaker.

(Applause)

Mr. BUNTING: Action man now, action man now boy!

Mr. VAZ: Yu gwaan, man, yu a toast me.

Mr. MAIR: Not a bag a mouth!

Mr. VAZ: Madam Speaker, I've heard the Member's motion and by extension, her plea. I think all of us are moved.

Let me just indicate, Madam Speaker, that her Hurricane Ivan an initiative was taken to address the issues and concerns of the residents of Caribbean Terrace. I know for a matter of fact, while I was not present in those meetings, that there has been a number of meetings both at the highest level with the Prime Minister and of course, with the Member of Parliament, who will update us, as the person who has been dealing with the matter.

The then Ministry of Land and Environment actually has not issued, to this time, a directive for action, based on its decision at the time. What l can say, Madam Speaker, is that as it relates to NEPA, which is the regulatory agency, they are prepared and have been, to indicate what rehabilitation needs to be done and that will be along the lines of re-vegetation and dune creation.

I think, Madam Speaker, you'd, understand that a lot of what is being discussed here comes back to constraints, financial constraints. What I can say is that at this point in time, based on what the Member has raised, aside and apart from the Member from East Rural St. Andrew, who will further brief us in terms of the details, that I'm prepared to try and reactivate to see exactly where and what has happened, what has not happened and see what can happen. But I can make no commitments, based on the fact that outside of NEPA which is a regulatory agency, this crosses boundary with National Works Agency, Ministry of Housing and several Government Ministries and agencies. And I think 1 will have to brief myself in terms of where we are with them and what. But l would yield to the Member from East Rural St. Andrew, who will be able to give us

more details in response to this motion.

Thank you.

Mr. HIBBERT: Madam Speaker, in responding to this motion that has been raised by the Member from St. Catherine South Central, I'm gonna just give a sort of historical perspective of what has transpired and then to provide a recommendation that I want to lay on the table.

Mr. BUNTING: A recommendation?

Mr. HIBBERT: The records show that occupation of this community started in the early 1970s, but something went wrong from day one. In discussions we've had with the residents and those persons who have had an opportunity to look on the plans, their building plans, will tell you that a seawall was designed and ought to have been constructed but it was never done. And this is the sort of protection that should have been provided from as early as 1970, even before the first residents took occupancy.

But notwithstanding the residents and those who are adjoining the coastline, those residents built some boundary walls and they stood up, they stood up well, but for a period. In fact, after Gilbert, the Gilbert damage was very minuscule in Caribbean Terrace. But by 2004, when we had the passage of Hurricane Ivan, some 15 houses were badly damaged, damaged to the extent where they became occupiable. And the then government decided that those houses would have been purchased. The plan was that those houses would be turned into bunkers to provide a level of protection along the coastline, and they were bought.

But even by that early stage, in 2004, my view has always been and it continues to be, that every attempt should be made to provide either a seawall, or some other protection. And now I'm not going to just restrict this argument for the Caribbean Terrace alone, it is the entire coastline from the round-a-bout: straight through to Bull Bay.

(Inaudible comment by Mrs. Hay-Webster)

Mr. HIBBERT: Pardon me?

(Inaudible comment by Mrs. Hay-Webster)

Mr. HIBBERT: Well fine, but there are sections that are protected along the road.

And the point is, Madam Speaker, is that in the not too distant future, the Ministry of Transport and Works willl be carrying out an improvement to the Coast road, the A4 from Kingston to St. Thomas. And I understand that some work is planned for the Harbor View Round-A-Bout to St. Benedicts. But even if Caribbean Terrace was not there, the question must be asked, what detection are we going to provide against this Coast road? Because if Caribbean Terrace was not there what it means is that there will be unbridled access of the sea onto the land.

And if we go further beyond Harbour View, just at Shooters Hill, we've seen over the years where we've lost three sets of houses that have been washed away by sea action. And therefore, it is an area that is very, very critical in terms of what we do in protecting the area.

The homes purchased were to be turned into bunkers, but that was never done, and by 2007, when we have Gustav, we had further damage. In fact, every single house in Caribbean Terrace was flooded out. And this is where the problem is, Madam Speaker...

(Inaudible comment by a Member)

Mr. HIBBERT: Was purchased and

should have been turned into bunkers, they would just pour concrete into them to provide sort of protection that is planned for. But was never done and therefore the residents who remained there and the present residents, are subject to the whims and fancy of the flood rains and of course, the wave action from the sea.

I heard the Member mention what has happened to the community since then, the question of the security aspects, the persons who have been affected by people who are now almost occupying the areas that have been - squatting in the areas that have been abandoned by those residents. And of critical importance, Madam Speaker, is the security of the community. There are no boundary walls and therefore, there is unbridled access from the sea. There is one entrance into Caribbean Terrace at the moment, but you have the whole coastline that is open. And while there might be some sort of protection that is offered from the entrance into Caribbean Terrace from the main road, the fact is that there is movement coming from the river and from the coastline, east and west of the community and, therefore, the once peaceful community has been transformed into a place of illrepute. The Member did say a motel. We have heard, but the question is, what do we do about it? As the police move in, the squatters move out; and as the police move out, the squatters move in.

And recently, there was news that bullets were found in one of the buildings. It tells a story. This find, Madam Speaker, speaks volume of the nature of the activities being conducted in the community and the risk to which the residents are subjected. Remember, Caribbean Terrace was once a very peaceful community, but because of the damage that they have suffered and the coastal openness of the area, we have this sort of behaviour that is taking place. Debris is thrown all over the place. And somebody asked the last time we visited - we were there some three week ago. In fact, we had a meeting with some of the residents and Chairman of that particular committee, the Citizens Committee there. We did an inspection, but more importantly, was not so much what was happening in Caribbean Terrace because it was an idea to find out if there are alternative lands to which the residents can be relocated. I think the time has come, Madam Speaker, when as far as the residents are concerned, and as far as I am concerned, until the protective works that will be necessary along the coastline are put in then the residents cannot continue to reside there, not without the great risk to which they are subjected.

In fact, some time ago, the Honourable Prime Minister held a meeting at Jamaica House and a number of persons were there, a group from the Caribbean Terrace community, including some officers from various ministries, and he outlined what ought to have been done. Certain Ministries were given certain responsibility; and the question of clearance of the community and the general protection of the area was given to the Ministry of Transport and Works. I think that the Ministry of Housing and Water was asked to try and identify suitable lands to which residents could be relocated. In fact, a piece of land was identified in Hope Pastures and once the inspection was done - the inspection was done but we now understand that that was not suitable land.

I have since taken a number of

residents into an area further east of Harbour View, it's in the Rest Haven section, and what we have found is that there are lands there that are owned by the Water Commission, lands that could be considered suitable, but it means that certain infrastructure works would have to be put in, the roadways, the light, the water. A development is taking place close to it, but until the Water Commission land is properly developed, I think the residents would be reluctant to move there. But it provides a lovely view and lovely scenery from that area. And those persons who went were quite pleased that, if the land was offered to them it could be an alternative for the relocation of their property.

Madam Speaker, I am going to suggest that the Ministry of Transport and Works that has responsibility for infrastructure works and sea defence works and river protection works, will continue to conduct its investigation and to put a proposal…

Mrs. HAY-WEBSTER: How much more investigation?

Mr. HIBBERT: …put a proposal…

(*Sotto voce* comment by Mr. Warmington)

Mr. HIBBERT: Well, they will have to investigate now that the whole place is opened up, but I'll put a proposal for the protection along the coastline. Remember, we are now providing protection for the Palisadoes, and what we need to do is move east. Once we have completed the work at Palisadoes, then we should be moving eastward to protect the Harbour View, the Caribbean Terrace area, Saint Benedicts Heights, Shooters Hill straight through Copacabana right out to Bull Bay. And my suggestion is that that plan will be put in place, we'll make sure that it is properly funded and we should see some serious work being done in the area.

Thank you very much.

(Applause)

Mrs. HAY-WEBSTER: Madam Speaker, I have taken note of the responses, both responses and I pause before I respond directly.

Honourable Minister Vaz says no directive was issued by Lands and the Environment. I would remind him that the Mayor issued a declaration of a no-build zone. I believe that his legal officers can advise him what that means.

Caribbean Terrace was constructed under a Development Order, whether or not that was a correct decision taken, it was done under a Development Order. It is a formal community, recognized and approved by all Government agencies, yet, however, we can't seem to find that Development Order to date. Prime Minister spoke to it in his meeting with the residents, same one that our MP, Member Hibbert speaks to, yes. And yes, Minister of Transport and Works, Minister of Water and Housing were given some responsibilities. To date, Madam Speaker, the piles of sand and the buildings remain as is. I repeat for you again. We have been robbed, we have been raped and we are terrorized daily. And this is not a time…

(*Sotto voce* comment by a Member)

Mrs. HAY-WEBSTER: It feels like that, Member. This is not a time that Government can respond to residents who have responsibly put solutions to the table and have said we will give professional time; we will work with you to find solution. It cannot be now that we are now hearing in response to this, resolution from last year, which was just asking for health, safety and security, three simple things.

Clear the sand, clear the dirt that's there.

(*Sotto voce* comment by Government Member)

The bunkerising, Member, I don't know if that's going to work. The sea water came through every single household and came right up to the main road, right to the main road. So every person who chose to stay because of their own experience overtime had to leave their home and run across the road, residents had to leave and run across the road into Harbour View.

Mr. CHARLES: PNP, a unno do it.

Mrs. HAY-WEBSTER: Member from North Central Clarendon, be careful, do not let me go back and review the history of why that scheme exists, because if we do, we get into political bangarang and that is not necessary on this count.

(*Sotto voce* comment by Mr. M. Peart)

Mrs. HAY-WEBSTER: This is a revolution that demands due consideration not just for the residents of Caribbean Terrace but other communities along that shoreline, from Roselle and White Horses and from where my member in Portland will speak to his own issues. These are real issues where people need healing, people need resolution and not *crass off the cuff* political remarks.

Mr. CHARLES: PNP for more than 20 years and the Government is there for two years and you never say anything bout it.
(Laughter by Government Members)

Mr. M. PEART: A three and a half years…

Mrs. HAY-WEBSTER: Madam Speaker, MP speaks of the work that's to be done on the A4 from the round-about to Saint Benedicts, what happens to the residents in that time?

(*Sotto voce* comment by Member)

Mrs. HAY-WEBSTER: Madam Speaker, the issue of the sea defence that is already built for Palisadoes is there. The community was advised before that work was undertaken, that the group that did the research would include us in it. I will say to you that as part of the executive of that committee we sat, reviewed the research ourselves and the truth is, as NEPA, ODPEM and NRCA back in 2004 had advised us, the deepest part of the harbour along the coast is in front of Caribbean Terrace. Building a sea defence wall will provide no defence, because there is no beach to cut it, there is no reef to cut it. The options as discussed and laid on the table with the Prime Minister for his consideration, which we as residents took consideration of at the time, was that there are budgetary constraints. Sure, we understand that, but on behalf of the residents I remind, this is two and a half years later and the situation is not going to change with the deepening climate change that we see. We don't live in Ashanti or Leanto and we are tax-paying responsible citizens. We don't stand up saying *'we want justice'*, we responsibly put solutions on the table and one of them is utilizing the privilege as I have as a member of that community to put it here, for what I would hope from my colleagues would be a sensitive consideration.

So, I put forward the resolution as put with the appropriate amendment, Madam Speaker, to the last clause which says -

Mr. CHARLES: Can I ask you a question?

Mrs. HAY-WEBSTER: I will read the amendment and then put the resolution.

And be it further Resolved that the community of Caribbean Terrace be

advised by the appropriate officials of Government of the timelines and support programmes which will allow each household in the community to be properly secured before the onset of the 2010 storm season.

Because as I had pointed out, this was written for resolution in 2009. I would remind this House that we approach a season of *La Nina*. I would remind this House that all across the world that we have seen what weather change has done, meaning, Haiti, Chile, Turkey, Hawaii, Greece. Do we wish to wait for more of our residents to be further affected and for us to have to spend more money to address the healing that is necessary for this community? I therefore put the resolution with the amendments as I have just stated for passage for the House.

(Applause by both sides)

The DEPUTY SPEAKER: Members, I put the Resolution with the amendments as noted by the Member.

Put to the House and agreed to.

Mr. VAZ: Madam Speaker, based on the motion moved by the Member and the financial implications, it is all well and good to move a resolution such as this, but if we don't have some form of follow-up in terms of a committee to examine what really is the requirement, what are the requirements going to be, then what is the end game.

The end game is that I think the Member wants some attention but that attention it needs crosses several ministries and it also needs quite a bit of technical analysis and assessment in order to really come up, because you can hear that the Ministry of Transport and Works advice is that a sea is from the defence wall is required, and that is from the technical people who have the responsibility within government, but yet still the Member is indicating that based on the depth the water in front of Caribbean Terrace....

(*Sotto voce* remark by Mrs. Hay-Webster)

Mr. VAZ: But the point I am making, Member, is that on one hand we are saying this and on the other hand - so it is an emotive issue and we either are going to deal with it practically and try and find a resolution that is within…

Mrs. HAY-WEBSTER: Are you saying the Prime Minister is not good enough? It is saying the Prime Minister here!

Mr. VAZ: There is an Infrastructure Committee and Development Committee and I would recommend highly that based on how the matter has been presented here that it is sent to that committee, so that the proper analysis and technical advice can be given, because passing a resolution such as this is all well and good, at the end of the day, if nothing happens, which one is better? Make your choice.

The DEPUTY SPEAKER: Member, this automatically is referred to the Infrastructure and Development Committee under section 26(a)(1), it's automatic.

Mrs. HAY-WEBSTER: Madam Speaker, as someone who has been a part of the operations of Parliament for some time, I understand that this will go to a committee, but I would respectfully ask the Member to look at the fifth clause. In fact, the resolution itself says – 'Be it Resolved that the Prime Minister instructs the following ministries'. I asked for the matter to be dealt with at the highest level which was already done. It was already there.

Mr. WARMINGTON: A point of order, Madam Speaker.

The SPEAKER: Yes.

Mr. WARMINGTON: On a point of order. The issue is that the resolution has been brought here, it has been debated, the Member has closed the debate so we can't debate it again.

(*Sotto voce* remarks by Mrs. Hay-Webster)

Mr. WARMINGTON: The issue is Standing Order 26(A) makes it clear the motion cannot dictate that it goes to the Prime Minister, it takes a position, 26(A) makes it clear. Subsections (1), (2) and (3) make it clear as to what steps are to be taken, so the discussion is over. You just now have to send it to the Infrastructure and Physical Development Committee. That's what 26(a) Says.

The DEPUTY SPEAKER: Member, if you look at 26(A)(2) after the committee approves it there will be a submission to Cabinet, which indeed is the highest level of authority that we have, rather than going to the Prime Minister.

Mr. WARMINGTON: If the Committee…

The DEPUTY SPEAKER: If the committee deals with it. So, Members, can I first put the amendment to the resolution for its approval.

Put to the House and agreed to.

The DEPUTY SPEAKER: The Resolution as amended put to the House and agreed to.

Mr. GALLIMORE: Madam Speaker, the Member from East Portland will now take the Private Member's Motion listed at No. 5.

The DEPUTY SPEAKER: Member Rhodd.

Dr. RHODD: Madam Speaker, I rise to present the motion listed at item 5 under Private Member's Motion standing in my name. And I am grateful to you, Madam Speaker, and the House for allowing me to present this motion so late this evening, which has significant social, economic and environmental implications for our country. I would also like to point out, Madam Speaker, in these opening remarks that I would like to, at a later stage, move a small amendment to paragraph (3) when it comes to the closing of the debate.

Madam Speaker, the impact of cyclones in the western hemisphere has increased significantly due to increases in the strength and frequency of this phenomenon over the past decade. Today I will share with you information which seeks to explore trends in the occurrence of the phenomenon in the western hemisphere and Jamaica in particular. I will also point out the extent of its impact on our country along with mitigation measures which have been proposed or are being proposed.

What is a cyclone, Madam Speaker? A tropical cyclone is a storm system characterized by a low pressure centre and numerous thunderstorms that produce strong winds and large volumes of rain resulting oftentimes in flooding. We are all familiar with this experience. **A tropical cyclone feeds on heat released when moist air rises resulting in condensation of water vapour contained in the moist air.** They are fueled by a different heat mechanism than other cyclonic wind storms, which must be noted,

such as North East Storm, European wind storms, polar lows, for example, leading to their classification as warm core storm systems.

The term tropical cyclone refers to both the geographic origin of these systems which form almost exclusively in tropical regions of the globe and their formation in maritime topical air masses. The term cyclone refers to such storms of a cyclonic nature with counter-clockwise rotation in the northern hemisphere and clockwise rotation in the southern hemisphere.

Depending on their location, Madam Speaker, and strength, tropical cyclones are referred to by other names such as hurricanes, typhoons, tropical storms, cyclonic storms, tropical depressions or simply just a cyclone. Generally speaking, a tropical cyclone is referred to as a hurricane in the Atlantic basin and a cyclone in the Pacific area. The name hurricane is derived from the ancient Central American deity of wind called **Huracan.**

Now, Madam Speaker, while tropical cyclones can produce extremely powerful winds and torrential rains they are also able to produce high waves and damaging storm surge. They have gale force winds which are sustained winds of 63 kilometres per hour or greater and gusts in excess of 90 kilometres per hour near the centre. Technically, they are defined as a non-frontal low pressure system of synoptic scales developing over warm waters having organized convection and a maximum mean wind of 34 knots or greater, extending more than half way around and near the centre and persistent for at least six hours. They develop over large bodies of warm water, which we have seen here significantly, affecting our region, and lose their strength if they move over land. This is the reasoned coastal regions, as again we have experienced, can receive significant damage from a tropical cyclone while inland regions are less affected, or least affected.

Now, Madam Speaker, heavy rains, however, can produce significant flooding inland, and again in Jamaica we have seen this; and storm surges can provide extensive coastal flooding of up to 40 kilometres or 25 miles from the coastline. Although their effects on human population can be devastating, tropical cyclones can also relieve drought conditions, and also we have seen that here. They also carry heat and energy away from the tropics and transport it towards temperate latitudes, which are very important, Madam Speaker, in maintaining some type of atmospheric circulation and really creating the equilibrium in the earth's troposphere. Now the troposphere is the section of the atmosphere closest to the earth's surface. It's approximately 6 to 10 kilometres from the earth’s surface.

Now the eye of a hurricane is very important and we often hear talk about the eye of a hurricane which is the centre of a tropical cyclone, and it's an area characterized by light winds and often by clear skies. High diameters are typically 40 kilometres but can range from under 10 kilometres to over 100 kilometres. The eye is surrounded by a dense ring of clouds around 16 kilometres high known as the 'eyewall' which marks the belt of strongest winds and heaviest rainfalls; and the other end of the spectrum if the condition around the system deteriorates or the tropical cyclone makes landfall the system weakens, as we have seen, and eventually can dissipate.

Now what are the dangers and the impacts

of cyclones? These cyclones are very dangerous because they produce destructive winds, heavy rainfalls with flooding and damaging storm surges that can cause inundation of low lying coastal areas, as the Member before from South Centre, St. Catherine spoke eloquently about what happened in her constituency and particular in the community of Harbour View. Cyclones have wind gusts in excess of 90 kilometres per hour around their centre and in the most severe cyclones gusts can exceed 280 kilometres per hour.

Mr. VAZ: We have had hurricanes here, we know all about that already

Dr. RHODD: These very destructive winds can… If you read the resolution, Madam Speaker, the resolution speaks to establishing…

Mr. VAZ: We have felt the practical impact.

Mr. D. PEART: Since you don't know.

Dr. RHODD: I would just like to bring your attention the first two paragraphs of the resolution, Madam Speaker. Tropical cyclones, Madam Speaker, have wind gusts in excess of 90 kilometre per hour around the earth centre and the most severe cyclones gusts exceed 280 kilometre. These very destructive winds can cause extensive property damage and turn airborne debris into potential lethal missiles. It is important to remember that during the passage of the cyclone centre or eye, there will be a temporary lull in the wind but that will soon be replaced by destructive winds from another direction. Heavy rainfalls associated with the passage of tropical cyclones can produce extensive flooding. This can cause….

The DEPUTY SPEAKER: (Gavels) Members, just a second. Please allow the Member.

Dr. RHODD: I am going to come to the significant number of deaths that have been caused by some of these cyclones with some statistics that I am going to share with you, Madam Speaker, to demonstrate how important it is for us to this matter seriously and not trivialize it. (Applause)

Heavy rains can persist as the cyclone moves inland and decays hence flooding due to decayed cyclone can occur a long way from the Tropical coast as remains of a cyclone come to - move into the central and southern part of the continent. Destructive winds accompanying tropical cyclones also produce phenomenal seas which are dangerous both for vessels at sea and those moored in harbours. These seas can also cause serious erosion, Madam Speaker, of foreshores. And I am going to also speak to the importance of the erosion of the foreshore because that also is something which we are not taking serious enough in mitigating how we preserve our country for future generations.

Potentially the most destructive phenomenon associated with tropical cyclones that make landfall is the storm surge. Storm surge is a raised dome of water about 60 to 80 kilometres of water across and typically about two to five metres higher than the normal tide level. If the surge occurs at the same time as the high tide, then the area inundated can be quite extensive, as we have seen, particularly along low coastal areas.

(Interruptions)

The DEPUTY SPEAKER: (Gavelling) I cannot hear the Member in his presentation.

Dr. RHODD: And it is very important that we understand this, Madam Speaker,

because the Palisadoes strip, for example, it is costing us now as a Government, millions if not billions of dollars to preserve. It's an area of our country leading to the airport which has been affected significantly by these storm surges and which has been inundated over the years.

TROPICAL CYCLONE SECURITY

I would like to address now, Madam Speaker, severity issues with respect to tropical cyclones.

The severity of tropical cyclones is described in terms of categories ranging from one through to five, related to the zone of maximum winds. An estimate of cyclone severity is included in all tropical advices and we must remember that the warning service is not designed to give an exact statement of condition at individual locations...

Mr. WARMINGTON: Madam Speaker, Madam Speaker, Madam Speaker!

Dr. RHODD: ...a general idea of the expected worst condition.

Mr. WARMINGTON: Madam Speaker, would he yield? (Doctor Rhodd yields) Madam Speaker, the Member keeps on speaking about cyclone and what have you. Jamaica is affected by hurricane and tropical storm. He is speaking about stuff that affects Japan and Taiwan and those areas. I believe the Member ought to speak...

(Inaudible comments by Mr. Peart)

Mr. WARMINGTON: Congo worm! I believe the Member ought to speak of issues that affect Eastern Portland that he represents. Speak to issues...the Standing Order makes it clear that when you speak in this House you speak on issues pertinent to the resolution before the House. And he is talking about cyclone that has nothing to do with the resolution. He ought to speak for the interest of the people of his constituency and stop wasting the time of the House. He is not speaking to the Standing Order.

Opposition MEMBER: Sit down!

Mr. WARMINGTON: You don't know what is Standing Order.

(Cross talk)

Mr. KELLIER: Madam Speaker, I would not go so far as to say the Member is out of order. But I leave that to you.

(Inaudible comments)

I say I wouldn't go that far to say that. I leave that to you to determine. The Member is making his presentation on an issue that he has brought here that is on the Order Paper for debate. When the Member gets up and has the time he can so rebut if he feels like that he wants to speak on hurricanes and not understand the context in which the Member presented his opening statement about cyclones and hurricanes. So the Member should be allowed, Madam Speaker, to make his presentation without that kind of interruption. (Applause)

The DEPUTY SPEAKER: (Gavels) Members of the House, Dr. Rhodd is on his feet. He is doing a presentation and I am going to ask Members of both sides of the House to allow him to do the presentation. And I am going to ask the Member in making his presentation, to use his discretion. There is a motion on the table that relates to an important issue at hand. And therefore, I am going to ask him to use his discretion in getting to the gravamen of the motion that is before us, but at the same time he does have a right to do the motion. Member Rhodd, please.

And Members on both sides of the House,

if a Member on one side doesn't throw a comment for the other then there is nothing to respond to. I'll ask us both to allow him to finish his presentation.

Dr. RHODD: Thank you, Madam Speaker. Before continuing, I'd just like to, however, point out that in preparing this presentation this evening, prior to doing it, in fact during the past couple of weeks the House Leader urged me, the House Leader from your side, and pointed out the importance of this resolution, particularly now that we are having so many earthquakes, and the value of us focusing as a country on natural disasters. So I want to point out that first of all. So it's not just a... (Applause)...

The DEPUTY SPEAKER: Yes, Member Rhodd, I recognize, I was just...

Dr. RHODD: ...coming to how it affects Portland. The prayer, Madam, the prayer speaks to cyclones, tropical cyclones. (Inaudible comments) The first two paragraphs - I urge the Member to look at the first two paragraphs of the...

The DEPUTY SPEAKER: Member, I think it is an important subject, the motion is important and relevant to us and I have asked both sides of the House. And I ask you to bear in mind... (Interruptions)(The Speaker gavels) I am speaking. That forty-five minutes is allotted to you so I know it is important what you are doing, we recognize that, but I ask you to bear in mind also that the time permitted for speaking is forty-five minutes. Continue, and I am going to ask Members of the House to allow him to continue his presentation.

Mr. BUCHANAN: Warmington, you will never make the Speaker.

Mr. WARMINGTON: You, Buchanan, you need a prayer.

(Inaudible comments by Mr. Mullings)

Mr. JACKSON: Clive that is a very valid suggestion. Well said.

(Laughter)(Applause)

Dr. RHODD: Madam Speaker, in assessing warnings and in appreciating warnings...

(Inaudible comments)

…warnings, warnings, warnings, we must recognize that the damage that these warnings alert us of, does not necessarily depend on...

(Interruptions)

…depend, rather, significantly on factors such as the building standards, results on flooding vegetation, how exposed a location is and also how far the zone is from the maximum winds. It must also, however, be noted that the category does not refer to the amount of flooding. So oftentimes we hear of a category three or a category four hurricane which speaks to the wind strength or the power of the wind but sometimes the accompanying flooding, mud slides which also cause other devastation, cannot be predicted from just a warning designating a certain category; and sometimes we underestimate the impact of an upcoming storm or a hurricane or a tropical cyclone when this is not taken into consideration.

Also that we often do not take into consideration, Madam Speaker, is the duration of the tropical cyclone. And we have seen cyclones which have lasted significant lengths of time, from a few minutes to as much as half-an-hour, as much as hours, half a day, depending on how it impacts the length and breadth of the island.

Jamaica, Madam Speaker, has experienced all of the conditions which I have described above or before, rather, in respect to the

impact of a tropical cyclone of our country. And I would like to point out now or speak to the frequency of tropical cyclones in the Western Hemisphere because one of the things which the resolution is trying to alert us about is how often these phenomena are occurring and we ignore this frequency at our own peril. I'd like to point out that the frequency is much more now in this century compared to the last century. In fact we are having twice as many Atlantic hurricanes forming each year on average compared to a century ago. And this is significant.

Statistical data, tell us, Madam Speaker, that in the 1900s, for example, at the beginning of the last century, or the 1900s, rather, the 20th century, we had approximately six storms, four were hurricanes. When we moved to the 1930s to the 1940s, the annual average increased to ten, five of which were hurricanes and five were tropical storms. When we moved to 1995, and between 1995 and 2005, the average reached fifteen, eight of which were hurricanes and seven tropical storms. So we notice a significant increase, Madam Speaker, which as I said, we ignore at our own peril.

Persons who have studied this phenomenon, Holland & Webster, tell us that we should not take comfort in the fact that we are now at fifteen because the number might not yet have stabilized. The hurricane season might even get more active in the future. Hence the importance of studying this phenomenon very seriously and looking at the impact that it is having on our country in a very serious way. Madam Speaker, I would now like to just look at how some of these hurricanes have affected us in Jamaica. The Member from St. Catherine spoke about the impact in her constituency and in Harbour View in particular.

Hurricanes have given rise to a great loss in our country. This is especially true of hurricanes of high category such as Ivan. Ivan was characterized, Madam Speaker, as a category Five hurricane. The impact included loss of lives, loss of income and livelihoods due to the livestock which was lost in the agricultural sector, agricultural produce, dislocation due to the destruction of homes, contamination of water systems. We find sewage going into the water systems, something which we ignore oftentimes. We also had during Ivan significant flooding and landslides. And we saw many areas which were vulnerable to these types of activities being affected more than others due to their geographical settings, their geology and their location.

Madam Speaker, hurricane Ivan was considered one of the worst of all tropical cyclones in recorded history, not just for Jamaica. We are talking about the recorded history of hurricanes or tropical cyclones. 1 would like to in fact point out to you that it was the sixth strongest hurricane of all time. It left in Jamaica 18,000 people homeless. An estimated 17 persons were killed and I already have spoken to the devastation of the economy.

I want to share with you in highlighting the importance of the sequence and the intensity of hurricanes in our region. That there were also other tropical cyclones in the past decades which we are familiar with and we need to be reminded of, so we can begin to visualize how important this topic is. Yes, Ivan was a Category Five but we had Category Three tropical storms causing significant

damage. Nobody can forget hurricane Gilbert in '88. In fact, l certainly won't forget since it occurred on my birthday. It killed 45 persons and of course, it affected significantly the housing stock and agriculture in our country. We have smaller systems which did not make landfall. Some of us particularly in the South-Western Jamaica remembered Isidore and Lilly. Lilly, for example, destroyed the whole sugar cane crop and I'm sure the Members from Western Jamaica will recall that.

In 2005 we had the double whammy, what I call the double whammy of Dennis and Emily. Before Emily, Dennis was considered the strongest July storm of all times but when Emily came it surpassed Dennis and was considered the strongest storm, July storm rather, of that period. And these storms, both of them, caused death and devastation in our country: one fatality in the case of Dennis and in the case of Emily we saw at least four fatalities.

Of significant importance, Madam Speaker, to the Members of this House, of course, is Hurricane Dean, which struck in 2005, in August of 2005. It was a category 1V and resulted in one fatality but extensive damage to the housing stock. And we were devastated by Gilbert. And I remember that a lot of the insurance practices and approaches to building changed. But then came Dean, which significantly affected housing stock again. But of note, Madam Speaker, was the fact that the lower income groups, the lower income housing stock, was those most affected.

l want to just remind this House, Madam Speaker, that the impacts of tropical cyclones are exacerbated by poverty and, therefore, when we look at this motion and how we are going to mitigate the effects of cyclones, tropical cyclones in the future, we have to look seriously at poverty. So we can't look at it in an encapsulated form, in a narrow form, we have to look at the bigger picture, a holistic picture.

Madam Speaker, there have been disasters which have affected our country, which have not necessarily been cyclones, causing extensive agricultural damage, economic damage, and in fact there was a particular flood in 1986 which caused the loss of fifty-four lives. That we have to take into consideration, Madam Speaker, as we begin to fashion plans for improvement to mitigate against these.

I want to now turn, in wrapping up this presentation, Madam Speaker, to a small impact, the impact of cyclones in eastern Jamaica. And I am sure there are two other Members here - the Member from West Portland, the Member from Eastern St. Thomas - would be interested in maybe speaking to this because their constituencies also have been affected significantly. And it's important, Madam Speaker, to appreciate why also, separate and apart from the location, why cyclones have affected significantly eastern parishes, tropical cyclones. And the Member from St. Catherine will recall in my opening remarks I defined what cyclones were, or are, and if he was listening he would have known now what cyclones are as against the difference from tropical cyclones.

(Cross talk)

Dr. RHODD: Now in eastern Jamaica the communities in eastern Jamaica, Madam Speaker, are predominantly rural communities and they depend significantly - their economy, economic base is predominantly agriculture.

Mr. WARMINGTON: There is no cyclone in Jamaica, tropical storm!

Dr. RHODD: And we have seen repeatedly how tropical cyclones have devastated, through landslides, through floods the agricultural produce, the livelihoods of the communities of eastern St. Thomas, eastern Portland and western Portland in particular.

A lot of these communities, Madam Speaker, are in low-lying plains and, therefore, they are prone to flooding. But one thing I would like you to remember, Madam Speaker, and the House to remember, is the importance of the two largest mountain ranges in our country which are located in the eastern section of Jamaica - the Blue Mountains and the John Crow Mountains. And we know that these significant mountain ranges contribute to the levels of rainfall which occur when we have a tropical cyclone.

I would also like to point out, in positioning the importance of our eastern communities and the effect that they have, or the impact that flooding has on them, to point out that the number of hydrological basins which exist in eastern, Jamaica, Madam Speaker. In fact of ten (10) hydrological basins in Jamaica the northern basin in Portland is divided into ten (10) sub-basins and five (5) significant of these basins lie in Portland.

Mr. WARMINGTON: He is torturing the House.

Dr. RHODD: So when you multiply the effect of the wind, the surges, sea surges, storm sages, the mountains, the hydrological basins, the number of rivers which are running off, you recognize the impact, Madam Speaker, which these eastern communities in eastern St. Thomas, western St. Thomas, eastern Portland and western Portland have been facing during the years.

Madam Speaker, we have seen, therefore, that the banana industry, the coffee crop, oftentimes have been wiped out when these cyclones come around...

Mr. WARMINGTON: Hurricane.

Dr. RHODD: ...affecting millions, billions of dollars. We have seen also that some of these communities are tourist resorts and, of course...

Mr. WARMINGTON: There is no cyclone in Jamaica.

Mr. PEART: When yuh guh home look it up.

Dr. RHODD: ...the tourists move to other areas and the infrastructure which is devastated by these tropical cyclones, by these hurricanes....

Mr. WARMINGTON: Tropical storms.

Dr. RHODD: ...by these hurricanes, Member, right, by these hurricanes, affect the ability of these areas to be marketed and, therefore, again this is another loss of income. So we have loss of income from agriculture, agricultural produce, agro processing, aggregate mining in some instances, and then tourism. And in many cases we are talking about the livelihoods of at least seventy to eighty per cent (70% - 80%) of the working population.

(Cross talk)

Dr. RHODD: So, Madam Speaker, in closing this opening presentation I would like to appeal....

Government MEMBER: Again.

Mr. BUNTING: He is closing his introductory remarks. (Laughter)

Dr. RHODD: …to the Government, as stated in the Resolution in paragraphs 4 and 5,

to do a comprehensive study of the impact of these hurricanes, of these tropical cyclones.

The quality of life, Madam Speaker, the quality life of tens of thousands of citizens, thousands of families, tens of thousands of citizens continue to be significantly impacted by the recurrence, the frequency and the strength, the increase in power of some of these hurricanes. We have seen over the years that persons who could make it have now, apart from losing their income, have now even psychological problems. Many families now have health-related problems as a result of the recurrence and frequency, the strength, the power of this.

So I am calling on the Government, Madam Speaker, to do a significant study. It is stated here in the Resolution, to look at Portland and St. Thomas as special areas for study and action. I made the point, made the case in respect to the impact of the tropical cyclones; I have made the case in respect to the geography, the locations of these constituencies, these parishes, I have made the case in relation to the geology and hydrological composition of the land mass.

Mr. WARMINGTON: I wonder which Damascus road you went on last night!

Dr. RHODD: I want to also make the case, Madam Speaker, in respect to the infrastructure - and I am sorry the Minister of Transport and Works is not here. Some work has begun but we now - and I heard the Member from West Portland speak in another area about significant sums that are coming from a particular Agreement being signed, or which has been signed, I am appealing to the Government to look at Portland as a special - and St. Thomas, in eastern Jamaica - as special areas for attention.

If we are to save the lives and livelihoods of thousands of families, if we are to prevent the continued rural/urban drift which is impacting on other socio-economic problems such as crime and violence elsewhere, we need to look at this in a holistic way, Madam Speaker.

Therefore, again I want to thank you for allowing me to make this presentation here this evening at this late hour. And I call on the Government to make the necessary study to assist us in Portland and St. Thomas.

Mr. CHARLES: Madam Speaker, we have to recognize that the item brought to this House in this Resolution is very important, and the Minister in charge is going to respond right after I say a few words.

All Jamaica, all Jamaica is affected by hurricane.

Mr. PICKERSGILL: But not your part.

Mr. CHARLES: ...not just the east, not just the east coast, from Port Royal, all the way back to Portland. Very, very serious. My constituency was blown down one time. But I want to assure the Member, that bringing this Resolution at this time is to alert us....

Mr. WARMINGTON: Alert! We know long time.

Mr. CHARLES: ...of what is possible this year is not a bad thing. We don't have hurricanes annually. We didn't have any last year, thank God. As a result of that, agriculture is doing very well. The Minister of Agriculture is very fortunate. The dry weather has plunged on him and given us some problem. But as you have said, Member, it's a natural disaster. We are planning for it. We have had meetings already. The Disaster Committee is at work. Food is in place, budgetary allocation is in place.

Mr. PICKERSGILL: Beds and tents.

Mr. CHARLES: Beds and tents and all of these things are in place because it is possible that natural disaster, like hurricane, will hit us. One of the things that the Member did not mention is the climatic global warming, which is a frightening situation.

I saw a presentation by two young Jamaican engineers, taking into account what is being predicted around the world, and if that goes that way in a few years what they put on the screen to be Jamaica, don't look like a happy place.

Mr. PICKERSGILLL: You have a copy?

Mr. CHARLES: I can get the map.

And so we as Parliamentarians need to be aware that, just like Haiti was not prepared for a category what was it? Six point - Chile was 8.8. When we thought that that was the worst earthquake that was going to hit us as a natural disaster, then come Chile. And one of the things that is being cried for in Jamaica right now, is the question of **Building Code**. And I think that we need to alert ourselves, that without a proper building code, without people understanding - and I hope the Minister is going to touch on it, because too many of our people are living on riverbanks, too many of our people have defied Government rules and living on the banks of river and natural disasters destroy them at our experience. And we need to understand that you can hardly budget for these things, but you have to prepare and there is some preparation as far as we are concerned.

We have a ministry under which disaster preparedness falls, we have a disaster preparedness committee that meets from time to time and is in place. Somebody said we are waiting for 'if it ever happens' a natural disaster. Emergency standby units are in place and I have said earlier, budget has been allocated for it.

So, Madam Speaker, we are frightened by what is happening around us, but we all must prepare ourselves. Parliamentarians need to encourage people in their constituencies particularly those who are living on riverbanks, to move.

Mr. PICKERSGILL: And go where?

Mr. CHARLES: Well, just like how you find a riverbank to live, you have to find someplace else to live because you are not going to live long on the riverbank.

The Member before us was quarrelling about - what is the place out there –

Mr. GALLIMORE: Caribbean Terrace.

Mr. CHARLES: Caribbean Terrace, that was passed, that was submitted as a plan and passed by government for them to build and government went and buy out some of the houses that were destroyed and they have big insurance, and then come everybody wants the government to use my money and buy out their house. And the honest truth is, there are some people in our constituency who are in worse position. I am not suggesting at all that government must not assist the people, not suggesting that at all.

So, Madam Speaker, I say to the Members of this House, it is a very serious concern; it is not a laughing matter. It can hit us any time. It used to June too soon, July stand-by, August look-out you must, September remember, October all over, it is not so anymore. October is likely to begin.

Mr. PICKERSGILL: That was about marriages.

Mr. CHARLES: That was about what?

Mr. PICKERSGILL: Marriages, weddings.

Mr. CHARLES: Marriages. So, Madam Speaker, I encourage our colleagues in this House to look at what is being said and prepare ourselves.

No government can really prepare for this sort of natural disaster sufficiently. But we can have emergency across-the-board readiness for however it comes in the East, in the West, or in the Central.

Thank you very much.

Mr. M. PEART: Madam Speaker, I rise in support of this motion and I commend the Member from East Portland for bringing this motion to the Parliament.

Madam Speaker, I remember very vividly when a hurricane was threatening Jamaica...

A MEMBER: Charlie!

Mr. M. PEART: Don't remember that one. I went to Alligator Pond, the only fishing village in my constituency, and the hurricane was hours away and I was beseeching the citizens to move from where they were along the beach to the New Forest School for protection. And literally 99% of the people ignored me. Fortunately, when the hurricane hit there was no storm surge at Alligator Pond, but the storm surge that came ashore in Clarendon, overran Portland Cottage and I went there to visit to see the destruction of that storm surge. And I vividly remember on television hearing a young lady, giving the description of what happened to her when the water rose and she had to leave her house with her husband and two children. And one child was, I think, two years old, was on the husband's shoulder and the other one was held by the side, by the waist. They finally reached high ground only to find that the one that was being held at the side of the husband had drowned because the water was up above his shoulders.

Madam Speaker, we have heard and seen on television the devastation in Haiti, and one of the concerns that I have, is that many people in Jamaica, having suffered from the damages from the hurricanes are now proceeding to build a concrete roof on a part of their House. Many of these people or most of them have no approval from the Parish Councils, the authorities. We don't know the standards that they are using to build these slab roofs. And when you see what happened in Haiti and compare it to what happened in Chile, you realize that, if the standards are kept, if the standards are in place and the standards are kept, loss of lives can be drastically minimized because in Chile the earthquake was significantly higher than the one in Haiti but less physical infrastructure damage.

So I believe we have to insist on the standards inspection of houses that are being built and insist on the standards that they are to be built by. We need public education along the coastline to guard against destruction from storm surge. And I believe this motion needs to be amended in only one way and that is to incorporate the rest of Jamaica, because when these hurricanes are coming, we don't know which corner of this island they are going to hit, sometimes they hit the east, sometimes they hit the west and sometimes they come right through the middle.

So in support of the motion, I am recommending to the Member to widen the scope of it to incorporate an overall study for the entire island.

Thank you.

Mr. VAZ: Madam Speaker, the Government of Jamaica is preparing a national spatial plan with part funding from the Caribbean Development Bank that is expected to develop strategies for addressing development in environmentally sensitive areas. This will include areas at high-risk to natural hazards and climate change. Maps will be prepared indicating no-build zones and high-risk zones. Work on the proposed St. Thomas Development Order will also address the issue of development in the high-risk areas in that parish. I would also hasten to point out that the Portland Development Order has been completed and is in the final stage of being implemented.

Comprehensive studies on the impact of recurrent natural disasters on eastern parishes of Portland and St. Thomas are being done. And the initiative such as the national spatial strategy and parish development orders will provide a comprehensive study on the recurrent impact of natural disasters on the Eastern parishes among other parishes.

The Planning Institute of Jamaica receives Report from the various agencies on the investigations conducted after each hurricane and natural disasters for submission to the Economic Commission on Latin America and the Caribbean. Together with the Office of Disaster Preparedness and Emergency Management these agencies will lead the follow-up actions including the preparations of comprehensive studies of this nature.

So, suffice it to say, Madam Speaker, based on the concerns and the rightful concerns of the Member from East Portland supported by the Members from Clarendon and Manchester, this issue is being addressed and it is something that is high on the Government's agenda as a priority based on the climate change that we are experiencing and the fact that we have seen what has transpired in recent years with the advent of the climate change.

Thank you.

Mr. HIBBERT: Madam Speaker, the Member for Eastern Portland represents a constituency that history has shown has experienced the second highest rainfall on earth. This was in the 1936. And while I am in support of the motion that he raised, I want also to accept what the Member has said, that we should extend this study to the whole of Jamaica.

I represent a constituency that has suffered quite extensively each time there is flood rains, hurricanes and so on. But the Member also represents a constituency where the infrastructure, but for the main roads along the coast is totally intra-regional. In that, all the roads in Eastern Portland, you move from the centre back out, there is no cross linkages between the parishes, and one of the reasons, whenever there is damage in the area there are a lot of persons who are marooned.

Years ago, I have brought it to this House before, but years ago, our legislators having seen the problem had a loan to carry out a road from Bath through to Millbank, in fact that road had started a long time, it was never completed. And the Member can confirm that with the damage you had that Friday, sometime ago, when that section of the roadway was washed away and caused total marooning of the people North East of there, had that road been built then they could have had direct access through to St Thomas.

The problem you have is that if you are going along the coastline, there is no inter-

regional road between St. Thomas and Eastern Portland, nor is there one between Eastern Portland and Western Portland. And so the infrastructure will have to be considered. Whatever study we do, we will have to take that into consideration, because at the end of the day there must be some statement as to the impact the hurricanes are having on the livelihood of your people, and how safe they are whenever you have the rains.

I want to suggest that some studies have been done before, the geological survey of the University of the West Indies has, in fact, conducted a number of studies. How extensive it is, I do not know. But I would suggest that when we try to get - we could involve them, to see what work they have already done, and to see what additional work needs to be done island wide.

I would also recommend that this motion be submitted to the Infrastructure and Development Committee of Parliament, for further consideration.

Thank you. (Applause)

Dr. BARTLETT: Madam Speaker...

Mr. WARMINGTON: Madam Speaker, Madam Speaker - just a minute - when I came here... (*Sotto voce* comments) Just a minute, just a minute, just minute, I got the Speaker's attention.

When I came here in 1980, there was a protocol in this House. I came back here in 2002 and I have noted that that protocol is not observed. And that is, when a Minister for a portfolio subject speaks, it is recognized that no other member speaks after that. When I came here in the 1980s that was observed.

(*Sotto voce* comment from Mr. M. Peart) And between - when you were Speaker you didn't know the rules, you allowed that to happen, you caused it to happen. You caused it to happen. And we need to observe the protocol in this House.

(Laughter)

Mr. PICKERSGILL: This House is becoming a real joke.

(Cross talk)

Dr. BARTLETT: Madam Speaker, this matter that is embodied in this resolution is one that affects all of us, but moreso, Madam Speaker, in my own constituency in Eastern St. Andrew.

You see, Madam Speaker, my constituency is bordered on the east side by the Hope River. And every time there is a hurricane of any magnitude, my people are affected. Over the last seven years that I have been a Member of Parliament, every single year - and four or five years ago when we had that same problem, I could not get one person to come up there from the government at the time. But two years ago....

Mr. PICKERSGILL: That is why you get up to come and talk! Siddung! (Heckling)

Mr. VAZ: If you did know you would not support him.

Dr. BARTLETT: But two years ago, Madam Chair - you know why he is like that, because he was the Minister at the time, and I asked him to come there and to give us some help, and he never did. That's why you are saying that now, because you guilty! You guilty! That is why you are saying that now, because you were the government then.

(*Sotto voce* comments)

But Madam Speaker, in the last hurricane that we had, our own Prime Minister...

Mr. WARMINGTON: You asked for it. (Laughing)

Dr. BARTLETT: ...was there with us during the period...

Mr. PICKERSGILL: Who you calling your own Prime Minister? You own any Prime Minister?

Dr. BARTLETT: ....The Honourable Bruce Golding.

Mr. PICKERSGILL: Well, say the Prime Minister! 'Bout our own Prime Minister!

Dr. BARTLETT: Our own dear Prime Minister of this country, who is a great man, who is doing a lot for this country.....

Mr. PICKERSGILL: 'bout our Prime Minister.

Dr. BARTLETT: ...something that you could never have done.

Mr. WARMINGTON: He has a right to say that; he is all of ours.

Dr. BARTLETT: The Prime Minister was there with us, Madam Speaker, and he saw firsthand some of the things that happened. He saw houses tumbling in the Hope River. And he gave the assurance that he would have done something for the people along the Hope River. Two days later the Minister of Water and Housing was there with us. And today, Madam Speaker, I am very proud, and I am sure that the people of Eastern St. Andrew, along the Hope River, are also happy for this Government because this Government has relieved them of the possibility of being washed off the riverbank one more time after a hurricane.

(Government Members applaud)

Mr. M. PEART: Pearnel say you must move.

Mr. PICKERSGILL: Politicizing a very important topic. Siddung!

Dr. BARTLETT: We are not politicizing. The fact is that this Government has done something, when your Government did not do anything about it. That's it. And you should be ashamed of yourself! You should be ashamed of yourself to be here talking! Because we are here to represent the people, and people representation is very, very important.

Mr. PICKERSGILL: Look how the other speaker made a sensible point.

Dr. BARTLETT: And so, Madam Speaker, while I support this resolution, I want to say thanks to our Government for ensuring that consideration is given to the people of my constituency...

Mr. PICKERSGILL: Turn off the microphone! **Hansard** should never record it!

Dr. BARTLETT: ....who live along the Hope River, that they have now been relocated; they are provided with lands in safe areas to build new homes, so that they will be secured when there is another hurricane.

Mr. PICKERSGILL: Siddung!

Dr. BARTLETT: And so, Madam Speaker, I support this resolution in all its facets, and hope that we will continue - this Government will continue to do the kind of work to alleviate individuals who will be affected by these natural disasters.

Thank you. (Applause)

(Cross talk)

Dr. GUY: Madam Speaker...

Mr. WARMINGTON: Maurice! The House becomes a... sit down! (Laughter)

Dr. GUY: I rise to support the motion moved by the Member for Eastern Portland.

(Cross-talk)

Madam Speaker, all the speakers who have - Members of this House who have spoken before - can I be allowed to speak in silence, Madam Speaker?

The DEPUTY SPEAKER: Members! (Gavelling)

Dr. GUY: Thank you.

All speakers prior to this, Madam Speaker have spoken about the effects that the hurricanes and other natural disasters have had in their respective constituencies. Indeed, Madam Speaker, it's a national effect, because whatever of the sixty (60) constituencies that exist in this island are all affected by hurricanes, potential for earthquakes, and as the Member from East Portland alluded to, also the impact of drought.

The Minister, speaking on behalf of the Government, made mention of the fact that there is a spatial mapping that is going to be done, and a programme, or a plan is going to be implemented, and there is going to be on that particular plan, areas where there are no-build zones.

The fact is, however, that there are some significant townships in this country that lie at and in some cases, below sea level. And it is something that we need to address, because Port Maria and Annotto Bay in central - in St. Mary, are areas which whenever there is a hurricane or even a tropical storm, those two areas are always flooded. And there needs to be some plan in place, in tandem with what the Minister made reference to, that in addition to no-build zones - because these areas are already built up - to have some protection for these respective towns.

But Madam Speaker, I think we need to go a bit further, because in addition to what plans that need to be done to - or studies that need to be done to understand how these natural disasters will have their respective effects on the country, there are things that we can do now, as a people, to help to mitigate the extent of these disasters.

Flooding: The increased deforestation that is taking place in this country, Madam Speaker, is one of those things that need to be addressed as a matter of urgency. We don't need any plans to look at that, because we know that the deforestation is one of those things that increases the water run-off, brings a lot of silt down into the low-lying areas. And what is happening in Kingston today with the drought is indeed a reflection of what is happening in the hillsides.

So Madam Speaker, in supporting this particular resolution, I think that we need to not only look ahead, but we need to also look at what is happening in our environment right now and take steps to ameliorate it.

Thank you, Madam Speaker.

(Applause) (Cross talk)

Dr. RHODD: Madam Speaker, in closing this motion - debate on this motion, I would like to first of all thank the Members from both sides for their contributions. The Member from North Central Clarendon, South Manchester, West Portland, East Rural St. Andrew, Eastern St. Andrew, Central St. Mary.

Madam Speaker, I would like us to, in closing this motion, ask that the - in conducting the study, the Government accepts the recommendations of the Parliament. In conducting the study we have seen a number of recommendations coming out of the debate. In fact, the Member from West Portland, the Minister with responsibility for development, I was happy to hear him speak about the spatial mapping and the development orders. And I would like to commend the Government for moving along this line. Because I think fundamentally, if we are going to do anything

seriously about helping to mitigate some of the effect on shelter, we need to seriously look at this.

But I think, Madam Speaker that we need to move at a quicker pace in dealing with this spatial mapping challenge or issue, and also that development orders must encompass the whole country. It's fulltime that we now fast-track legislation to deal with development orders for all parishes in Jamaica, every single one.

And I think that we need an enlightened philosophy, in respect to how we treat with these things, Madam Speaker. Because the implications for land reform, and the allocation of land, particularly to the landless, it is very significant that we empower the National Land Agency, Titles Office, to assist in fast-tracking this process. I think if it's one thing we can significantly do, as a Parliament, on both sides, that is where I think we need bi-partisan cooperation. If we want to create a significant dent on poverty in this country, which at the same time is going to deal with mitigating the effect of natural disasters, and specifically, hurricanes, is to fast-track this process of enabling every Jamaican family to own a piece of this rock. There are significant amounts of government lands around, lying idle, and I think that we need to urgently look at how we provide shelter and shelter solutions in a universal way. And I think it can be done with bi-partisan cooperation. I think it's very important. I think it's a significant step in improving the quality of life for our citizens. It can save lives; it will help to secure property.

Madam Speaker, another significant recommendation which I would like to ask the Committee to consider, is fast-tracking infrastructure works, engineering works, river training. A lot of the flooding which occur is because a lot of our rivers are just untrained. I mean, they are just running wild. I mean, they overflow their banks. Sometimes, as the Member from Western - Central St. Mary spoke about; they are silted, heavily silted. They need to be dredged, they need to be trained.

A lot of our bridges...

Mr. M. PEART: Oh, Lord!

Dr. RHODD: ...a lot of our roadways; a lot of areas need retaining walls. So, again, I heard about some money coming from one of our partners in eastern - from China in particular, I hope that a lot of this is being looked at in terms of mitigation, in respect to the effect of hurricanes.

(*Sotto voce* comment by members)

Dr. RHODD: Madam Speaker, legislation also needs to be strengthened in respect of Building Codes. The Member from Manchester spoke about that. We have persons who are really building in areas where they shouldn't build. And we need the Committee - it is going to be accepted, to look at how we strengthen building codes. Some of these codes - some of the standards that we are using date back 50 years; some of them date back 30 years. But they are just standards which have been adopted by the building community, the professionals, the architects, the planners, engineers, but it is not in law. And the Parliament needs to speak to making some of these regulations, some of these measures – 'engineer' from St. Catherine knows what I am speaking about - making these regulations, these practices become law. I know the professionals have done a lot of work on this, to date. We now need to move it to the step of getting it Tabled in the

Parliament and making it become law.

I would also like for the Committee to consider insurance measures. For example, in the United States there are two Bills now, the House Bill 1181 and the Senate Bill 2264, which aim to reduce the window for hurricane claims from five to three years. We need to ask the insurance industry, maybe to partner with the Government to look at how, not only how we improve public education which one of the Members spoke to, but how we look at low cost insurance for a broader groupings of persons. We even need to begin to sensitize communities, citizens associations, schools, church groups, in a holistic way. Insurance now sometimes is for a privileged few. I think there is the need to now look in a more comprehensive way at insurance of property for a broader cross-section of the Jamaican populace, in a universal way. It can be done, I think with partnership within private sector and the public sector.

There is also, Madam Speaker, the need to break the culture of just negligence of some persons. And if we can get more persons to really accept their responsibility in preparing when they hear the warnings, we could significantly change how we behave.

Finally, Madam Speaker, the Member, I think from Clarendon, spoke about global warming. We have signed on to the KyotoProtocol which was in 1997. And in fact, it is an international framework which is really assisting to monitor how we deal with mitigation of natural disasters, and the impact on global warming, greenhouse gases, and how they affect the atmosphere. I think this is something that we need to increase public awareness on. And again, I ask that we look at this as a Parliament and see what role we can play in strengthening public education on this.

A MEMBER: Amen.

Dr. RHODD: Madam Speaker, I would like, therefore, to close by asking that the recommendations which could emanate from this study, if they are accepted, also examine the role of local authorities. Both administrations - well, this present one, I know, and previous administrations, have looked at strengthening local authorities.

(*Sotto voce* comment)

I think that we have not empowered local authorities enough because they can play a greater role in mitigation. We have now spent a lot of money over the years, of establishing, Citizens Community-based organizations, Development Area Councils, CDCS and PDCs. We now need to devolve some power to them, but it can't be just in terms of - in a theoretical way, they need to be given more resources, physical, quality human resources, financial resources, to assist what they do.

So, Madam Speaker, again I would like to thank you and the House for allowing us to debate this Resolution. And there was a proposal to move an amendment, I donation if the House would like to consider the amendment or we should make it remain as...

Mr. M. PEART: Withdrawn, withdrawn!

Dr. RHODD: The Member has withdrawn the proposal. I would just like to therefore put the Resolution - put the motion to the House:

> Whereas hurricanes and tropical cyclones are a part of the natural phenomena in the Western Hemisphere;
>
> And Whereas these phenomena occur annually and have been increasing in number and frequency;

And Whereas the eastern section of country has experienced the onslaught of several of these natural disasters during the past decades - that was the change I wanted to propose, decades instead of decade, that's an 's' there.

Be it Resolved - that is the amendment I am proposing, Madam Speaker:

Be it Resolved that the Government conduct a comprehensive study on the impact of recurrent natural disasters on the eastern parishes of Portland and St. Thomas.

And Be it Further Resolved that the recommendations of this study be sent to the Cabinet and Parliament for evaluation and action.

May it please you.

The DEPUTY SPEAKER: Thank you very much.

Members, the Resolution before the House is as put by the Member. The question is that the Resolution as placed before the House by the Member be so approved.

Put to the House and agreed to.

The DEPUTY SPEAKER: Resolution approved. Leader of...

(*Sotto voce* comments by some members)

Mr. HOLNESS: Oh, you have another matter?

MEMBERS: Yes, man!

(Laughter)

ADJOURNMENT

Mr. HOLNESS: Madam Speaker, it is not proposed to do any further business. I therefore, move that the House do adjourn until Wednesday, March 10, when we will resume our business.

The DEPUTY SPEAKER: The question before the House is that the House be adjourned until tomorrow, Wednesday 10th at 2:00 p.m.

Put to the House and agreed to.

The House accordingly adjourned at 7:08 p.m.

WEDNESDAY, March 10, 2010

PURSUANT to Notice of Adjournment the Honourable House of Representatives resumed its sitting at Gordon House, Kingston at 2.25 p.m.

PRESENT

THE SPEAKER

HON. DELROY HAWMIN CHUCK, (JLP), St. Andrew, North Eastern.

MRS. MARISA COLLEEN DALRYMPLE-PHILIBERT, (JLP), Trelawny, Southern, Deputy Speaker.

MEMBERS OF THE CABINET

THE HONOURABLES:

ANDREW MICHAEL HOLNESS, (JLP), St. Andrew, West Central, Minister of Education, Leader of Government Business and Electoral Matters.

KARL GEORGE SAMUDA, CD, (JLP), St. Andrew, North Central, Minister of Industry, Commerce and Investment.

PEARNEL PATROE CHARLES, CD, (JLP), Clarendon, North Central, Minister of Labour and Social Security.

DR. CHRISTOPHER CHARLES TUFTON, (JLP), St. Elizabeth, South Western, Minister of Agriculture.

JAMES RUDOLPH EDWARD ROBERTSON, (JLP), St. Thomas, Western, Minister of Mining and Energy.

MINISTERS OF STATE

THE HONOURABLES:

DARYL WESLEY PHILLIP VAZ, (JLP), Portland, Western, Minister without Portfolio in the Office of the Prime Minister, Information and Telecommunication.

WILLIAM JAMES CHARLES HUTCHINSON, (JLP), St. Elizabeth, North Western, Minister of State in the Ministry of Agriculture.

CLIFFORD EVERALD ERROL WARMINGTON, (JLP), St. Catherine, South Western, Minister of State in the Ministry of Water and Housing.

NEVILLE ANDREW GALLIMORE, (JLP), St. Andrew, West Rural, Minister of State in the Ministry of Labour and Social Security and Deputy Leader.

OTHER MEMBERS

DR. ST. AUBYN BARTLETT, (JLP), St. Andrew, Eastern.

MR. LUTHER BARTLEY MONTEITH BUCHANAN, (PNP), Westmoreland, South Eastern.

MR. ROGER HAROLD CLIFFORD CLARKE, (PNP), Westmoreland, Central.

DR. FENTON RUDYARD FERGUSON, (PNP), St. Thomas, Eastern.

DR. MORAIS VALENTINE GUY, (PNP), St. Mary, Central.

MR. IAN DAVE HAYLES, (PNP), Hanover, Western.

MRS. SHARON MERLE HAY-WEBSTER, (PNP), S. Catherine, South Central.

MR. JOSEPH URIAH HIBBERT, (JLP), St. Andrew, East Rural.

MR. FITZ ARTHUR JACKSON, (PNP), St. Catherine, Southern.

MR. DESMOND GREGORY MAIR, (JLP), St. Catherine, North Eastern.

DR. KENNETH WYKEHAM MCNEILL, (PNP), Westmoreland, Western.

MRS. NATALIE GAYE NEITA-HEADLEY, (PNP), St. Catherine, East Central.

MR. TARN ANDREW PERALTO, (JLP), St. Mary, South Eastern.

DR. PETER DAVID PHILLIPS, (PNP), St. Andrew, East Central.

REV. RONALD GEORGE THWAITES, (PNP), Kingston, Central.

MR. FRANKLYN ROBERT WITTER, (JLP), St. Elizabeth, South Eastern.

PRAYERS

Prayers were offered by Reverend Ronald Thwaites.

The Honourable House resumed its sitting at 2.25 p.m.

The SPEAKER: Please be seated.

This Honourable House now resumes its sitting.

CALL OF THE ROLL

(See Listing)

ANNOUNCEMENTS

The Clerk laid on the Table of the House a copy of the following:

- Report of the Sessional Select Committee on Infrastructure and Physical Development
- Report of the Joint Select Committee on its deliberations on the Bill entitled the Financial Investigation Division Act, 2008.

(DR. ESMOND VERNAL PATRICK HARRIS, (PNP), Trelawny, North, entered and took his seat.)

QUESTIONS AND ANSWERS TO QUESTIONS

The SPEAKER: Mr. Buchanan.

Mr. Luther Buchanan gave notice that at the expiration of 21 days he would ask the Minister of Education the following questions:

1. Why has the Ministry not released the results of the Grade 4 Numeracy Tests as is the practice with the Grade 4 Literacy tests?
2. Is the Minister aware that contrary to his commitment to increase the number of Mathematics Specialists in this academic year, there has been no such increase?
3. Is the Minister aware that there are teachers presently in Jamaica, who were sent to Japan for specialized training in Mathematics?

   If the answer is in the affirmative, can the Minister state how many there are?
4. Is the Minister also aware that a number of Mathematics Specialists were interviewed and approved but their services were not engaged?

   If the answer is in the affirmative, can the Minister state why their services were not engaged?

The SPEAKER: House Leader, any answers to the. . .

Mr. HOLNESS: Unfortunately, Mr. Speaker, the Members from whom answers are due are not present.

The SPEAKER: We can recommit if they come.

Mr. HOLNESS: If they...

The SPEAKER: Thanks very much. House Leader?

(MR. DERRICK CHARLES SMITH, CD, (JLP), St. Andrew, North Western, entered and took his seat.)

PRESENTATION OF BILLS WITHOUT LEAVE OF THE HOUSE FIRST OBTAINED

The SPEAKER: House Leader?

THE TERRORISM PREVENTION ACT

Mr. HOLNESS: Mr. Speaker, I now move to introduce and have read a first time a Bill shortly entitled "**The Terrorism (Amendment) Act, 2010".**

Bill shortly entitled:

"The Terrorism Prevention (Amendment) Act, 2010"

read a first time.

Mr. HOLNESS: Mr. Speaker, I beg to give notice of second reading of the Bill.

Mr. Speaker, I further beg to give notice that at a later stage today I will seek suspension of the Standing Orders to enable me to take second reading of the Bill and to take it through all its concluding stages.

PUBLIC BUSINESS

Mr. HOLNESS: Mr. Speaker, at Public Business today, we will take the Bill of which I gave notice earlier. We will also take the Report of the Standing Committee of the House that was appointed to consider the delineation of constituencies and ask for its approval.

The SPEAKER: House Leader, remember in that matter the Standing Orders committee we were hoping that the Prime Minister would make a presentation.

Mr. HOLNESS: Mr. Speaker, this is the committee that reported on the boundaries.

The SPEAKER: Oh, the Boundaries Committee, sorry. I am very sorry.

Mr. HOLNESS: Further, Mr. Speaker, we will be taking Private Members' Motions, Motion No. 6 standing in - well, the Member isn't here. We will be taking two Private Members' Motions, Mr. Speaker: One from the Member from East Central St. Andrew and one from the Member from North East St. Catherine. We will go as I gave indication, Mr. Speaker.

The SPEAKER: You want to go ahead then.

Mr. HOLNESS: So we will take the Terrorism Bill.

The SPEAKER: Very well. Proceed then, House Leader.

Mr. HOLNESS: Mr. Speaker, I now move for the suspension of the Standing Orders to enable me to take second reading of the Bill, notice of which I gave earlier, and also for me to take the Bill through all its concluding stages.

The SPEAKER: Members, the motion before the House is for the suspension of Standing Orders to allow the Minister to take the Bill, notice of which he gave earlier.

Put to the House and agreed to.

THE TERRORISM PREVENTION ACT

Dr. PHILLIPS: Mr. Speaker, just to be clear. The Bill and the Regulations are to be subjected to the same debate, in other words, you are doing it all at once or you have done the Bill already?

Mr. HOLNESS: Very important question asked by the Member. We will not take the Regulations directly today because we would

have to make an amendment to the Act, which is what we are going to do now, which would enable us to make the Regulations. So we will take the amendment first, it will then go to the other House and when that is passed then we'll take the Regulations. So we are taking the amendment now.

Dr. PHILLIPS: Why not all at once?

Mr. HOLNESS: Because, Member, we need to first of all create in the law the power for the regulations before we make the regulations.

Mr. Speaker, the Terrorism Prevention Act came into force in June 2005. The Act implemented the UN Security Council Resolution, 1373 which was passed in the aftermath of the September 11 terrorist attack on the United States. Security Council Resolution 1373 was passed under Chapter 7 of the United Nations Charter and that is for the maintenance of international peace and security. By virtue of Article XXV of the Charter, Jamaica as a member of the United Nations is obliged to carry out the actions required by the Resolution and, of course, Mr. Speaker, the Resolution lists several measures that the international community should take and abide by in order to combat international terrorism.

The Resolution identifies 12 anti-terrorism instruments to which States must become a party to. The Terrorism Prevention Act, that is the Jamaican Terrorism Prevention Act, implemented eight (8) of those agreements. It also created several other terrorism offences. These offences include using property for terrorist purposes and participation in the activity of a terrorist group. Section 47 of the Terrorism Prevention Act gives the Minister the power to make regulations subject to affirmative resolution. Section 29 of the Interpretation Act, however, imposes a limitation on this power by providing that unless the principal Act, which in this case would be The Terrorism Prevention Act, specifically states otherwise, any penalty for breach of the Regulation shall be limited to a maximum of J$1,000.00 or three months imprisonment at hard labour. Of course, Mr. Speaker, these penalties are totally inadequate to punish acts which would rise to such a serious nature to be considered as terrorism. Therefore it is necessary to amend the Terrorism Prevention Act to allow the Minister to make regulations and to prescribe the appropriate penalties therein.

What we are proposing to do with the amendment to the Terrorism Act, Mr. Speaker, is that we would amend section 47 of the Act, that is, the section of The Terrorism Prevention Act which gives the power to the Minister to make regulations and this section basically states that the Minister has the power to make regulations. We would add a subsection which would specify the penalties for breaches of any offence created under the Act. Basically, Mr. Speaker, therefore, that is the essence of the proposed amendment. And what we are saying Mr. Speaker, is that this subsection states that with respect to Regulations made under section 47, the penalties for a breach of such regulations may exceed those specified in section 29 of the Interpretation Act. So in essence, Mr. Speaker, we are making a minor but nevertheless important change to the legislation to allow for penalties greater than that which was provided for in the Interpretation Act for the benefit of executing any such penalties under the Terrorism Prevention Act.

Mr. Speaker, the actual amendment, therefore, would be that section 47 of the principal Act, in this case the Terrorism Prevention Act, is amended by renumbering the section as section 47(1) and inserting the following section as subsection (2): "*Regulations made under this Act may impose in respect of a breach in any of the provisions of such regulations, penalties in excess of the penalties species by section 29 of the Interpretation Act*." That's basically, Mr. Speaker, what we intend to do with this amendment.

The SPEAKER: Thank you, House Leader. Dr. Phillips.

Dr. PHILLIPS: Mr. Speaker, as has been said by the Leader of the House, who has carriage of this Bill on today on behalf of the Minister of Foreign Affairs, in whose name the Bill stands, and as he has explained, the amendment here is a simple one.

Perhaps when we get to the Regulations, the Terrorism Prevention Reporting Entities Regulations, we may have more to say. On the face of it, Mr. Speaker, there is no objection to the amendment which simply calls for penalties to be applied for breaches of the Act - for breaches of the regulations that exceed those that may be specified in section 29 of the Interpretation Act and in effect section 29 sets out the limits of penalties that may be imposed in a Resident Magistrate's Court and the penalties that are provided for in the regulations, in fact, are going to exceed that standard, and for good reason.

But, Mr. Speaker, what I would say, we understand the urgency with which the amendment has been brought and there is pressure to change, to do this amendment now. We are told that there is much in terms of financial flows to Jamaica that is contingent on us getting the regulations effected. We are not going to prevent those flows from coming in, on this side, and we think it's in the interest of Jamaica as a whole, especially given the parlous state of our public finances generally. But it's untidy, Mr. Speaker. It's untidy given the extent of the regulations that will be before us, the need for Members to really have time that - and given the fact that we have known from 2005, that I would urge that whatever can be done by the House Leader, who is not at fault in this matter, given his temporary responsibility for the carriage of this Bill, but that in effect more be done to ensure that legislation is brought in a timely fashion to the House that would enable us to give due consideration to matters that arise. As I say this, in and of itself is not difficult, but it is desirable. We are going to have at most a week or little less than to look at the regulations, *et cetera* and we should do better trying in that respect. But I'll have more to say in relation to the regulations when they come but, Mr. Speaker, we have no objection and support the terms of this amendment.

The SPEAKER: Rev. Thwaites.

Rev. THWAITES: Mr. Speaker, could the House Leader, in closing indicate why the passage of this amendment is so critical to financial flows, what is the connection? And secondly…

The SPEAKER: Hasn't he so indicated, Rev. Thwaites? This was certainly indicated in the advice given to Members of the Opposition as to the need for urgency of this Bill and it was alluded to by the Member for East St. Andrew who just spoke, East Central. Secondly, if this is necessary as a result of the provisions of section 29 of the Interpretation

Act, which are obviously now a feat, I would like to suggest that the Government empower the Parliamentary Counsel to look at that because it will affect not only this statute but a variety of others where the prescribed penalties obviously will be in need of upgrading.

The SPEAKER: House Leader.

Mr. HOLNESS: Mr. Speaker, I want to thank the Members for their comments. Certainly they will help to clarify any misunderstanding that exists.

The importance of passing this piece of legislation is in fulfillment of our obligations to an international body, a body known as the Financial Action Task Force; and this is an intergovernmental organization which is linked to the Organization for Economic Cooperation Development, the OECD. And under that - the purpose of this organization is to ensure that governments, and indeed international organizations, promote policies to cut back money laundering and terrorism financing. And we are a member of the organization and we are subject to monitoring of the organization - well, we are subject to be monitored by the organization. And, Mr. Speaker, if we don't implement the measures that they recommend - and remember now we are a member of this organization - then we could face what is termed in financial quarters "a lock out" from the international financial processes. So we could - and just to be clear, Member, we are making this amendment to facilitate regulations that would govern the reporting of…

Dr. PHILLIPS: It's been underway for a while.

Mr. HOLNESS: Right. You will concede on that point.

Dr. PHILLIPS: I am saying that it has been underway for a time.

Mr. HOLNESS: Yes, from 2005.

Dr. PHILLIPS: What l am saying it has to come . . .

Mr. HOLNESS: I am going to answer that question, but you had mentioned that it was linked to certain flows. I would say in a general sense, yes, it would be linked to certain flows but specifically as a member of the Financial Action Task Force we have certain obligations which we have to fulfill. Not fulfilling those obligations could result in a lock out which would in effect impeded certain flows.

Dr. PHILLIPS: Compliance and . . .

Mr. HOLNESS: Precisely. So we are required to be in compliance by virtue of the regulations that would give directives for reporting financial information that may relate to terrorism activities; and therefore as a responsible State not so much because of the threat of penalty, but we are a responsible State, we are fulfilling our obligations. But just to make it clear, Member that this has been in gestation for almost four (4) years. You would notice that the regulations are substantial and require consultation right across-the-board. That would explain the delay for some extent, but four (4) years is certainly a long time. I think the blame would be shared across governments.

Dr. PHILLIPS: We bring it here with one week left for Parliament.

Mr. HOLNESS: No, but equally you would be responsible having two years on it.

Mr. M. PEART: The point.

Mr. HOLNESS: Mr. Speaker, I believe we have explained everything regarding the matter. The other matter raised by the Member

from Central Kingston regarding a review of the Interpretation Act, I am sure that that is something that would have to be reviewed, especially in light of the movement in the value of the financial penalties that are stated in the Act.

So, Mr. Speaker, I now move for second reading of the Bill.

The SPEAKER: The question is that the Bill be read a second time.

Bill entitled

"AN ACT to Amend the Terrorism Prevention Act",

read a second time.

The SPEAKER: The House will now resolve itself into a committee of the whole House to consider the Bill clause by clause.

COMMITTEE STAGE

Clauses 1 and 2 put and agreed to.

The Title and Enacting Clause put and agreed to.

The CHAIRMAN: The question is that I do report the Bill as having passed Committee Stage without amendment.

Put to the Committee and agreed to.

RESUMPTION

The SPEAKER: The question is that I do report the Bill as having passed Committee Stage without amendment. Minister?

Mr. HOLNESS: Mr. Speaker, I now ask for third reading of the Bill.

The SPEAKER: The question is that the Bill be read a third time.

Bill entitled:

"AN ACT to Amend the Terrorism Prevention Act",

read a third time and passed.

The SPEAKER: (GaveIs) Amendment debated and passed.

(Applause)

House Leader.

REPORT – ELECTORAL BOUNDARIES – CHANGES, INCREASES ETC.

Mr. HOLNESS: Mr. Speaker, I now want to open debate on the Report from the Electoral Commission on the change in our electoral boundaries and the increase in the number of constituencies that the country and the Parliament will now be comprised.

Mr. Speaker, the Electoral Commission is made up commissioners.

The SPEAKER: House Leader, before you - Members, especially those in 'committee meetings', this matter before concerns every single Member, this is delineation of the constituency boundaries. So I am asking Members to stop the 'committee meetings' and participate in this debate. Sorry, House Leader.

Mr. HOLNESS: Thank you for that, Mr. Speaker.

The Electoral Commission is made up of the HONOURABLE KARL SAMUDA and SENATOR TOM TAVARES-FINSON as the members of the Government nominees; also nominated Commissioners MR. PETER BUNTING and MR. DONALD BUCHANAN from the Opposition - from the people's National Party, former Member of this House.

Mr. BUCHANAN: Honourable Donald Buchanan.

Mr. HOLNESS: Selected Commissioners: the Chairman, the HONOURABLE ERROL MILLER, JUSTICE

CLARENCE WALKER, the HONOURABLE DOROTHY PYNE-MCCLARTY and DR. HERBERT THOMPSON and of course, the Director of Elections, MR. ORETTE FISHER is also a member of the Commission.

After deliberations of the Standing Committee on Boundaries and approval of the Report by Parliament, the Electoral Advisory Committee was given instructions to do a general review of constituency boundaries. Those instructions were that they should proceed to conduct the general review based on 63 constituencies. Before that, Mr. Speaker, the Parliament had taken steps to amend the Constitution and indeed we amended the Constitution to increase the upper limit to 65, being an odd number, of course, to prevent the possibility of a tie. The instruction to move to 63 also bore in mind that we would not want the possibility of a tie.

The implementation process began with two stages. The first stage being the exercise to define and describe the physical features of all existing Polling Divisions in the sixty (60) existing constituencies in 14 parishes; recording these fiscal features by geographical coordinates through the application of GIS technology, that is Geographical Information Systems, and the correction of breaches of the constitutional limits where such breaches existed.

At Stage Two, the exercise to increase - well, Stage Two, Mr. Speaker, would be the exercise to increase the number of constituencies from 60 to 63. Upon finalization of these stages, the recommendations of the Electoral Commission with respect to the general review of boundaries - correction of breaches, with respect to the sizes of constituencies as prescribed by the Constitution, and with respect to the addition of three (3) constituencies, Mr. Speaker, the existing boundaries of constituencies in the parishes of Kingston, St. Thomas, Portland, St. Mary, Trelawny, Hanover, Westmoreland, St. Elizabeth, Manchester and Clarendon, it was recommended that those boundaries in those parishes remain unchanged.

The constituency boundaries in the parishes of St. Andrew be corrected, be adjusted, to correct the breach that occurred in St. Andrew North-East. And of course, that breach would be that that constituency was under the constitutional limits.

(Inaudible comments by Dr. Phillips)

Mr. VAZ: Mr. Speaker, are you listening?

Mr. HOLNESS: That is unkind to the Speaker. Indeed, the Speaker, will tell you that he would now have the largest majority in Kingston - outside of - in St. Andrew, outside of...

The SPEAKER: But not enough voters.

Mr. HOLNESS: But not enough voters. (Laughter) It is also recommended, Mr. Speaker, that one additional constituency be added to St. James to increase the number of constituencies from nine to...

(Inaudible comments)

Well...from four to five. And that two (2) additional constituencies be added to St. Catherine to increase the number of constituencies from nine to eleven.

It should be noted that if the current demographic trends continue, it is very likely that there will be need for realignment of constituency boundaries in the parish of Trelawny. The trend, Mr. Speaker, is that Trelawny, and of course based upon all the developments that Government has started and

will continue to execute in Trelawny - the population there is growing, it is now a hub of economic development, particularly as it relates to tourism - that it is quite possible that a realignment in that constituency will have to take place - in that parish, rather, would have to take place.

Dr. PHILLIPS: Where?

Mr. HOLNESS: In Trelawny. It should be noted also, Mr. Speaker, that if current demographic trends continue - and the Member from Central Kingston would want to pay attention to this one - it is very likely that the parishes of Kingston and St. Andrew will lose one constituency.

(Inaudible comments)

A MEMBER: Which one?

Mr. HOLNESS: Kingston and St. Andrew, the demographic trend, because they would treat them as the Corporate Area.

(Inaudible comments)

Mr. Speaker, the Electoral Advisory Commission in achieving all of this, initiated a consultative process that, of course, resulted in agreements in new principles, structures and procedures that were to be employed in the realignment of constituency boundaries. Important among these new agreements would be, of course, Mr. Speaker, the use of GIS technology. That is, Geographical Information Systems. And that's very important because you get accurate data. You get data in digital format. You can use that data to relate with other information which will help in making decisions regarding where boundaries should be and the populations within those boundaries.

The Constitution of Jamaican Mr. Speaker, was amended by Parliament to increase, as I said before, the upper limits of the number of constituencies into which Jamaica is divided, to an odd number which facilitated the immediate increase in the number of constituencies also to an odd number. And, of course, as l said earlier, this will ensure that we would not have the situation that occurred in Trinidad several years ago where there was a tie and very soon after that Trinidad had to go back to an election.

Mr. Speaker, over 800 political representatives were engaged in the consultative process. It was done in a participatory fashion and the process was interactive. And it allowed for agreement and definition of the physical description of 6,240 polling divisions across the country. The geographical coordinates of all these polling divisions have now been established. And I think, Mr. Speaker, that once we have established them, using the GIS technology, this is indeed, a great asset for Jamaica, not just for the electoral system, but for planning purposes, generally, for education, for urban planning, for all kinds of purposes. So this is indeed, something valuable that come out of the process.

Mr. Speaker, most disagreements relating to re-alignment of boundaries were resolved. And those that were not resolved are now with the elected Commissioners for their final position to be taken.

So, Mr. Speaker, I want to commend the work that was done. I think Jamaica can be proud of our electoral system. And I want to now recommend for approval, the Report.

Mr. WARMINGTON: Mr. Speaker.

The SPEAKER: You're not going to allow Doctor Phillips first?

Mr. WARMINGTON: No. He is senior

to me because he was Minister before so he can speak after me and he was big man inside of the con...before. So the little fry can speak.... (Inaudible)

The SPEAKER: Very well. Mr. Warmington.

Mr. WARMINGTON: I support really, the issue of the 63 constituencies. But there is an issue that I have with this.

It was a very good idea that came from the Electoral Commission that we will have Parish Boundary Advisory Committees. But the issue is, how do we or they treat the Report coming from Parish Boundary Advisory Committee?

We met in St. Catherine. I chaired the team from the JLP side and the Member from East Central St. Catherine chaired that team, including the Member from South St. Catherine. We sat down as mature individuals, overlooking or bypassing political considerations and came up with what we thought was good creation or good boundaries for St. Catherine on a whole. We agreed with everything, all the boundaries recommendation, with the exception of one Parish Council division to be included. We agreed totally on the boundaries for the Constituency Number Two in Portmore. And we agreed to, I think, eighty per cent (80%) of Constituency Number One in St. Catherine.

Both recommendations were totally balanced throughout. Then at the last moment when it went to the Electoral Commission, they moved the goal post and they changed the agreement or the decision they had before. Instead of accepting what was signed off by the Parish Boundary Advisory Committee, they claimed that both General Secretaries had to sign off also for it to become effective or for it to become law. Neither General Secretaries signed. Therefore, the work we did from July to September into October, some three/four months was of no significance.

The Chairman, himself, when I attended one of the final meetings of the Electoral Commission, stated that they were very impressed and pleased with the work that was done by the St. Catherine Parish Boundary Advisory Committee. It was one of the best they had seen. But they didn't want it. So I believe that the issue of having Parish Boundaries Advisory Committees is just a farce.

Mrs. NEITA-HEADLEY: A waste of time.

Mr. WARMINGTON: It is a waste of time. They wanted to decide by themselves. So they were very happy when they stated then - when they brought in at the last moment that the Secretaries had to sign, all they had to do - and they advised me also - that all they needed to do was to decide whether they were going to use the Homestead Division, as supported by the Members from the Jamaica Labour Party side, or to use the Bellevue Heights Division, as decided by the People's National Party. That's all they had to do, because everything was signed off throughout the parish. But then...

The SPEAKER: Mr. Warmington, this sounds like an internal matter.

Mr. WARMINGTON: This is not an internal matter. We are talking about the issue here. It is included in this Report, Mr. Speaker, so I must be permitted to speak. It's in this. So allow me to speak, Mr. Speaker. It's included in this.

The SPEAKER: Make it relevant though. Make it relevant.

(A smile on the Speaker's face)

Mr. WARMINGTON: But I am surprised at you, Mr. Speaker, that you are limiting someone to speak here.

Opposition MEMBER: No, no, no!

Mr. WARMINGTON: And consistently, Mr. Speaker, you allow people to... (Cross talk)... But the Speaker is trying to muzzle me.

MEMBERS: No, no! (Cross talk)

Mr. WARMINGTON: When I'm speaking, it is different.

(Inaudible comments)

What I'm saying, Mr. Speaker, the information needs to be brought out. I don't plan to sweep it under the carpet because l am very disappointed that having worked for four months and we came up with the boundaries in St. Catherine, the Electoral Commission found ways to circumvent the agreement in St. Catherine, to come up with something else.

Mrs. NEITA-HEADLEY: Yes.

Mr. WARMINGTON: And what they have done, we balanced the constituency in St. Catherine....

Mr. BUCHANAN: The Speaker say you must go to Belmont Road with that. You don't hear?

A Government MEMBER: Do your thing, Everald, do your thing.

Mr. WARMINGTON: Is since when you know where name Belmont Road? You are a bush man. All you know ‘bout is bush. What happened...And I'm sorry to say this. We had two balanced constituencies. And I made it clear that my job as Chairman of the JLP Parish Boundary Advisory Committee was not to carve or...

(Interruptions)

Mrs. NEITA-HEADLEY: No, let him finish.

Mr. WARMINGTON: You couldn't do it anyhow...Was not to carve seats for JLP or PNP. And the Chairman on that side agreed with me. We did what we believed was fair for St. Catherine. Yet, what came out now is totally unbalanced. (*Inaudible comments by Mrs. Neita-Headley*) You have a seat in St. Catherine, this seat, constituency Number One now, it's almost 4,000 majority in favour of one party if we had had the last election.

Dr. PHILLIPS: So you take away the Prime Minister's seat?

Mr. WARMINGTON: And the other one in Portmore. And that was not the intention. If we appoint committees to do a work for a parish, for a constituency, it must be respected.

Mrs. NEITA-HEADLEY: Hear, hear!

Mr. WARMINGTON: And I'm not prepared to go back to any further Parish Boundary Advisory Committee, spend four months, night and day with my colleagues, to put together a recommendation and it's thrown through the window because the Commission had their own axe to grind. It is not fair. And I'm not prepared to do it. You have a situation here where you have one Parish Council Division it is now 1,741. The Bernard Lodge Division is only 1,741. The new constituency in Spanish Town, that new division will now be 14,000 persons.

Mrs. NEITA-HEADLEY: Correct.

Mr. WARMINGTON: Can this be balanced? The way we did it, there would have been about 6,000-5,000 each. But now you have one division that has over 14,000 voters, Parish Council Division with over 14,000 voters, while the others only have 1,000, the others 1,441. What sense does this make?

(MR. ANTHONY HYLTON, (PNP), St. Andrew Western, entered and took his seat.)

Mr. WARMINGTON: We know the parish and we sat down for four months and did painstaking work and then it was thrown through the window by the Electoral Commission. (Applause) This must stop. If they want us to assist, well they must respect the work done by both parties, equally. St. James couldn't come to an agreement on their boundaries. We sat down in St. Catherine and we came up together with something that we recommended that would be in the interest of St. Catherine, not JLP or PNP, and if they ask us to do that, something must be done. At this time, we have to go further. This cannot go into any Parish Council election. The Bog Walk Division is over 11,000 voters. The new one in Spanish Town is over 14,000 voters. The Bernard Lodge Division is 1,741. We are…

The SPEAKER: No, but, Mr. Warmington...

Mr. WARMINGTON: Mr. Speaker...

The SPEAKER: One second. Remember, the divisions are still to be decided.

Mr. WARMINGTON: No, no!

The SPEAKER: They are still to be decided.

Mr. WARMINGTON: No, no! There is no provision for that. That is why... (Inaudible)

The SPEAKER: No, no!

Mr. WARMINGTON: Mr. Speaker, there is no such provision. I spoke to the Electoral Commission - Electoral Officer. There is no such provision. We have to take steps now to recommend the change to the Parish Council Division. When I speak I don't speak off guess work. When I speak, I speak of facts and based on information given to me. This is one Member who doesn't speak on guess work in here. And I'm telling you, there is no provision to do Parish Council boundaries. Therefore, what I'm saying we now need to take the other step to align Parish Council boundaries and also to look at PD boundaries. PD 32 in Old Harbour is now over 700 voters in one polling division. That also must be looked at.

The last time it was over sixteen hundred. They split the PDs but there is one PD now that's left with over seven hundred voters. This has to be looked at now, and we have to look at the redrawing of Parish Council boundaries. We can't go into election with us having one seat with fourteen thousand, one having seventeen hundred, one having eleven thousand. This is an aspect. But if it has to go back to Parish Boundary Advisory Committee, I would want the recommendation coming from St. Catherine to be respected by the Electoral Commission and not to give us what they want. (Applause)

The SPEAKER: Thank you, Mr. Warmington.

Dr. Phillips?

Dr. PHILLIPS: Mr. Speaker...

The SPEAKER: You better seek permission first to...

Dr. PHILLIPS: May I seek permission to speak from a seat other than my own?

The SPEAKER: Very well, permission granted.

Dr. PHILLIPS: We have before us the Report of the Electoral Commission on boundaries, the new delimitation of boundaries. And I have heard a strenuous representation made by the Member from St.

Catherine South West on the matter, and there is no doubt that he is quite concerned.

I would want to remind the House, Mr. Speaker, that we have long adopted a convention which has, I believe served us well.

Government MEMBERS: Over the years.

Dr. PHILLIPS: Over the years served us well. It is not to say that every recommendation that has come is perfect, but we have accepted. And in accepting we are doing it because we are recalling where we are coming from, at a point in time when the disputes and conflicts which arose on account of electoral matters threatened not only the stability of the relationships between political parties but indeed threatened the stability of the country. And so while I hear his concerns, echoed by other Members, I think I would want us to recall the convention that we have adopted from 1979. Probably before you were born. (Laughter)

Mr. WARMINGTON: I was here.

Dr. PHILLIPS: From 1979, which has served us well.

You are younger than you look, or older than you look.

Mr.WARM1NGTON: I came here in 1980. That time you were in university.

Dr. PHILLIPS: All right, all right!

Mr. Speaker, I suspect the - while far be it for me to give gratuitous advice to the colleague from St. Catherine, you open the door when there was that one area not settled, because I believe that the arrangements were that where there is agreement...

Mr. WARMINGTON: They accept all the agreements.

Dr. PHILLIPS: ...they would accept the agreement. But if you haven't settled everything, then they would...

(*Sotto voce* comment by Mr. Warmington)

Dr. PHILLIPS: Well, therein lies the loophole, and you shouldn't give loopholes in that regard.

But we should also bear in mind, Mr. Speaker, that there are all kinds of issues which the Electoral Commission his to take into account, including the question of the integrity of communities, the existence of natural boundaries, and the like.

I am not arguing on behalf of the Commission. I wasn't party to their deliberations. But nevertheless, I would urge us not to tamper with the recommendations that have been made. And I think the Member is being particularly forthright, one might even say magnanimous, because I understand him to say that he strongly disagrees with the boundaries that delineate a seat that gives you the kind of majority that you have in it. Politically, I would be inclined to agree with him but I would urge that we observe the convention.

The other matter, Mr. Speaker, that I would like to raise in this, really concerns the question of sixty-three seats.

We passed the amendment to the Constitution which provides for a maximum of sixty-five, I believe. We have moved it to sixty-three. What I am not clear - and the House Leader in his reply could clarify for me - I do not believe that we have made an amendment in the law, in this instance Representation of the Peoples Act, which I think we should make, if we haven't, to ensure that we will always have an odd number of seats. Because understand what has happened. We had a maximum of sixty and we had the

country divided into sixty. We have created by constitutional amendment the possibility of sixty-five and what is before us now will lead to the delineation of sixty-three. For the very reason that we wanted to move to sixty-five and to sixty-three in order to prevent the paralysis of government because of a tie we are - and I am urging that we agree to the sixty-three, and the Electoral Commission is recommending sixty-three - but I think out of an abundance of caution we should amend the law - Representation of the Peoples Act, I believe would be appropriate - but to ensure that whenever an election is held that it will be held on the basis of an odd number.

The fact is, we could get a recommendation from the Electoral Advisory Committee that says let's have sixty-four. But that would not be desirable, because we could end up with a thirty-two/thirty-two or some future occasion. I don't believe the next election will be thirty-two/thirty-two. I think what confidence we have over here, our numbers will be much greater than thirty two... (Applause)

Mrs. NEITA-HEADLEY: Hear, hear!

Dr. PHILLIPS: But put that aside for the moment.

(*Sotto voce* comment made by a Member)

Dr. PHILLIPS: I find the Speaker descending into the arena much....

(Cross talk/laughter)

Dr. PHILLIPS: I hear him descending into the arena, much to my disappointment and dismay. But anyway, I want to recommend strongly, that steps be taken to secure that amendment, not by convention, by legislation.

I am also concerned, Mr. Speaker, that all the Parish Council divisions have not yet been settled. By law - I can't know what is the intention of Government, maybe the House Leader will tell us - but by law Parish Council elections are due between March and June.

(*Sotto voce* comment by Mr. Charles)

Dr. PHILLIPS: Well, by the end of March. So April, May, June they are due, by law. It is not appropriate that at this point in the legally prescribed electoral cycle for Local Government that we should have still outstanding Parish Council Division boundaries because the Government and those empowered so to do are in the position now where they could announce elections to be held in a matter of weeks, and that's a very untidy situation and it has the potential of fettering the political process in relation to Local Government. And I would urge that...

A MEMBER: Any suggestion.

Dr. PHILLIPS: Well, I would urge that the Minister with responsibility for electoral matters take it up with the Electoral Commission... (Applause) ...to express the views of the Parliament in this regard so that they would move expeditiously to fulfil their duties in this regard.

(MISS OLIVIA ATAVIA GRANGE, (JLP), St. Catherine, Central, Minister of Culture, Youth and Sports, entered and took her seat.)

(MR. ROBERT PICKERSGILL, (PNP), St Catherine, North Western, entered and took his seat.)

My final comment, Mr. Speaker, has not so much to deal with the content of the Report but to raise a matter which is subject to the consideration of the Electoral Commission and has been for some time, and that pertains to the question of the financing of the political process - the financing of elections and the

financing of the political process.

The SPEAKER: Isn't that another Report that will come to us soon.

Dr. PHILLIPS: It is a Report that is to come. But the fact of the matter is that the deliberations on that, to my certain knowledge, go back now probably four to five years when the matter was first raised by both the then Leader of the Government, which was the MOST HONOURABLE P.J. PATTERSON, and the then Leader of the Opposition, MOST HONOURABLE EDWARD SEAGA. It has been somewhere, or 2000, somewhere around there. It's been long delayed, Mr. Speaker. And quite frankly I believe that the absence of well-established rules in this regard - and l have said it on many occasions - constitute a vulnerability one might almost say a threat to the integrity of our political process. In my own view the public not only needs to provide, through the public purse, support for our political process, our electoral process but there needs to be clear reporting rules that ensure that no tainted funds, no funds from suspect sources find their way into the political process. The matter is of such urgency that it cannot be allowed to languish much longer. And given all that we have experienced, and given our present situation I would again - I know that the Member had a lot of time to ruminate, like myself and every now and again he has these things flashing across his mind and I would urge him not always to say what comes across his mind.

But, Mr. Speaker, I would urge again the Minister responsible for electoral matters to indicate to the Electoral Commission that the Parliament considers this to be a matter of utmost urgency and that they should ensure that we don't enter into another general election cycle without this matter being settled, because the future of the country demands no less. (Applause)

With that, Mr. Speaker, I urge that the House approve the Report of the Electoral Commission.

The SPEAKER: Thank you.

Mr. Fitz Jackson.

Mr. JACKSON: Mr. Speaker, just two points basically.

The Member, colleague from South West St. Catherine, we might not like many things he says from time to time but I must, Mr. Speaker, support much of what he has mentioned today. And I think my colleague from East Central St. Andrew may not have caught the core of his argument, which is not to suspend or put aside the role of the Electoral Advisory Commission in the matter.

But in the instant case where the Parish Boundary Committee in the case, of St. Catherine was brought into play, I happened to have played an active role in that process and a very engaged exercise, Mr. Speaker. And it is very discouraging when all of that time and effort amounts to zero, because we understand clearly that the Electoral Advisory Committee by convention will settle where you can't reach a mutual agreement between the parties. And to a great extent we did meet mutually acceptable arrangements which, as he said, was not a matter of PNP or JLP but what we felt was in the best interest of the parish. And that leads me to the second point, Mr. Speaker, that I want due consideration to be given to, and it relates to Portmore.

Since the Municipality was created in 2003, we have the case where Parish Council divisions in two constituencies span two different municipal authorities, the Portmore

Municipal Council and the St. Catherine Parish Council. In the case of South St. Catherine five of six divisions remain in the Portmore Municipality and one in the Spanish Town authority; in the case of South Central St. Catherine two divisions, three in the Spanish Town/St. Catherine Parish Council and one in the Gregory Park Division in Portmore.

There was an understanding at the time that going forward the boundaries would be carved to recognize the separate municipalities, so you don't have an MP spanning two different Local Government Authority as is the case now. The new boundaries preserve that anomaly and I don't think it is in the best interest of good governance for that to be preserved going forward. It is possible, if priority is given to keeping the constituencies within different municipalities then we can achieve it. This point was made to the electoral officers from the very early phases of the Parish Advisory Committee's activities, and in the final analysis, Mr. Speaker, that situation is preserved.

I want to submit, that going forward the Electoral Advisory Commission gave some priority consideration to make sure that you don't have overlaps between constituency obligations and Parish Council functions.

I do recognize in closing, Mr. Speaker, the role of the Electoral Advisory Committee as has been made by the Member from East Central St. Andrew, but I don't think that these concerns are mutually exclusive.

With those comments I close.

The SPEAKER: Thank you, Mr. Fitz Jackson. Reverend Thwaites.

Rev. THWAITES: Mr. Speaker, this issue points to a deeper difficulty. We have to be very careful of our conduct, of our utterances both inside and outside of this Chamber. Because when there is the impression that there are implacable differences which cannot be resolved by honourable discourse then we invite others, of whatever pedigree to take advantage of the situation and impose their will over that of the elected representatives. And that is a tendency that is not only - may, I can't say is, but may be evident in the background of this and is so easy for the rest of the society, in many instances to adhere to. We need to be extremely careful.

Secondly, Mr. Speaker, if there is a convention such as we have had, reminded us and which is very useful surely it is not a convention that defies logic. And therefore, if in fact there is the situation that the Member for South West St. Catherine and the Member for East Central St. Catherine state and South St. Catherine, surely the appropriate role is for this Parliament to say to the Electoral Commission through the Minister, the appropriate Minister, please give us your reasons for doing what you have done because the logic defies us. And we can't be expected just because there is a convention to set reason aside and to ignore the kind of statistical and other logistical issues which the Member sets out. So we may not be ready yet to conclude on this one.

The SPEAKER: Mr. Smith.

Mr. D. SMITH: Thank you, Mr. Speaker.

Mr. Speaker, I am happy that the Member from Central Kingston spoke before me. And I am also very happy that the Member from North Central St. Andrew, who is not only in charge of the Government as we speak, but is

also a Commissioner on the Electoral Commission.

Mr. Speaker, the Member from East Central spoke to the convention that we accept the recommendations coming from the Electoral Commission. But there was a situation that caused me, and I know, many others grave concern, and it is related to a situation where it got into the public domain that either an issue was decided, about to be decided, but surely advance discussions took place at the Electoral Commission that a constituency would be removed from the parish of Kingston. We did not get a confirmation coming out of the Electoral Commission, but what we got was threats and protests from the People's National Party/the Opposition by way of the current sitting Member of Parliament and supporters of the party in that constituency.

I speak to the issue, Mr. Speaker, because I think it presents a very serious and bad precedence. Because in future, the Commission will have cause to add or subtract constituencies from parishes, and if that information should get out in the public domain prior to confirmation and if we should have a repeat of that type of behavior led by a sitting Member of Parliament, I think we are heading down the wrong road. And I would like to bring this to the attention of the Minister responsible for elections and of course, the Commissioner, one of the commissioners representing the Government, the party side, the Labour Party side.

Mr. Speaker, the Member from South West St. Catherine said that he has firm information, that there won't be any work being done by the Electoral Commission in relation to dealing with new boundaries for Parish Council divisions. I have a concern with that because I am preparing for a Local Government Election in a couple of months, and my constituency, the constituency of North West St. Andrew picked up just under five thousand votes, which based on my recommendation and my assessment, it would suggest that there should be a third division in the constituency of North West St. Andrew. And if that is the case, then surely, as the sitting Member of Parliament, and one who will be responsible for the campaign in the constituency, I would like to have adequate notice as to the geography of that new division, if and when decided by the Electoral Commission.

So I would like, Mr. Speaker; if the Commission or the Member from North Central St. Andrew if he is addressing the House perhaps he could answer that concern of mine, Mr. Speaker, in relation to the timeframe for dealing with Parish Council divisions.

Thank you, Mr. Speaker.

The SPEAKER: Thank you, Mr. Smith. Mr. Samuda.

Mr. SAMUDA: May I, Mr. Speaker, may I receive permission to speak from a seat other than my own.

The SPEAKER: You are acting, permission granted.

Mr. SAMUDA: This is not my seat, I assure you.

Mr. PICKERSGILL: It is the first speech since you are acting? Give him a clap. (Applause)

Mr. SAMUDA: Oh, Lord.

Mr. Speaker, I would like first to deal with the issue of Central Kingston raised by my colleague from North West St. Andrew. The fact of the matter is, that as unbelievable to

some as it might appear, the decision not to reduce Kingston to two seats instead of three was not based on the demonstration that was raged on behalf of those who wish to retain Central Kingston. But rather it was, all that we do at the Commission is formula driven and it can be explained and it has in fact been explained by the Chairman of the - PROFESSOR MILLER, on how it was arrived at. The choice was between Central Kingston, Westmoreland, the parish of Westmoreland or St. James. And when the formulas were worked out we had to do it, the adjustment in St. James and not in Central Kingston as was originally contemplated.

Mr. Speaker, I must say that the process that we engaged in is a process that has been respected over time, and as the Member from East Central St. Andrew who has also served on the Electoral Advisory Committee this is a practice that we cherished because it has stood us in good stead, not only in Jamaica but internationally. In fact, Jamaica is proud to say that we have been called upon by the International Community to give advice and to participate in their electoral process as a result of our experience.

Nothing is perfect, and there will always be issues raised with respect to some shortcomings here or there, but it is the best in our opinion that we have at this time. And for that reason it has been a time-honoured traditional convention, that in the House we may comment on the presentation, we may even express our views, but in the final analysis we accept the recommendations coming to us unanimously, the unanimous recommendation because these recommendations coming to this Honourable House is not a recommendation based on a majority vote, it is by consensus, it is a unanimous position. And the structure for those who created it must be commended, on both sides, for having devised a structure that is internationally respected and unique in its very nature.

So when it arises here, there is a major understanding that both sides of this Honourable House have had an opportunity to air their particular positions and in the final analysis, have agreed on a common position that is brought to the House for ratification and for assent.

So therefore, Mr. Speaker, it really is hoped that not only will we not have any more of the kind of division that is emerging today, but in the future that we seek to honour this tradition. It is very important for us.

As for the specific case - and I can understand where the Members from St. Catherine may have concerns, because indeed, they did a tremendous job. And I know that the person whom we recommended and was endorsed by the full membership of St. Catherine to chair the Parish Committee that dealt with the work of the Committee...

Dr. PHILLIPS: The President of the U.N.

Mr. SAMUDA: The President of the - and on behalf of the Government, the one that we really thought did an excellent job with their team - with the team - there were some disappointments that it was not accepted in full, but then there was not agreement in full, in that there was one area where there was 80 per cent agreement. That gave rise to, in the view of the Commission, to have a more extensive review of the entire parish, which led to certain fundamental changes that were made.

As it has turned out, the changes that have been made and agreed upon are changes that have led to a balance across the constituencies, of somewhere in the average of about 20,000 electors per constituency, which is really the objective. But in addition to the balance, in terms of those members in each constituency, we have to take note of the fact that we have to have some degree of homogeneity. In other words, there must be communities that are not divided, so that they can work better together. And also, the divisional demarcation line must be easily discernable and not in any way ambiguous or uncertain. That was to be done in both cases. That is the case now, and there was additional review that took place even after the changes by the Commissioners, that was able...

Mr. WARMINGTON: Mr. Speaker, can I ask for the Member to yield? The Member - the Commissioner, who is the Member of Parliament, spoke of not dividing communities, and that was a consideration.

How does he explain the...

(*Sotto voce* comment from a Member)

Mr. WARMINGTON: No, no, no! I am asking a question for clarity. Bernard Lodge division was in St. Catherine Parish Council, while the other five (5) divisions from South St. Catherine were in the Portmore Municipality. And that was the basis on which the Parish Boundary Advisory Committee placed the entire Bernard Lodge Division in one constituency. How does he explain now, when you split that one division, and you have part in Portmore and part in St. Catherine at this stage? So that is not - what he said there, it does not support what he says.

The SPEAKER: No, Mr. Warmington, I understand your concern. But we cannot and will not go into the details in this House.

Mr. WARMINGTON: There will be a divide, make sure of that.

The SPEAKER: No, no, please!

Mr. WARMINGTON: Don't tell me no, no.

The SPEAKER: Please, Mr. - no, no, please. Mr. Samuda.

Mr. SAMUDA: Mr. Speaker, I was in the process of explaining, Mr. Speaker, the basis on which boundaries are divided. I was not making specific reference to St. Catherine or to St. James, or to St. Ann or to St. Andrew. I made no reference to any specific boundary. I was dealing with a principle, and that principle is what we seek to be guided by and will continue to be guided by.

Now, in terms of the emerging challenges before us, with respect to Divisional boundaries, Parish Council Divisional boundaries, I would like to address the subject raised by my colleague from Southern St. Catherine, who made reference to the boundaries and the changes that affect municipalities.

Mr. Speaker, since the inception of this process dealing with the Municipality of Portmore, there has never been an - if I daresay - unless we change the boundaries of the municipalities, it is highly unlikely that we will ever be in a position to have constituencies that are wholly within the municipality. There will always be a cross-over and that was examined very carefully. But it does no violence to the principle that would guide the elections of Parish Councillors for the Municipality of Portmore. Because all the. Parish Councils, the polling divisions, contained in the constituency that belong to the municipality would be grouped

together, and the election would be held in those Parish Council divisions, or PDs. So it has not in the past posed a problem, neither in terms of representation nor in terms of the ability to hold an election in the municipality. It is simply not geographically nor numerically possible at this time to contain constituencies entirely within the boundaries of the municipality.

But, Mr. Speaker, the issue raised in respect of the number of persons in a particular Parish Council division that has been agreed on, I have a difficulty in understanding the basis for that expression. Because my understanding at the level of the Electoral Director of Elections, the Director of Elections, is that in the parishes of St. James, St. Anon, St. Andrew, they have all agreed in principle on the recommendations put to them by the Electoral Office, and they are now to be considered at the level of the Commission.

Dr. PHILLIPS: St. Ann - name them again.

Mr. SAMUDA: St. Ann, St. Andrew, and St. James.

In the area - in the parish of St. Catherine - and I wish the Member would - she was vigorous in her support of the suggestion that the boundaries were irregular and overburdened in some divisions. It is my understanding that in the parish of St. Catherine, the recommendations put by the Electoral Office have been agreed in principle, and have been signed off on by the person whom we asked to lead the team in the parish, at the parish divisional level.

Dr. PHILLIPS: When you say 'we' which 'we' are you talking?

Mr. SAMUDA: We, meaning the Jamaica Labour Party, in specific reference to the Member from South West St. Catherine.

Mr. PICKERSGILL: You sign off and come here running up yu mouth!

(*Sotto voce* comments/heckling)

Mr. SAMUDA: It is my understanding that - it is my understanding in speaking to the Director of Elections, that the Member has signed an agreement...

Mr. WARMINGTON: I was never a part of the negotiation.

Mr. SAMUDA: ....with respect of the Parish Councils. And so I am asking him, I am asking him to reconsider his position in respect of any suggestion to call for a divide.

(*Sotto voce* comments)

He said it!

Now, Mr. Speaker, these are agreements in principle, but not finalized.

Mr. WARMINGTON: They will be finalized today.

Mr. SAMUDA: And they could - I am not saying necessarily that they will, but they could impact on Parish Council elections. Let me repeat that, they could - I am not suggesting that they will, but they could have implications for Parish Council elections in the event that they are not finalized fully. And at the moment I cannot say that they have been finalized fully, although there has been, in some instances, in the majority of cases, agreement in principle.

Dr. PHILLIPS: You are talking about St. Catherine?

Mr. SAMUDA: No. I am talking across the - all affected parishes.

I think I would like to commend the teams that worked across the island to ensure that we have reached this stage. It is not an easy task, as you can well imagine, Mr. Speaker. It is one that demands a great degree of acceptance

of the basic principles, devoid of the political considerations, in the interest of moving the process forward. And I would like to thank my colleagues from the other side, who negotiated these agreements with us. We have not all agreed at all times, and we have had to rely on the good judgment of the Commission. But that is the system that we agreed to establish, that's the system that has worked, and that is the system that is steeped in integrity, and one that I have no doubt at all will guide us in a very constructive way, as we move forward in this process.

Thank you, Mr. Speaker.

The SPEAKER: House Leader. .

Mr. HOLNESS: Thank you, Mr. Speaker. I want to thank all the Members for their contribution to this most important debate, and this very important Report.

The Member from South West raised issues regarding the process of defining boundaries in that parish. It is clear that the Members of this House who represent that parish, are not comfortable with the recommendations and the process. But, Mr. Speaker, I want to point out that where there is no agreement, that it is the EAC that will make the decision - the Electoral Commission, forgive me, the Electoral Commission, sorry, the Electoral Commission - but once there is - isn't full agreement...

Mr. WARMINGTON: No, no, no!

Mr. HOLNESS: Wait, wait, wait!

(Cross talk)

Mr. WARMINGTON: No, no!

Mr. HOLNESS: Mr. Speaker, the Member from East Central St. Andrew raised the issue of our convention, of approving/ratifying the decisions, recommendations and actions of the Commission, the Electoral Commission. It is a time-honoured tradition, and I believe it is only once that there was ever a time when it was called into question.

Dr. PHILLIPS: And that one wasn't unanimous.

Mr. HOLNESS: Precisely.

I would point the Member from South West St. Catherine to the convention. Because regardless of our views, the reason why we have the convention is that it would be very difficult to resolve these issues within the House amongst ourselves, and we have decided that we would have an independent body to do it. It is something that all Members will be bound by. And I think we ought to be very careful, you know - I am not saying that Members can't raise their concerns, indeed Members should. But we ought to be very careful how we proceed to dismantle a very important convention which has served us well, and served us for many years.

As it relates to the redefinition of the boundaries, I have been advised - and this was a concern raised by the Member from East Central St. Catherine - I have been advised...

Dr. PHILLIPS: St. Andrew.

Mr. HOLNESS: St. Andrew, forgive me - that the parishes that were affected - as was pointed out by my colleague - the parishes that were affected, those - and when 1 say affected, either a constituency was added or one was taken away - that those Parish Council boundaries have been redefined or left as they were, and that is now to be finalized by the Electoral Commission.

The process of redefining the Parish Council boundaries in other parishes - that is an ongoing process. I have been advised that the principle is that once an issue is raised

regarding the definition of the boundary within a parish by the Parish Advisory Committee, that it will be reviewed, and once reviewed, a decision will be made. So, it is an on-going process.

The Member also raised the issue of Parish Council elections. Parish Council elections are due by law but that law also gives the option of postponement and the procedure for postponement. And I believe that shortly, this House will be advised on the position of the holding of the Parish Council elections. Mr. Speaker, I believe that the Report...

(*Sotto voce* comment)

Dr. PHILLIPS: No, tell me about the amendment.

Mr. HOLNESS: Oh, yes, very important. The Member from East Central St. Andrew made a very useful suggestion, which I think that the Government would have no difficulty in examining. It makes sense, given the fact that we have already moved to amend the Constitution to increase the upper limit to an odd number of 65. And you are perfectly right; the Electoral Commission in going through its process of redefining boundaries could come up with an even number. And it is something that, Member, I would assure you that we would examine the possibilities of that.

Mr. Speaker, with those brief comments, I am pleased with the Report. I think the Report was very comprehensive and shows...

(*Sotto voce* comment)

Mr. HOLNESS: Sure, sure!

Mr. SAMUDA: Mr. Speaker, as my colleague has just indicated, in response to the Member from East Central, there is one aspect of his presentation that I think is of note. He raised the question of party financing, and I am to advise you that the Report has been finalized. It is just simply the final touches before it will be brought - put in a proper format, and presented to the House. But, there has been agreement on both sides.

Mr. HOLNESS: So, Mr. Speaker all that is left for me to do is to recommend to the House...

(*Sotto voce* comments)

Mr. HOLNESS: Mr. Speaker, I will now recommend the acceptance of this Report to the House, and that it be unanimous. Mr. Speaker, I now move that the House accept this Report.

The SPEAKER: The motion before the House is that the Resolution at Number 6 be approved.

Put to the House and agreed to.

Mr. WARMINGTON: No. Mr. Speaker, the acceptance was not unanimous. My position must be observed, and I believe the other Members from St. Catherine Parish Boundary Commission have the same view as I am. So, don't put it down as being accepted unanimously.

The SPEAKER: Mr. Warmington, we will note your concern.

Mr. WARMINGTON: No, no, no! Last week you called for divide. You called for divide last week when someone said, no. I am asking for divide then. Last week you called for a divide when someone said, no. I said no, and you are now saying you are making note of mine. Last week, when someone said no you, declared divide. (Cross talk)

He declared divide last week when a Member said no. So, now that I said no, you can't say you observe it. You need to follow what you set last week, the principle you set last week, Mr. Speaker.

The SPEAKER: Mr. Warmington...

Mr. WARMINGTON: Mr. Speaker, well, I call for divide then. If no is not divide...

(Cross talk)

Mr. WARMINGTON: Don't tell me that, don't tell me that. I have a right to do that.

Mr. HOLNESS: Mr. Speaker, the next item on the Order Paper....

A MEMBER: You are ready?

The SPEAKER: No, just a second, just a second. One second, Mr... No, Mr. Warmington, Mr. Warmington, this is a matter of such…

Mr. WARMINGTON: National importance?

The SPEAKER: No, it is a matter great significance.

Mr. WARMINGTON: This is why my position must be respected. Mr. Speaker, I am sorry to oppose you but because it is of such national significance, the position of each Member of this House must be observed. This is why it must not be swept on the corner, under the carpet. Last week you took a divide when someone else said no...

The SPEAKER: Mr. Warmington, can...

Mr. WARMINGTON: ...I am saying a divide this week.

The SPEAKER: Mr. Warmington, can I be allowed to just say something?

Mr. WARMINGTON: I cannot allow you, you have the privilege to do whatever you... you are the Speaker.

The SPEAKER: Yes, well please allow me. Members, Members, Members please; this is a matter of some importance. There is no doubt every single Member inside here could have concerns about the delineation of the boundaries. I can assure you, Mr. Warmington, both the PNP Member and myself do not agree with the boundary in North East St. Andrew. But having sent it and the Commission decided that that is the position, we accepted the Commission's report, based on the fact that a convention has been... one second - and even at the Standing Committee - Miss Grange, I recall, spent a great deal of time explaining the problems in St. Catherine. Mr. Warmington, please... So, what we are asking, Mr. Warmington, just for concerns of the Members must be brought to the record, because it is not in law, it is not in law but the position, Mr. Warmington, is that if we breach this convention, it erodes a convention between the two political parties....

Mr. HOLNESS: If I may help. The position of the Government is that we endorse this Report.

The SPEAKER: Yes.

Mr. HOLNESS: Mr. Speaker, the Opposition has expressed their endorsement as well. I think, Mr. Speaker that we don't need to extend any discussion. I think the country; I think the Parliament is seized of the importance of not breaching the time-honoured protocol. If we do that, the challenge we face is that it will come to this House...

The SPEAKER: Is it normal?

Mr. HOLNESS: ...to try and resolve problems of inherent interest in this house. And that is why, Mr. Speaker, we have, given that authority as it were, to an external body, we don't intend to revisit it, Mr. Speaker. I therefore encourage you, Mr. Speaker that we move on to the next matter on the Agenda.

The SPEAKER: No, no, no! House Leader, I think it is very important. There is no doubt in my mind that the concerns of...

(*Sotto voce* comment by Mr. Warmington)

The SPEAKER: Mr. Warmington,

please...no, one second, I beg you... the concerns of the Members must be brought to the internal machinery of both parties. And I am not denying that it must - but it is not a matter that should be dealt with in the House. And in the circumstances... now, Mr. Warmington, please, you have expressed your concerns, and I am ruling that the matter should be brought to the internal machinery on both sides. Fine?

Mr. PHILLIPS: You can't rule that in the House.

Mr. BUCHANAN: Mr. Speaker, you can't rule that, you are the Speaker.

Mr. WARMINGTON: Mr. Speaker... Mr. House Leader, I was on my feet before. I have asked for a divide...

The SPEAKER: The House Leader has asked, on that side, that the...

Mr. WARMINGTON: No! There is a divide on the floor, Mr. Speaker and you must respect that.

(Cross talk)

Dr. PHILLIPS: Mr. Speaker, I am not concerned with the internal matters on that side.

Mr. HOLNESS: Mr. Speaker, the next...

The SPEAKER: No, no. Andrew, please, let him...

Dr. PHILLIPS: But, I want to say, Mr. Speaker, that far be it from me to try to advise the Speaker, it is not possible. But, quite frankly, Mr. Speaker, we ought not in the House - let us keep our places separate. Here, if a Member is asking that his vote be recorded as nay, I have no problem. But, advice, Mr. Speaker was, shall we say, unfelicitous about internal this and that. It is not the appropriate place, Mr. Speaker.

Mr. PICKERSGILL: Hear, hear!

Mr. HOLNESS: Mr. Speaker, I beg you, Mr. Speaker, let us not have any further discussion on this matter.

Mr. BUCHANAN: It is embarrassing.

Mr. HOLNESS: I think the position is clear. We, as Members of the House can express our discontent, but our final action must be one in support of the convention.

Mr. HOLNESS: Mr. Speaker, the next item on the Agenda will be...

Mr. WARMINGTON: On a point of order, Mr. Speaker, on a point of order...

Mr. HOLNESS: No... Mr. Speaker, the next item on the Agenda.

Mr. WARMINGTON: Mr. Speaker, on a point of order... on a point of order, Mr. Speaker... Mr. Speaker, if you rule...

The Leader of the House cannot speak for me in this respect. I came here from South West St. Catherine where the people in South West St. Catherine supported me. I came here with the second largest number of votes in Jamaica. I came here with a majority larger than those in garrison constituencies. My position and the position of South West St. Catherine must be recognized. I am saying here - I am not breaking the convention, no I am not, but my position must be observed. 1 was asked to sit and to chair a community in St. Catherine, our view was thrown through the window and this must be recognized. I want it put to the vote that it can show that I did not support what came here. It will pass, it will pass. It will pass, but my position must be... don't tell me about next issue on the agenda. Don't tell me that. I came here with one of the largest number of votes in this Parliament, one of the largest majority here, so

I must be recognized and respected. And if this is the case I am going to walk out by myself - just one person. I am not going to sit here for this nonsense. Last week, Mr. Speaker, you called for a divide when someone said no. I called for a divide and you refused to recognize my position. You called for divide when somebody called for it last week. And unless you record the votes here today, I am leaving the House. Don't come tell me nonsense.

Mr. SAMUDA: Mr. Speaker, the call for a divide on this matter would be setting one of the most dangerous precedence, and a breach of a time-honoured tradition, a tradition steeped in a basic understanding as to the principles that underlie the establishment of the EAC, succeeded by the Electoral Commission. It was never ever contemplated that we would ever debate in this House, in this manner, a unanimous decision arrived at, at the Commission and presented in this House, let alone to consider a divide. What it would mean, and it would lay a foundation for future controversy and debate on the work of the Commission, and render the Commission subject to fundamental change which no self-respecting group of persons on the Commission would wish to continue under that basis.

Members of the Commission, and I speak particularly of the nominated members, operate on the basis of that understanding. And to breach that at this time would seriously compromise the future of the structure that has led us thus far. Mr. Speaker, I am imploring the Member...

Mr. WARMINGTON: I don't give a damn. I don't care.

Mr. SAMUDA: Mr. Speaker, I am imploring my colleague to consider the fact that when he objected to the principles that underlie his argument, and that principle was that the recommendations arrived at the parish level were not followed in the manner that they were presented. He was invited to the Commission by me, and he was exposed to the proposals put forward at the Commission. And, as a consequence of recommendations made by him at that place we were able to effect changes that have resulted in what was finally agreed upon. To come back to this Honourable House now on that basis, and to attempt to put the matter to a vote, is something that I would not like to see happen and I implore him to reconsider his position and the full implications of what he is requesting.

Mr. Speaker, I implore you to allow the business of the House to proceed without embarking on that precedent that is being attempted.

Miss GRANGE: Mr. Speaker...

The SPEAKER: Yes, Miss Grange.

Miss GRANGE: I support the arguments that have been put forward...

Mr. PICKERSGILL: Which one?

Miss GRANGE: ...by the Member from - by the Commissioner. But, I must put on record that...

(*Sotto voce* comments)

Miss GRANGE: I must - Mr. Speaker, we are dealing with two principles here.

Dr. PHILLIPS: Mr. Speaker... on a point of order.

Miss GRANGE: Mr. Speaker, Mr. Speaker, am I being recognized?

The SPEAKER: On a point of order, no. Dr. Phillips on a point of order, I will allow him. Yes, Minister.

Dr. PHILLIPS: Mr. Speaker, I am just trying to find what is the substance of the debate. I understood that the debate had been closed by the Leader of the House, so I hear and respect the Minister of Youth and Community Development, but l am not certain what is the focus of the debate, Mr. Speaker, whether a new one has been opened and on what.

Miss GRANGE: Mr. Speaker, I want to make the point that, although I understand the position of the Member . . .

The SPEAKER: No, no, no, no, no!....

Dr. PHILLIPS: Can you tell what your ruling is on the Point of Order, Mr. Speaker?

The SPEAKER: No, no, the position is that . . .

Mr. HOLNESS: Mr. Speaker may 1 Invite . . .

The SPEAKER: No, the . . .

Miss GRANGE: Mr. Speaker, what I want to do is to appeal to the Member . . .

Mr. HOLNESS: No, on a Point of Order, on a Point of Order.

The SPEAKER: No, no, no, no! Here is the position. The position on . . .

Mr. HOLNESS: On a Point of Order, Mr. Speaker.

The SPEAKER: Yes!

Mr. HOLNESS: The debate, from my understanding, Mr. Speaker, was closed.

The SPEAKER: You closed it.

Mr. HOLNESS: Good. Mr. Speaker, may I now invite you to move on with the agenda.

The SPEAKER: Yes, the debate and the vote was taken, we move on. House Leader.

(Mr. Warmington walked out of the House at approximately 4:11 p.m.)

Mr. HOLNESS: Mr. Speaker, we have two Private Member's Motions which I believe are very important motions, Mr. Speaker.

(Heckling)

Motion No. 18 . . .

The SPEAKER: No. 18.

Mr. HOLNESS: Mr. Speaker, Motion No. 18 by the Member from North East St. Catherine and Motion No. 20 by the Member from East Central St. Andrew. The Member from East Central St. Andrew will do the first.

The SPEAKER: Do we need a suspension of Standing Order for it?

Dr. PHILLIPS: No… (Inaudible comment)

The SPEAKER: Private Member's Motion.

COMMERCIALIZATION OF RESIDENTIAL AREAS

Dr. PHILLIPS: Mr. Speaker, I am much obliged to the Leader of the House and to the Members for bringing forward this motion.

I want to begin by reading the motion, Mr. Speaker, or the Prayer in the Motion. It says:

> Whereas numerous reports persist of widespread commercialization taking place in sections of the Corporate Area, zoned for residential communities;
>
> And Whereas the circumstance and the failure to enforce the laws pertaining to non-conforming use of property has been to the detriment of many home owners who have found their property values negatively affected and their community conditions worsened by the wholesale

influx of business interest, many of which are incompatible with the conditions appropriate to residential communities;

And Whereas it is considered that current legislation makes it difficult for aggrieved property owners to secure redress against those engaged in non-conforming use of property;

Be it Resolved that this Honourable House undertake a review of the Town and Country Planning Act with a view to ensuring that the authority be enable to act more effectively to close businesses adjudged to be in breach of the Act.

Mr. Speaker, I would like also, given that this is here, to welcome members from affected communities in East Central St. Andrew who are here to witness how the House is going to deal with this matter.

(Applause by both sides)

The SPEAKER: Why you never ask me to invite from my communities too?

(Laughter)

Dr. PHILLIPS: Mr. Speaker - no, it was on the Order Paper. Because the truth is, the issue, Mr. Speaker is one of commercialization. It is a matter of great importance to East Central St. Andrew, communities like Eastwood Park Gardens, Richmond Park, Kencot, Hagley Park Gardens, Molynes Gardens, but I know many other communities from Patrick City, Vineyard Town, even as far east as Harbour View are confronting this problem. I welcome those who are here, but I know that we represent other interests as well.

What are the issues at stake here, Mr. Speaker? Fundamentally, the issue is the inability of the State to protect the rights of citizens, homeowners against those who seek to set up commercial operations in breach of the covenants on their titles and in breach of the Town and Country Planning Act.

The consequences, Mr. Speaker, for the country and for the communities are extensive. Whole communities have been commercialized and the start of commercialization in some gradually leads to what you could call **ghettoization**, that is to say, the settled people move out, an itinerant population moves in values decrease. Home-owners, decent hardworking Jamaicans, not people of great wealth, have seen the value of their most significant investment, probably the most significant investment they'll ever make in their lives, their home, they see that investment deteriorate as the agencies of the State sit by, apparently powerless.

It breeds cynicism on the part of citizens about the will and the capacity of the State to protect them. You know, Mr. Speaker, there is a Talk Show Host who likes to quote me from time to time. One of them who continually remarks on my comment that those who play by the rules get shafted. It was a comment made in relation to the plight of the citizens of Eastwood Park Gardens, who have played by the rules and who have seen their property values disappear and the State...

(*Sotto voce* comments by Members)

…unable to deal with their problem. This condition breeds lawlessness and encourages people to take up self-help enforcement.

Because the truth is, Mr. Speaker, those citizens have gone through every legal procedure available to them without any redress. If they had been minded otherwise, God forbid, because they are not lawless

people, they would have engaged in the destruction of other people's property and engaged in vigilante and self-help justice. If we leave this problem unattended, we are going to be encouraging that kind of lawlessness and the vigilante approach to the enforcement of laws.

And above all, Mr. Speaker, the inability of the institutions of State to enforce the law has encouraged or shall I say facilitated a general deterioration in the physical amenities and the quality of life in many communities around the city, as Kingston has become, I daresay, ungainly a hodge-podge of commercial and residential communities where anything goes, no standards are upheld and lawlessness abounds.

The problem has been with us for some time, Mr. Speaker, it spans successive administrations. The point I make here is not partisan political point. I want to read into the record of the House a letter that was sent to the Press by the Eastwood Park Citizens Association. It is dated October 10, 2006, and it speaks perhaps more eloquently than I can about what they have experienced, and they are only one of a number of Citizens Associations, only one of a number of communities and to the inability of successive political administrations to deal with their problem. It doesn't present any of us nor me as the Member of Parliament in a good light. It says and I quote:-

> *"In 1983 there with one breach of the Town and Country Planning Act. The residents took appropriate action by following due processes to arrest the situation. Needless to say, the breach was allowed to continue.*
>
> *This encouraged other business operators to join in, and by the end of 2000 . . .*

That is to say some 17 years after.

> *…over 100 breaches were reported to the KSAC and a lesser number to NEPA.*
>
> *The Citizen Association on behalf of its residents has had dialogue with various agencies and Government officials, including Kingston and St. Andrew Corporation, National Environment and Planning Agency and Ministers with portfolio responsibility, the Member of Parliament, as well as the former Prime Minister.*

That is 2006, so they are referring her to the MOST HONOURABLE P.J. PATTERSON.

> "*All avenues have been exhausted including peaceful protest, press conferences and direct areas of media have been used to expose and halt this incursion, all to no avail.*
>
> *A part from 'lip service election time', promises of being included on a taskforce spearheaded by the then Ministry of Housing to strengthen some clauses in the Act, grandiose tours of the community by various government officials and a few stop orders issued with no conclusion, the responses received from the various responsible authorities have had no measurable impact in stemming much less reversing the problem.*
>
> *We have never blocked roads and lit fires, but we have chosen to be law-abiding citizens, and how have we been dealt with.*
>
> *To those watching the scene as our*

community is forced into decay, we are ironically reminded of the aphorism patience is a virtue, juxtaposed against the reality of that which engenders action in today's Jamaica, taking matters into our own hands by becoming lawless and engaging in hostility to get justice in any shape or form.

The route has been more effective in bringing about affirmative action for other communities across the island Our patience worn thin we ask is this the route we should take now?"

This summarizes perhaps everything that they have experienced, Mr. Speaker.

(Applause by both sides)

Let us understand the plight from the perspective of the citizen. You have bought your property, you have saved for years, skimping, cutting here anywhere, sacrificing to make your down payment on your house investment. It seems like a good area, you believe the covenants on the title protect you. Soon, a club opens up next-door to you or a garage, a Go-go club or a construction company operation. Your children can't do their homework any longer because of the incessant noise, all kinds of traffic, human and vehicular start passing through your community, around your yard, some of that traffic is patently undesirable. The music gets lewder and louder and your teenaged daughters or sons for that matter are now having not only their eardrums bombarded but their morals bombarded as well.

(Applause by both sides)

Finally, you resort to the law. Here you find that the law quite frankly, is cumbersome, time consuming, ineffective and very expensive to you the individual homeowner if you are to get any justice.

Dr. PHILLIPS: Compliance with the law as it relates to designated areas, designated homeowners in this area relates to two sources - they can first of all enforce action under the Restrictive Covenants Discharge and Modification Act, I believe it is. For that they have to undertake action in the Supreme Court. They will have to be prepared if they are going to go forward and to secure a lawyer to spend anything from $300,000 up to Half a Million Dollars. These are not wealthy people, and remember they are going up against commercial operations generally, who have much more resources than them at their disposal. And remember even if they get judgement in their favour, this cost doesn't cover the cost of any appeals which they have to find up front to answer any claims made. So, as is usual, in the case they don't have that kind of money going forward, not in my communities generally, so they can resort to the local authorities under the Town and Country Planning Act. The Act empowers the Town and Country Planning Authority and the local authorities, that is the KSAC or Parish Councils, to perform the role of regulators and to ensure compliance with the law as it relates to designated areas and in relation to zoning matters.

Local authorities may issue stop orders, enforcement notices. The homeowner may report a breach. Beyond the reporting of the breach, the homeowners in relation to this aspect of law are powerless. The local authority may choose or may not choose to act. And then, even if the stop orders after due deliberations within the local authority are issued, more often than not they are ignored.

The local authority itself then needs to go to the courts to get enforcement. It is cumbersome, time consuming, we know about the length of time cases take going through our court system. In the meantime, the breaches continue, continue for years upon years upon years. Those who can manage leave the communities, others usually the retirees don't have the resources, can't go and purchase anywhere else, are compelled to just take what is offered to them. No wonder then they lose their faith in the country and in the quality of governance that we offer them collectively in this House. In the end, given the scheme of the Act, the tardiness of the public authorities and the widespread breaches, the public authorities being apparently overwhelmed, residents are left to the mercy of those who are in breach.

I am asking in this motion, Mr. Speaker, simply that the law be reviewed and revised so as to better enable the authorities to protect the citizens of the country in the affected communities. I would urge this House, if it approves the motion, to set up a Special Select Committee that could hold hearings, could consider representations from persons affected and recommend revision to the Cabinet for their consideration and action.

The scheme of the law, as it exists, Mr. Speaker, I think needs to be changed. As it is now the law places a responsibility on the planning authorities but it leaves the - it makes no space for the activist citizens to do anything to protect themselves effectively. I believe the burden of the law needs to be changed so that the persons penalized are not the innocent homeowners who have to confront those commercializing, but to place the burden squarely upon those who are deemed to be in breach.

I believe that upon presentation of evidence of a breach to the municipal authorities, perhaps presented to some appropriately constituted municipal tribunal that could be created in law for this purpose and upon presentation of convincing evidence, I believe the local authority should be empowered to stop those that are deemed by the tribunals to be in breach of the Town and Country Planning Act. (Applause) Let those who have the money and who are in breach go to the Courts to get it lifted if it is so determined. But we cannot have the State continuing to be powerless to protect it's hardworking citizens. And let me tell you something, if the ones who are hardworking get ‘dissed’ by the State all the while no wonder the heroes in the communities are the other people, the dons and the others who operate, who seem as if they are strong while the people who work hard, save their money, invest it and do good get abandoned all the time. (Applause)

Mr. Speaker, the commercial operators would then be forced to stop and they would have to go to the Court and the burden would be placed on them to demonstrate that they were not in breach.

(*Sotto voce* remarks)

Dr. PHILLIPS: More would need to be done to make the entire scheme more effective. We do need a new development order in the city. The fact is the old one is 1966, older than all some of these ladies here, all of the ladies here. The fact is that we need a new development order which takes account of present day realities. The citizens are not

saying in many of the communities no commercial activity whatever. They don't mind schools, they don't mind a corner shop convenient to the citizens of a certain type which would allow you to go and buy a little sugar or something in the community. They don't mind an accountant's office or some sort of thing. But as one citizen, an elderly gentleman said to me on an occasion in one of the consultations that they sought with me, 'grease and grass don't mix'. So they can't have garage and those kinds of operations operating there. Some things can be contemplated, other things need to go to areas zoned for that. You don't need go-go clubs in communities where people are trying to go to school and they are trying to maintain some standards, ethical standards for themselves and then we wonder why the moral fibre is just disintegrated all around us. The truth is we also need more enforcement staff - and I would hope that whatever the House chooses to do that as the general reform, public sector reform effort and transformation effort get underway maybe some people who may have been otherwise dislocated can find their way into a proper enforcement capacity that would enable the appropriate authorities to protect the citizens.

Mr. Speaker, I urge the House to approve the motion and let's get some action on this. It has been from 1983 'til now, 27 years that the citizens have been trying to deal with this problem. They have gone high and low and got no response. They have been to administrations drawn from that side, administrations drawn from this side of which I was a part. But we now have the opportunity to show them that their political system, their Parliament can in fact get some movement on their problem. Let us do something here to restore their faith in the Jamaican state and in the Jamaican political process. Let us approve this motion, Mr. Speaker.

Thank you. (Applause)

The SPEAKER: Thank you, Dr. Phillips. Mr. Vaz.

Mr.VAZ: Mr. Speaker, permission to speak from . . .

The SPEAKER: Granted.

Mr. VAZ: Mr. Speaker, let me congratulate the Member on a well researched…

(*Sotto voce* remarks by some members)

Mr. VAZ: Yes, I am not accustomed to the front row.

Mr. Speaker, let me congratulate the Member on this Private Member's Motion and the research that he has obviously carried out in relation to this matter.

Mr. Speaker, this matter crosses two aspects of government regulatory, which is the KSAC Parish Councils and, of course, NEPA. What he has said is 100% correct. And I would further state that it is an indictment on all administrations, this one and past, dating back from when this started that we have allowed it to get to this stage.

Mr. Speaker, I have some prepared responses but I would just continue by saying that it is twofold. You are speaking as the Member said about development orders dating back from the 1960s and in some cases upgraded, but up to maybe the early 80s, and we are now in 2010. And on the other hand you have a situation, Mr. Speaker, where this thing has run ahead of the monitoring capabilities of Government because it is happening at such a rate and so widespread that you would need, I don't know, you would probably need to convert the entire staff of the

KSAC/NEPA and the other Parish Councils in order to just try and monitor what is happening. It is no sense going back over what the Member said because everything he has said is dead accurate; and, I therefore, I think it is important that we support and really show to the people who are being affected that it is not too late to try and stem this cancer that is spreading in terms of unapproved and illegal structures throughout upper, middle and lower St. Andrew and Kingston and by virtue other townships and other residential areas throughout Jamaica. This is a situation now that has extended from Negril Point to Morant Point because of the fact that either the approving bodies don't react on a timely basis, and if we are to be honest that is also a part of the problem, and a frustration sets in where people just decide to go ahead because they don't feel that the necessary attention is being given to the approval process.

I can say, Mr. Speaker, and I am privileged to be a part of this in the OPM and, as I said, between Local Government for which Member Montague and myself from the NEPA standpoint, we are working hard as we speak with a two-tier approval process, which l don't need to get in today but we will get into that. But just to indicate to those who are listening and those who have made time to be here that it is something that we committed to prior to becoming government and we are assiduously trying to work on it.

Mr. Speaker, just to respond quickly so we don't have to detain ourselves. In relation to the motion as it relates to the widespread commercialization taking place in sections of the Corporate Area zoned as residential communities, although commercialization non-residential uses of residential properties within the Corporate Area persist, most of these are unauthorized and unapproved by the relevant planning authorities The Government Town Planner, the Local Planning Authority and the Town and Country Planning Authority are empowered to take action where such unapproved uses are identified.

The Government Town Planner and the Town and Country Planning Authority and the Local Planning Authority may serve notices and stop orders where the unauthorized uses are identified, to prevent the continued illegal use. It must be noted that in some instances the Planning Authorities approve non-residential uses such as professional offices, nurseries or nursing homes where the uses are compatible with the residential nature of the area.

In relation to the circumstances and the failure to enforce the laws pertaining to non-conforming use of property, which has been to the detriment of many homeowners who have found their property values negatively affected and their community conditions worsened by the wholesale influx of business interests, many of which are incompatible with the conditions appropriate to the residential communities. The response to that, Mr. Speaker, is as stated above. The Government Town Planner, the Local Planning Authority, and the Town and Country Planning Authority undertake enforcement actions in circumstances where unauthorized uses are detected.

However, in taking enforcement actions there are several challenges that face them, some social and some legislative. For example, Mr. Speaker, in serving an enforcement notice under the Town and

Country Planning Act where the illegal user is not the owner, the law requires that both the owner and occupier must be served with the enforcement notice. In several instances, the person on whom the notice is served, has successfully raised this as a legal argument in application for setting aside the service of the said enforcement notice.

Mr. Speaker, the ability to obtain information from citizens to prove the existence of an illegal use at times is not forthcoming, as they fear reprisals from the persons carrying out this illegal use. Mr. Speaker, in circumstances where the demolition of a structure relating to an unauthorized use is the only recommendation, the offending person has the ability to utilize delaying tactics to prevent such a demolition. And I think that comes back to the point that the Member made, that we have the thing back to front, as we would say usually.

Also, Mr. Speaker, the Act also provides for what is called retention of use, which is the granting of permission of the retention of a use that existed without the requisite approval. And again, that gives somebody the ability to do something unauthorized, with a view of trying to regularize it at the backend, which is a discretionary matter for the necessary regulatory body to hear and adjudicate on.

Mr. Speaker, in relation to the last motion, which is: "*whereas it is considered that current legislation makes it difficult for the aggrieved property owners to secure redress against those engaged in non-conforming use of property*," let me state, Mr. Speaker, under current legislation property owners can secure redress against those engaged in non-conforming use of property. Their opinions vary from enacting their private rights under the restrictive covenants that is normally endorsed on the certificate of titles, to making representations in respect of any enforcement notice served and to reporting it to the relevant authorities for them to take action. Again, a cost to those persons who all they did was to invest their little sum to buy something for their retirement or to have a home.

Mr. Speaker, in recognition of the challenges of the current legislation, in November 2009, the Office of the Prime Minister re-established a committee to review the Town and Country Planning Act. Particular emphasis is being placed on the sections of the Act dealing with the enforcement to better address the concerns of the citizenry who are exposed to the unauthorized uses.

Mr. Speaker, this is all well and good. But it needs a more holistic look at this serious problem that is creating issues not only to homeowners, but the development of townships and other areas, without any form of structure and, therefore, it is important. And again I support.

Mr. Speaker, l can say in another capacity I had the privilege to chair the appeal bodies that these persons who are refused, have the avenue to come to. And even in those appeals, for which the Prime Minister makes the final decision, based on what you see, are people who are seeking to get approval against Development Orders on the basis of a precedent that has been set. But those precedents are illegal. But it is difficult, although we have to refuse it, to have a garage next door and somebody wants to do a professional business or a professional office, and when you ask for a report on the entire road, there are two houses left and everything

else is commercial use, however, not approved. Therefore, those two last residents there have to be protected under what the law says. And, of course, those appeals have to be refused based on what the law dictates and the Development Order states.

So I don't need to delay, but to say that I think that this is long overdue. And as I said before, I support the Member and congratulate him for this motion, Private Members' Motion. And I wish to support it wholeheartedly and look forward for that committee to be established and to get the work of this committee going as quickly as possible.

The SPEAKER: Mr. Hylton.

Mr. HYLTON: Thank you...

The SPEAKER: All right, you are yielding.

Mr. HYLTON: Sure.

The SPEAKER: Leader of the Opposition.

Mrs. SIMPSON MILLER: Mr. Speaker, I rise to give support to a neighbouring constituency and I want to support the Member of Parliament for East Central St. Andrew. All of us will recall that for years now they have been crying out for help in terms of commercialization of a number of residential communities in this constituency. I support the recommendation by the Member of Parliament and I am very happy that the Minister endorses and is supporting it, because this way I am sure we will get some action.

(Inaudible comments)

I do not believe people living in residential areas that there should be infringement on their rights. It must be very difficult for a senior citizen, suffering from hypertension, with a garage next door working all day, all night, banging and banging. It is sending that senior citizen who could live to a hundred plus, to an early grave. And I really believe we have a responsibility, I think, at looking at all of this. In terms of the residential areas, we also need to look at planned development. That is part of our challenge in Jamaica where we tend to, even government lands and properties, we tend to sell because of the challenges we face from time to time, to the private sector. And I have no difficulty with that. But there are some areas that should be held specifically by government for the development that can accrue some benefit financially to the Government that will aid further development and to provide employment for people.

For example, we are talking about the development of Downtown Kingston. I hear nothing about us looking, exploring the possibility of a cruise ship pier that would lead to a number of ....and link it with other things that when visitors come we have places for them to visit. And I really believe that we should establish commercial centres, zoned commercial centres, where people will know exactly where if they want certain things, they can go and get it and rid the residential areas of those challenges. The children coming from school, to be in a quiet setting and a relaxing setting to do their homework, to read, to try to be ahead of the class, and then you come home again, the banging, the banging, or the music, the music, the music!

I really believe it is time that we take some action on this. And I'm not blaming... because it has been there for a long time, for years now, and it is something that should have been dealt with. l am hoping, and I join my colleagues in saying that time (has) come now when all of us, and l am happy , because

I'm sure all of us inside here, we believe in the preservation of our senior citizens, our culture, our history and we believe in education. Because show me an educated people and you will see a progressive country. And I think we have a responsibility to protect our children, to protect our seniors and the citizens in our residential areas and to ensure we protect the residential areas.

I give my full support to... And thank you Minister for your comments and...

(Applause)

The SPEAKER: Mr. Samuda.

Mr. SAMUDA: Mr. Speaker, I have had the privilege of being in this House for some time and I have heard a similar debate many times. And if there is one thing that I really hope is that this time, we do something about it. You see, Mr. Speaker, I happened to have been born at a time and...

Dr. PHILLIPS: You were born!

Mrs. NEITA-HEADLEY: Not hatched?

Mr. SAMUDA: I was born at a time and at a place that I have watched over the years deteriorate considerably.

Dr. PHILLIPS: Waltham Park.

Mr. SAMUDA: I was born at Number 4 Espuet Avenue. And as a little child I know only so well the kind of communities that were around there. Waltham Park Road, East, North, and South Anderson Crescent, D'Aguilar Road, East Road, all these places. Going further down, Languard Avenue, Delacree Road, Whitfield Avenue, Pretoria Road, Henderson Avenue, I know these areas inside out. As a boy, that's where I gained perhaps my best experience.

A MEMBER: Don't tell us!

(Laughter)

Mr. SAMUDA: And I can recall... (Inaudible comments) ....Yes, yes, very useful. And I can recall the wonderful people who lived in these communities. And ever so often, just so that I don't run the risk of ever forgetting where I came from and how I grew up, 1 drive through there. And l can tell you that it is frightening, the deterioration. And there are still residents living there from old families who have refused to move and they are the ones who are most affected.

This creeping commercialization into communities. You take for instance, Richmond Park. Richmond Park was a top flight area when it was constructed. I used to have to leave from Waltham Park Road and go and visit people in Richmond Park which was called uptown. You know, different kind of... structured, beautiful community. Today, all that area has now been subjected to this kind of creeping commercialization. And what it has done is, it has extended what was an undeveloped Waterfront area, way Uptown. We have to ensure that not only do we stop what is taking place, but we regain the charm and beauty of those areas by re-developing those areas. (Applause) That is what we need to do. It's not enough to simply say we will stop it here because what is here is not acceptable.

A MEMBER: That's right.

Mr. SAMUDA: Kingston must be the only harbour, gorgeous harbour, **seventh best natural harbour in the world**. It must be the only place where waterfront property is so cheap.

A MEMBER: Why?

Mr. SAMUDA: Because nobody lives there. Nobody appreciates it. There are no

promenades. There are no boardwalks. It is just left, almost in ruinate.

Mr. SAMUDA: In fact, Myers Wharf when I was a little boy I used to go down there and catch fish, and when you look there today you see ruinate there just, west of the UDC building. Terrible!

Mr. HIBBERT: And sewage.

Mr. SAMUDA: Discharging sewage into the area. As a little boy, again, Hunts Bay, used to swim in Hunts Bay. I used to walk down and come down East Avenue unto what was then Foreshore Road, and jumped into the water at Hunts Bay/Greenwich Farm.

That's how I grew up. Proud of it.

I look back on it sometimes with a great sense of nostalgia. Perhaps the most happy years of mi life. Mixing with real people. And so what I have seen is that whole area now is just an area where many of you who would like to go and visit, unless you are a representative, go in there with trepidation. That is what has happened.

Mr. Speaker, only today - and this is where the impact of this can be best experienced - only today I received a letter from the residents of Oakland Avenue, written to the Mayor of the City. Poor Mayor. With all the good intentions in the world he can't help them. But I think I have the answer for them. You have the scrap metal operator, accumulating scrap metal, taken over the entire road. Children can't pass, residents can't go to bed. The place is now become one big whole junk-heap on Oakland Avenue....

A MEMBER: Where is the Minister?

Mr. SAMUDA: And we tend to believe that because the people who live in these areas are of humble background and may not possess the kind of leverage that comes with those of privilege and money that is all right, and they have to ask permission to pass the road where they live.

A MEMBER: Terrible, Minister, terrible!

Mr. SAMUDA: And well, I told my Permanent Secretary, just before coming here, not even knowing that this was going to be on the Order Paper, that he is to advise them and give them a time limit within which if they don't clear it up their permit to operate there will be cancelled, because that's the only real leverage that I can exercise. And I will not allow people to take advantage of a community in that way under the guise that they are bringing some form of employment. (Applause) Employment at what cost to the society? Capturing public land and public roads and public thoroughfares and affecting the lives of the children who live in that area.

So, Mr. Speaker, I support your Resolution a hundred and fifty per cent, and I sincerely hope that we do something and effect some meaningful change.

You know, Leader of the Opposition, I might have said it before but I'll remind this Honourable House. When I speak this way l speak feelingly about this. I learned to play cricket on what was then the Harty Cricket field, which is now the playfield for Haile Selassie Junior Secondary School. That's where I grew up. When Payne Avenue was called Coolie Garden it was a lane where people used to plant calaloo and pak choy and that kind of thing. That's where I grew up. Where water was preserved in a tank made of clay and they lived in wattle and daub houses. 'That's where I intermingled and grew up and, therefore, I understand the plight of those people. And there is no reason why if we are

talking about development of communities... (Applause) ...that we don't re-establish the richness of the communities that existed. Waltham Park Road, Wavel Avenue, all of those areas, all the way through. What is now Mandela Road, or Drive, I used to go in there and shoot birds. It was an area where it was the gully before it was paved, *et cetera*. I know all of those areas inside out and, therefore, I sympathize with you to see what has become of it. Eastwood Park Gardens, places like that. So you have no problem on this side. It's a resolution that will be supported a hundred per cent, as I said, and I wish you all the luck and determination necessary to make sure that we have an effective change. (Applause)

The SPEAKER: Mrs Shahine Robinson and then Mr. Hylton.

Mrs. ROBINSON: Thank you, Mr. Speaker.

I too want to lend my voice and my support to this motion, and particularly from a rural MP's point of view, because all the persons who spoke before represent urban constituencies. And just to let them know that we face the same challenges in the communities, particularly in middle-class communities we see the creeping commercialization - trucks are being repaired. In one community in Barnett in Ocho Rios trucks are being repaired. There is a day-care opened there, a night-club, a go-go club, all sorts of commercialization that do not lend itself to good living for the citizens of the community.

And when you think that some of these people are returning residents who lived in England, most of them, and Canada and went through many cold winters and deprived themselves to invest in Jamaica and when you come back now and think that you can spend the twilight years of your life in peace and in a good neighbourhood you are being invaded on a daily basis by these large trucks and all the commercial activities that come with that in the community. And I believe that it speaks to the ineffectiveness of the parish councils, certainly in our case, who are the local planning authority. Because when we as politicians see the problem and it is brought to our attention and we try to intervene and you visit the parish council and ask the relevant officers to serve the stop orders, as mentioned by the Member, and to follow through, it is hardly ever done. It is very rare that the violators ever get a stop order. They continue to violate and to just ride upon other people's rights in a manner which is not acceptable, Mr. Speaker. And I believe that we must revisit and review the laws so that we can protect the people who live in these neighbourhoods from these people who contend to violate and violate without any form of any sanctions being taken against them.

I know for sure in Barnett we have people who used to work as waiters in dining rooms for years and years and they have invested, they have built beautiful homes, well-manicured lawns, but every day you see coming up more and more the commercialization is coming and is infringing on the neighbourhoods in a very unfriendly manner. And we must enforce - the enforcement capacity must be upgraded to deal with it because we can't continue to say – you know the buck stops with us as parliamentarians and as representatives of the people. (Applause) What should I really say to

these people, that 1 am - for want of a better word - impotent, I am unable to act, l can't do anything? No, Mr. Speaker. I believe that the time has come, the resolution is timely and I believe that the time has come where we must act and we must act in a very....

Mr. JACKSON: Uncompromising.

Mrs. ROBINSON: That's the right word - uncompromising way, to say that once and for all this must end, and the people who have invested and built their homes must be able to live in the peace that they so deserve.

I support the motion wholeheartedly. (Applause)

The SPEAKER: Thank you, Mrs. Robinson.

Mr. Hylton.

Mr. HYLTON: Mr. Speaker, the motion is getting the attention and the support which I think it richly deserves. It really speaks to a wider problem about the lawlessness that has overtaken our country and the sense of bewilderment, the sense by the little people that nothing can be done, that we can't re-balance the scale of justice in their favour.

The particular resolution speaks to a very narrow slice of that, of course, which is the creeping commercialization of existing stable communities and how that has contributed, or is contributing to the overall sense of drift of lawlessness and just really lack of any order and the ability to respond on behalf of the people that we represent.

There is an aspect of it - and I think all the areas of it have been canvassed - there is one aspect of it that I would just like to touch on, which is, who are these persons who are really carrying out these activities, this creeping commercialization?

In some instances it is not the person from outside, as you would expect, who comes, moves and sets up a commercial activity and then disappears at nights; sometimes in many instances people who reside in the community. And in the face of inaction what it does is to put neighbours against neighbours. Because when the councillor or the citizen association call together - and I have seen it so many times, where the citizen association comes together, they try to act, the person who is the culprit or the person usually never shows up to these things but he has a little person inside the meeting that as soon as the meeting is over, runs to this person, call and say, guess who is saying what and talking about you, and it creates tension in the community. And I, therefore, believe that it is the reason why the legislation and looking at the anachronistic nature of the legislation where now you should be looking at the legislation, looking at the realities, asking the questions, who are these perpetrators, who are the people who are really the offenders in the first instance. Because people come from the outside and join in when those within have compromised the integrity of the development, and then you get the situation where once they have started down that road someone comes in and they move for a change of use and you say, well, you're really left without a defence because they are able to point to what has been happening around the corner and next door to where they want to establish this business. And the law, the clever lawyers come in and they say, the change of use is obvious. They say this is *de facto*, it's been taking place on the ground already.

And so I agree with the mover of the motion that you really have to look at the legislation. Something has to be put into the

legislation, one, that at the very beginning you give the citizens a tool, an instrument for which they can respond to the commercial, which is money and might, to breach these covenant in the first place and then even if it is allowed to happen to a certain extent then it doesn't compromise the zoning provisions and that the clever lawyers can't then come in and say well you are estopped from stopping this because you have allowed, somehow you have fallen asleep, when that is not the case. The fact is people are afraid because their neighbours are the ones doing it.

So I think, Mr. Speaker, that the motion is timely. I think in the process we will get an opportunity to look at all aspects of this and to come up with some meaningful piece of legislation that once again put the power back into the hands of communities so that they can respond.

Thank you. And I support the motion. (Applause)

The SPEAKER: Mr. Fitz Jackson.

Mr. JACKSON: Mr. Speaker, very brief. But I feel compelled to add my support to this motion because my constituency is severely being affected by this emerging trend. As much of you might know, the greater part of my constituency is Greater Portmore and what I find most depressing is the emergence of this, though small, but we see from elsewhere what can happen and it is oftentimes said the best way to respond is in the early stages.

It is very depressing, Mr. Speaker, to see so many hardworking people go out in the days, come home in the evenings and have to be subjected to the environment that others impose on them for their own selfish well-being. There is a tendency to say that “boy, man must eat a food," but at whose expense? It can't be fair that two, or three, or four, or ten persons in a community of thousands interests take precedence over that larger body of people.

And the next point, Mr. Speaker, and someone I heard mentioned about the local authority. In the case of Portmore we have sought to address this through the Municipal Authority but the truth of the matter, Mr. Speaker, there are some limitations there, and I think more overarching legislation and enforcement is imperative to ensure that these small occurrences - in my situation - don't grow much larger. It is much bigger already in other communities, like that represented by yourself and my colleague from East Central. But, Mr. Speaker, it is of importance to many communities all over Jamaica, rural, urban, colleague from North East St. Ann, and so I the House to give support to this motion and moreso for the Government to move post-haste to implement the recommendations to bring effect to this motion. (Applause)

The SPEAKER: Mr. Fagan.

Mr. FAGAN: Just quickly, Mr. Speaker. l would like to lend support to the Member from East Central St. Andrew.

Mr. Speaker, I had the privilege of serving as Councillor and Deputy Mayor for the Municipality of Portmore and we at that time and still are been very challenged with the problem of commercialization in the Portmore community.

I believe, Mr. Speaker, as we go forward, we have to look at how we - we are talking about empowering people and people should seek to go into their own businesses and so on. We have to seek to address the problem of persons wanting to do their own business, but the availability of space and the availability of

those areas in which they can carry out their business are not readily available.

I speak to that, Mr. Speaker, because I know, for example, that Portmore is moving in a fast way in respect to more and more persons are seeing themselves doing businesses in Portmore. And what we find is that, even though we have a municipality, the time when the municipality was created, it was created at a time when the Government was trying to fasttrack the municipality and so, in doing so, the boundaries to ensure that more space is available - at that time, the boundary was not sufficient to take in more lands for the area of Portmore so as to make available space for persons who want to do business in Portmore

And so that, l believe that while we are looking at finding ways to stop this practice of commercialization in business places - in the communities, we should also look at how we are going to, while we encourage people to do business, look at how we are going to find ways to assist them in doing these businesses.

(Applause)

Mr. Speaker, the truth is that, there are persons who - the problems of businesses in the communities are not unique to the Corporate Area, and I say this because much of what has been said was said in relation to Kingston and so on. So I am just saying, Sir, that while we are agreed with what has been said, I think that we have to - in this whole business of reform of the Local Government we have to start to think of some of the recommendations that were put forward by the Member in respect to having - giving more powers to the local authorities.

I had the experience where a community member reported a business place close by and when it came to the Council a stop order was placed. The business - the person operating the business continued without any regard for the notice. And so the Council decided to take the matter to Court. It took eight (8) months before the Court actually had the call. And then eventually what happen is that the Judge, the presiding Judge said that well, in that area there are many other commercial businesses, why did you take just this one? And it just throws out the thing - the matter was just thrown out. And so the man continued with his business and the resident continued to have the problem of the noise nuisance. And so all will have to come on board, not just – all will have to have an understanding of what we are doing. The Courts will have to have an understanding, the municipality, just about everybody will have to have an understanding of what we are doing. And so the public education is going to be necessary.

I support the Member and trust that this House will do all that it can to ensure that we move the process fast enough, so that persons who buy their place and want to reside in peace can live in peace. (Applause)

The SPEAKER: Thank you, Mr. Fagan. Mr. Holness.

Mr. HOLNESS: Thank you, Mr. Speaker. Clearly I rise in support of the motion. My constituency adjoins the Member from East Central St. Andrew and I suffer in the constituency. My constituents suffer and I try to bring to this House their pain, in that, their estate in property is being significantly devalued by unregulated and unabated commercial activity which makes residential life difficult.

The solutions that have been offered so far rest upon legislation, but policy plays an important role as well. I think it is now time

for the Government to look seriously at urban renewal and re-gentrification of estates that have been lost to commercial activities. As well as there are solutions that the market can provide for this kind of problem.

The problem of commercialization of residential areas is purely a market-driven problem; people need property from which to conduct business. The changing nature of our urban area is such that the residential property is in close proximity to the commercial centre and therefore you will always find, particularly for areas in Eastwood Park and other areas like that, this intensification of commercialization.

So, whilst I agree that there is a general problem of breaking the law as it relates to what the building codes, what the caveats on properties are, but there is also this general development problem where, because of the changing nature of the urban areas you find that properties that were long ago deemed as residential are now in extremely close proximity to urban commercial areas.

So it speaks to the need for a serious look at urban planning and I am sure that it has been mentioned that a Development Order need to be redone. But in redoing the Development Order, we must look at the economics that are at play. And the first thing is that mortgage rates are much higher than rental rates. So if you were to buy real estate for rental depending on the mortgage, you couldn't make any money. So properties make more money in commercial activity than they do in residential activity, and that is really what we need to change. We need to have policies that substantially bring down the interest rates on mortgages so that they fall well below rental rates, so that people can then invest in maintaining their residential properties. And that is the economics that I think will correct this commercialization.

(Applause)

So I would want when it is referred to committee that that be considered. Member I want to congratulate you on bringing this most important resolution to the House.

Dr. PHILLIPS: Mr. Speaker, permit me to thank - I am closing. Mr. Speaker, I want to thank colleagues for their support of the motion. I think what has been demonstrated is that all of us in our capacity as representatives are experiencing this problem in some way or the other.

I think some issues have been raised and I don't want to extend the debate longer than it has to be, but just to mention a couple things. Beginning with the House Leader and his comments a while ago, while agreeing with what you say, it is not just the - maybe there are economists and political economists but taking account the social part of what we did for reasons that had not much to do with economics, was to transform a big part of what was commercial Kingston into no-go areas because, beginning with all lower Maxfield Avenue, where a lot of - and businesses then moved Uptown because of violence and conflict stemming from times beyond, 1 mean there are whole **suedes,** no man's land, is a living scar an testimony to what has happened.

And so, there is both the need to get the market issues right, but it also means that the social order that derives from policy also has to be from policy in other areas than those you mentioned also has to operate and be effective.

But looked at from another dimension, l want to, about the role of policy, I want to reinforce a point made perhaps inadvertently

by my friend, the Minister of Industry and Commerce. He spoke a while ago, although in his capacity as the Minister, as being willing, and l believe correctly so, to use his ministerial authority to prevent a commercial operation which is in this instance affecting constituents of yours. But every day, in your time and before, businesses that are established in areas not zoned for commercial, construction, houses, companies in residential areas get contracts, from government contracts through normal tender process and all of that, I am not suggesting anything illicit in the award, but what I am suggesting that we need to look at is whether a condition for qualification to tender ought not to include that you are in conformity with laws such as the Town and Country Planning Act and other laws. (Applause) And that can be used even before we complete the review of the legislation and the like that would enable us to…

(*Sotto voce* comments by Mr. Holness)

Dr. PHILLIPS: And for other things as well, for other things, all kinds of things, you know. You have people come and set up concrete plant right in a neighbourhood that is zoned for residential. I mean, that kind of - where are they selling this? Chances are they are selling it to...

Mr. HIBBERT: Sand and gravel.

Dr. PHILLIPS: And sand and gravel and all kinds of things. We need to review that, to the extent that it is possible.

Other things that were said, the Leader of the Opposition, and others, spoke about the need for commercial centres and proper development plans - and your point about housing stock. Government has - and you know, an important financing vehicle in the National Housing Trust that can be used to augment the restoration, resources for the restoration of residential communities.

I have often felt - well, I felt for a long time that the inclination to greenfield type operations, fresh housing projects and fresh land, is misplaced in our situation. You need some, obviously, like, you know, Portmore and others. But you need also to do some infill, you need also to make some of those resources available to protect the communities, the Richmond Parks, the Waltham Parks, the Molynes Gardens, and other places where those things can bolster - and we have major public investment already in sewage, and roads, and parks, to develop these areas, and we need to do some of that.

(Applause)

So, Mr. Speaker, I want to thank Members. What I would hope is that however you are going to constitute the Committee - I know you are inclined to refer it to Infrastructure, and it may be, but l would like us - maybe we can find a vehicle whereby those who may not be members of the Committee but who have interest, can attend, and those who have expertise.

But most of all, Mr. Speaker, when established, let us set a cut-off point, a close cut-off point for it to report back to the House. Because I think, as we have all heard, it is a most urgent matter. And without a lot of big money, without an IMF loan, or IDB what not, we can do a lot in the near term to bring about some improvement in the conditions in our communities, and the quality of life. (Applause) And I want to thank the Members again.

The SPEAKER: Is the resolution to then, Dr. Phillips...

Dr. PHILLIPS: The resolution, Mr. Speaker, standing at Number 20, proposes that a Committee be set up to review. I would amend - in keeping with the - what I know to be the desires of the House Leader, that we ask that it be referred...

The SPEAKER: To the Infrastructure Committee.

Dr. PHILLIPS: ....Infrastructure Committee, urging those Members interested to attend, and it will have special hearings; and that it be asked to require - to report within three months, within three months of the start of hearings on this matter.

The SPEAKER: Members, you have heard the resolution with the amendment. The amendment to the resolution is that...

Mr. HOLNESS: Mr. Speaker, certainly the resolution that is on the Order Paper does not speak to setting up a special Committee, so it would automatically go to the appropriate...

Dr. PHILLIPS: I was moving an amendment which I have withdrawn.

Mr. HOLNESS: Which you have withdrawn. Okay. So there is no need to put an amendment to the resolution.

The SPEAKER: Very well.

Dr. PHILLIPS: Yes, we will just send it to the Infrastructure Committee. But I am asking for an amendment, Mr. Speaker, to require them three months.

The SPEAKER: Members, I am putting the amendment, Members, the resolution as amended, which require a report from the Infrastructure Committee within three months.

(Amendment put and agreed to)

The SPEAKER: So the motion is carried with the amendment. Well, I put the motion with the amendment.

House Leader?

Mr. HOLNESS: Thank you, Mr. Speaker.

Mr. Speaker, I would now move that we recommit the items Reports from Committees and Notices of Motions Given Orally.

The SPEAKER: Members, the motion is that we recommit the items Reports from Committees and Notices of Motions Given Orally.

Motion put to the House and agreed to.

The SPEAKER: Yes, Mr. Pickersgill.

REPORTS FROM COMMITTEES RECOMMITTED

Mr. PICKERSGILL: Yes, Mr. Speaker. In my capacity as Chairman of that distinguished Committee, sir, I beg to lay on the Table of the House a copy of the Report of the Sessional Select Committee on Infrastructure and Physical Development.

Mr. HOLNESS: Mr. Speaker, on behalf of the Minister of Finance, Mr. Speaker, l beg to lay on the Table of the House a copy of the Report from the Joint Select Committee on its deliberations on the Bill entitled the Financial Investigations Division's Act, 2008.

NOTICES OF MOTIONS GIVEN ORALLY (RECOMMITTED)

And Notices of Motions given Orally, Mr. Speaker, I beg to give notice that at the next meeting of the House I will move -

> Be it Resolved that the Report of the Joint Select Committee on its deliberations on the Bill entitled the Financial Investigations Division Act, 2008, which was laid on the Table of the House on the 10th day of March, 2010, be approved.

The SPEAKER: Yes, Mr. Pickersgill.

Mr. PICKERSGILL: Mr. Speaker, I beg to give notice that at the next meeting of the House I will move –

> Be it Resolved that the Report of the Sessional Select committee on Infrastructure and Physical Development, which was laid on the Table of the House on the 10th day of March, 2010, be approved.

The SPEAKER: House Leader.

Mr. HOLNESS: I had initially indicated that the Member from North East St. Catherine would have taken motion Number 18, standing in his name. We have since decided, Mr. Speaker, not to proceed.

ADJOURNMENT

Mr. Speaker, therefore, there is no other business proposed for today. I now move that the House do adjourn until Tuesday, the 16th of March.

The SPEAKER: Members, the motion before the House is that this Honourable House do adjourn until Tuesday, the 16th of March, at 2:00 p.m.

Put to the House and agreed to.

The SPEAKER: This Honourable House stands adjourned.

The Honourable House of Representatives was adjourned at 5:32 p.m. to resume on Tuesday, March 16, 2010, at 2:00 p.m.

TUESDAY, March 16, 2010

PURSUANT to Notice of Adjournment the Honourable House of Representatives resumed its sitting at Gordon House, Kingston at 2.21 p.m.

PRESENT

THE SPEAKER

HON. DELROY HAWMIN CHUCK, (JLP), St. Andrew, North Eastern.

MRS. MARISA COLLEEN DALRYMPLE-PHILIBERT, (JLP), Trelawny, Southern, Deputy Speaker.

MEMBERS OF THE CABINET

THE HONOURABLES:

ANDREW MICHAEL HOLNESS, (JLP), St. Andrew, West Central, Minister of Education, Leader of Government Business and Electoral Matters.

AUDLEY FITZ ALBERT SHAW, (JLP), Manchester, North Eastern, Minister of Finance and the Public Service.

KARL GEORGE SAMUDA, CD, (JLP), St. Andrew, North Central, Minister of Industry, Commerce and Investment.

PEARNEL PATROE CHARLES, CD, (JLP), Clarendon, North Central, Minister of Labour and Social Security.

LESTER MICHAEL HENRY, CD, (JLP), Clarendon, Central, Minister of Transport and Works.

RUDYARD CONRAD SPENCER, (JLP), Clarendon, South Eastern, Minister of Health and the Environment.

DR. CHRISTOPHER CHARLES TUFTON, (JLP), St. Elizabeth, South Western, Minister of Agriculture.

JAMES RUDOLPH EDWARD ROBERTSON, (JLP), St. Thomas, Western, Minister of Mining and Energy.

MINISTERS OF STATE

THE HONOURABLES:

DARYL WESLEY PHILLIP VAZ, (JLP), Portland, Western, Minister without Portfolio in the Office of the Prime Minister, Information and Telecommunication.

MRS. SHAHINE ELIZABETH ROBINSON, (JLP), St. Ann, North Eastern, Minister of State in the Office of the Prime Minister.

WILLIAM JAMES CHARLES HUTCHINSON, (JLP), St. Elizabeth, North Western, Minister of State in the Ministry of Agriculture.

CLIFFORD EVERALD ERROL WARMINGTON, (JLP), St. Catherine, South Western, Minister of State in the Ministry of Water and Housing.

NEVILLE ANDREW GALLIMORE, (JLP), St. Andrew, West Rural, Minister of State in the Ministry of Labour and Social Security and Deputy Leader.

OTHER MEMBERS

DR. ST. AUBYN BARTLETT, (JLP), St. Andrew, Eastern.

MR. LUTHER BARTLEY MONTEITH BUCHANAN, (PNP), Westmoreland, South Eastern.

MR. PETER MURCOTT BUNTING, (PNP), Manchester, Central.

MR. ROGER HAROLD CLIFFORD CLARKE, (PNP), Westmoreland, Central.

DR. OMAR LLOYD DAVIES, (PNP), St. Andrew, Southern.

MR. COLIN ALFRED FAGAN, (PNP), St, Catherine, South Eastern.

DR. FENTON RUDYARD FERGUSON, (PNP), St. Thomas, Eastern.

DR. MORAIS VALENTINE GUY, (PNP), St. Mary, Central.

DR. ESMOND VERNAL PATRICK HARRIS, (PNP), Trelawny, North.

MR. IAN DAVE HAYLES, (PNP), Hanover, Western.

MRS. SHARON MERLE HAY-WEBSTER, (PNP), St. Catherine, South Central.

MRS. MAXINE ANTOINETTE HENRY-WILSON, (PNP), St. Andrew, South Eastern.

MR. JOSEPH URIAH HIBBERT, (JLP), St. Andrew, East Rural.

MR. ANTHONY GEORGE HYLTON, (PNP), St. Andrew, Western.

MR. FITZ ARTHUR JACKSON, (PNP), St. Catherine, Southern.

MR. DERRICK FLAVIUS KELLIER, (PNP), St. James, Southern.

MR. DESMOND GREGORY MAIR, (JLP), St. Catherine, North Eastern.

DR. KENNETH WYKEHAM MCNEILL, (PNP), Westmoreland, Western.

MRS. NATALIE GAYE NEITA-HEADLEY, (PNP), St. Catherine, East Central.

MR. PHILLIP FEANNY PAULWELL, (PNP), Kingston Eastern and Port Royal.

MR. MICHAEL ANTHONY PEART, (PNP), Manchester, Southern.

MR. TARN ANDREW PERALTO, (JLP), St. Mary, South Eastern.

DR. PETER DAVID PHILLIPS, (PNP), St. Andrew, East Central.

MR. DERRICK CHARLES SMITH, (JLP), St. Andrew, North Western.

MR. ERNEST AUGUSTUS SMITH, (JLP), St. Ann, South Western.

REV. RONALD GEORGE THWAITES, (PNP), Kingston, Central.

MR. FRANKLYN ROBERT WITTER, (JLP), St. Elizabeth, South Eastern.

PRAYERS

Prayers were offered by Mr. Gregory Mair.

The Honourable House resumed its sitting at 2.21 p.m.

The SPEAKER: Please be seated.

This Honourable House now resumes its sitting.

CALL OF THE ROLL

(See Listing)

The SPEAKER: Members, this afternoon we would like to welcome from the Holy Trinity High School, students and teachers. Welcome to the sitting of Parliament this afternoon. (Applause)

ANNOUNCEMENTS

The Clerk laid on the Table of the House a copy of the following:

- **Ministry Paper No. 20**
  Report and Audited Financial Statements of the Banana Board for the year 2007.
- **Ministry Paper No. 21**
  Annual Report and Audited Financial Statements of the Development Bank of Jamaica for the 2008/2009 fiscal year.

- **Ministry Paper No. 22**
  Implementation of a pilot Development Assistance Centre within the National Environment and Planning Agency.
- **Ministry Paper No. 23**
  Culture, Health, Arts, Sports and Education (CHASE) Fund Annual Report and Financial Statements for the financial year 2008/2009.
- **Ministry Paper 24**
  Cabinet Agenda issues for March 1, 2010
- **Ministry Paper No. 25**
  Vote-on-Account 2010/2011
- Women's Centre of Jamaica Foundation
  Annual Report and Audited Financial Statements for the year ended March 31, 2009
- Office of the Public Defender
  Annual Reports and Addenda with audited financial statements for the calendar years 2006, 2007 and 2008
- Road Maintenance Fund
  Annual Report and Audited Financial Statements for financial year 2007/2008
- The Real Estate Dealers and Developers (Amendment) Regulations, 2010 under the Real Estate (Dealers and Developers) Act
- The Registration (Strata Titles) (Amendment) Regulations, 2010 under the Registration (Strata Titles) Act
- Ministry of Finance and the Public Service
  Second Supplementary Estimates for the year 2009/2010

Rev. THWAITES: Mr. Speaker, has the announcement reporting on the Real Estate Dealers been circulated?

The SPEAKER: I think so. Which one are you querying, the Regulations, I have a copy.

Rev. THWAITES: The Real Estate Dealers.

The SPEAKER: Oh, I have the Registration Strata Titles.

Rev. THWAITES: I have that. It's the Real Estate Dealers.

The SPEAKER: You are talking the Real Estate Dealers, both should have been circulated. We'll check on it and let it be provided, Rev. Thwaites.

Rev. THWAITES: Thank you very much.

BILLS BROUGHT FROM THE SENATE

The Clerk read the following message from the President of the Senate:

TO THE HONOURABLE HOUSE OF REPRESENTATIVES:

I have the honour to advise the Honourable House of Representatives that on the 12th day of March, 2010 the following Bills were passed in the Senate:

1. AN ACT to Amend the Terrorism Prevention Act, passed without amendment.
2. AN ACT further to Amend the Financial Administration and Audit Act, passed without amendment.
3. AN ACT to validate and confirm all acts or things done in good faith by the Jamaica Urban Transit Company Limited as if exempt from the

provisions of the Motor Vehicles Insurance (Third Party Risks) Act by virtue of its establishment and maintenance of a self insurance fund from the 1st day of April, 2004 to the 20th day of November, 2008 and to discharge and indemnify the Jamaica Urban Transit Company Limited, its officers and all other persons against all consequential liabilities, action and all legal proceedings of any kind in respect of its operations as if exempt from the provisions of the Motor Vehicle Insurance (Third Party Risks) Act passed without amendment.

4. AN ACT to Amend the Public Bodies Management and Accountability Act passed with three (3) amendments for which the Honourable Senate desires the concurrence of the Honourable House.

Amendments: In subparagraph (a) delete the new subsection (1) (b) and substitute therefor the following: "Enter into negotiations or take any other steps to borrow money by way of the issue of bonds or other debts, securities; and in subparagraph (c) , in the new subsection (4), delete the words "in respect of which" and substitute therefor the word "where".

Signed: Oswald G. Harding,
President of the Senate.

(HON. ORETTE BRUCE GOLDING, (JLP), Kingston, Western, Prime Minister, Minister of Planning, Development and Defence, entered and took his seat.)

The SPEAKER: Mr. Shaw.

Mr. SHAW: Mr. Speaker, I beg to give - to move that the Senate amendments to the Bill entitled AN ACT to Amend the Public Bodies Management and Accountability Act be considered at this meeting of the House.

The SPEAKER: Members, the motion as sent back to us from the Senate.

Put to the House and agreed to.

The SPEAKER: Approved.

NOTICES OF MOTIONS GIVEN ORALLY

The SPEAKER: House Leader.

Mr. HOLNESS: Mr. Speaker, on behalf of the Prime Minister I beg to give notice that at the next meeting of the House l will move the Registration (Strata Titles) (Amendment) Regulations, 2010:

Whereas under the provisions of section 16 of the Registration (Strata Titles) Act the Minister may make regulations generally for the proper carrying out of the purposes and provisions of the Act including prescribing the fees to be paid for anything required or permitted to be done under this Act;

And Whereas section 4 subsection (8) of the Registration (Strata Titles) Act provides that the prescription of any fee under this section shall be subject to affirmative resolution;

And Whereas the said fees are provided for in regulations 11A, 11B (a) and B(b):

Now Therefore Be it Resolved by this Honourable House as follows:

1. This resolution may be cited as the Registration (Strata Titles) (Amendment) Regulations, 2010 Resolution; and
2. The Registration (Strata Titles)

(Amendment) Regulations, 2010 which were laid on the Table of the House on the 16th day of March, 2010 are hereby affirmed.

Secondly, Mr. Speaker, I beg to give notice that at the next meeting of the House I will move:

Be it Resolved that the Real Estate (Dealers and Developers) (Amendment) Regulations, 2010 under the Real Estate, (Dealers and Developers) Act which were laid on the Table of the House on the 16th day of March, 2010 be referred to the Regulations Committee of the House of Representatives for consideration and report.

Mr. Speaker, I further beg to give notice that at a later stage today I will move for the suspension of Standing Orders to enable me to take this motion.

The SPEAKER: Thank you, House Leader. Mr. Shaw.

(HON. KARL GEORGE SAMUDA, CD, (JLP), St. Andrew, North Central, Minister of Industry, Commerce and Investment, entered and took his seat.)

(DR. HON. HORACE ANTHONY CHANG, (JLP), St. James, North Western, Minister of Water and Housing, entered and took his seat.)

CARRYING-ON ALLOWANCE

Mr. SHAW: Thank you Mr. Speaker. I beg to give notice that at the next meeting of the House I will move the following two motions:

Whereas section 9 subsections (4) and (5) of the Financial Administration and Audit Act authorizes the Minister of Finance and the Public Service to issue warrants for the withdrawal of such sums from the Consolidated Fund as the House of Representatives may by resolution approve in anticipation of grants of Parliament in the Appropriations Act for financial year in which the sums were issued;

And Whereas upon commencement of that Act the said warrants shall cease to have effect and issues thereunder shall be deemed to have been made for the purposes of the Act and shall be accounted for in accordance with the provisions thereof;

And Whereas it is necessary to make provision before the 31st of March, 2010 for the carrying on of the business of the Government from the 1st of April 2010 until such time as the Estimates of Expenditure for the year ending the 31st March, 2011 are approved, provided that such provision shall not include any increase in any officers salary or allowances other than approved increments and increases agreed by the Government in 2009/2010 to be paid in the 2010/2011 financial year, any increase in establishment over that approved in 2009 or 2010 or any new services or work for which no provision was made in the Estimates of Expenditure for 2009/2010 or which has not or otherwise received the approval of the House and provided also that no payment shall be made by virtue of resolution after the 30th of June, 2010:

Be it Resolved that this Honourable House hereby approves the expenditure of a sum of $54,066.8 Million being charges upon the Consolidated Fund to defray the

charges of the several heads of expenditure specified in the attached Schedule until such time as the Appropriation Act 2010 shall have been passed. And Mr. Speaker:

Be it Resolved that the Second Supplementary Estimates of Expenditure for the financial year ending March 31, 2010, which was laid on the Table of the House on the 16th day of March, 2010 be referred to the Standing Finance Committee of the whole House of Representatives for consideration and report.

Mr. Speaker, I further beg to give notice that at a later stage today I will move for the suspension of the Standing Orders to enable me to take these motions.

The SPEAKER: Thank you Mr. Shaw.

(MR. CLIVE ARTHUR MULLINGS, (JLP), St. James, West Central, entered and took his seat.)

QUESTIONS AND ANSWERS TO QUESTIONS

The SPEAKER: House Leader.

Mr. HOLNESS: Mr. Speaker, we have one question ready for answer, Question 51 is ready for answer by the Minister of Labour and Social Security.

The SPEAKER: 51...? Okay 50. Rev. Thwaites.

Rev. THWAITES: Mr. Speaker, in his kindness, will the Minister of Labour and Social Security answer the question listed at No. 50 in my name?

NIF – BENEFITS TO PENSIONERS, ETC.

The SPEAKER: Mr. Charles.

Mr. CHARLES: Mr. Speaker...

The SPEAKER: The answers, were they circulated, Mr. Charles?

(Answers given to Rev. Thwaites

Mr. CHARLES:

Question: What is the effect of the debt exchange of the National Insurance Fund and the benefits to pensioners and beneficiaries given existing and projected levels of inflation?

Answer: The National Insurance Fund is projected to earn $4 Billion in interest income on GOJ instruments for the year 2010/2011. This is $1.2 Billion less than would have been earned if interest rates remained at the levels which obtained prior to the debt exchange initiative.

Interest income is subject to fluctuation in interest rate except where fixed rate instruments are held. The NIF holds a mixture of fixed and variable rate GOJ instruments.

The projections based on rates applicable subsequent to the Debt Exchange programme will not affect the ability of the Fund to pay the benefits due to NIS beneficiaries and will not preclude timely adjustments to those benefits based on actuarial review.

It is to be noted that the Debt Exchange Programme will contribute significantly to a containment of the fiscal deficit without which nation would erode the value of the benefits paid to beneficiaries. The Government's economic programme of which the debt exchange is a crucial element, projects that

inflation will moderate from 5 to 7 per cent over the next two years which is well within the adjustments that the Fund expects to be able to make.

Further, it is to be pointed out that a significant portion of the NIS investment portfolio is held in real estate, the projected capital appreciation of which will enhance the Fund's ability to meet future payments to beneficiaries.

The SPEAKER: Rev. Thwaites,

Rev. THWAITES: Mr. Speaker, will the Minister confirm a report made some months ago that more is being paid out of the National Insurance Fund by way of benefits than is being collected? And if that report is correct, will he be able to confirm that the loss of $1.2 Billion over - I take it annually - will have little or no effect on the solvency of the Fund and its ability to continue with similar benefits?

Mr. CHARLES: Mr. Speaker, the report that the Member referred to was made by me some time ago which initiates - which we stated that we had to restructure certain areas of the NIF in order to keep it going to a projected period of 2030. That is now being done, and is expected to be before the Cabinet soon, and a report could be made to the House.

Rev. THWAITES: Respectfully, Mr. Speaker, I don't think the Minister quite answered the question, but we are glad to hear the restructuring. I would like to ask him, what is the level of inflation this year, Mr. Speaker? Yes, we hope that inflation will moderate from 5 to 7 per cent over the next two years, but surely, the existing levels of inflation now, and for the next two years will have a negative effect on the benefits paid by of the Fund, will the Minister comment on that...?

The SPEAKER: Is that properly directed to the present Minister - the level of inflation, the level of inflation, is he...?

Rev. THWAITES: The Minister must know, he presides over the Fund.

The SPEAKER: No, but is that a proper question to this present Minister?

Rev. THWAITES: May I rephrase it then, for your pleasure?

The SPEAKER: Yes - I mean...

Rev. THWAITES: Will the Minister confirm that the existing levels of inflation and those proximately projected will have an adverse effect on a Fund, depleted of its expected income?

Mr. CHARLES: Mr. Speaker, it has been pointed out to the House already, that we have received from the previous Government, funds and payments, which, if it continues as it is, the NIS will run out of very shortly. This Government is taking steps, or has taken steps to create a Fund that will not run out. And, in fact, at this stage, it is not running out and the creation which will be presented to you will let you know that up to 2030, the Fund will be intact, as it is now.

The SPEAKER: Dr. Davies... sorry, you...

Rev. THWAITES: Mr. Speaker, the value of the real estate that the answer to the question projects, will the Minister confirm that this is an unrealized capital appreciation, and may I understand the basis on which an unrealized projected capital appreciation can be stated so definitively to enhance the Fund's ability to meet feature payments?

Mr. CHARLES: I cannot hear, you are

disturbing me. (Referring to Members seated behind him)

Rev. THWAITES: May I just finish the question. The next question I would like to ask him is: Will the Minister confirm that the present level of NIS benefits are very low and unadjusted for inflation? And, when will another review of these benefits be made? And lastly, can the Minister state what efforts are being made to get more Jamaican workers, more persons in the economy to register as contributors to the National Insurance Fund?

Mr. CHARLES: Mr. Speaker, I said to the Member that at present, the Ministry of Labour, working with the Ministry of Finance is reorganizing and restructuring the NIS as to contributions from workers, and as to contributions to pensioners. This House will be informed as soon as Cabinet approves that.

The SPEAKER: You are getting the same answers, Rev. Thwaites. (Laughter) Yes, Dr. Davies.

Dr. DAVIES: Through you, Mr. Speaker. Minister, you would be aware of meetings chaired by the Prime Minister, reviewing the NIF, and the contributions, and following these meetings, I requested of the Minister of Finance, and received, data on the inflows for the NIF. And the data shows that for fiscal year 08/09, in current dollar terms, the contributions were below those of fiscal year 07/08. Two parts to the question, has this trend continued in 09/10, the present fiscal year? And two, if when you add to the reduction in interest income, are you saying that this has had no impact on the actuary's projections for the Fund?

Mr. CHARLES: It is very clear that the income/interest would have given us more funds to meet our obligations. It is now reduced because - and it has nothing to do with present capital. This is income which is lowered, not from collections but from investment...

The PRIME MINISTER: There are a lot of questions we want to ask you.

(Laughter/*Sotto voce* comments)

Dr. DAVIES: Ask them.

Mr. CHARLES: So, just to advise you, yes, it will be affected but it will not endanger it, and we are taking steps to preserve it for thirty (30) years more.

(*Sotto voce* comment by some members)

Dr. DAVIES: The question, do you confirm that in current terms, the data presented - sent to me by the Minister of Finance, indicated that the inflows for 08/09 in current terms were below 07/08, has the trend continued in this fiscal year?

Mr. CHARLES: I honestly - and it is not because I haven't been so advised...

(Laughter)

...but that is something I would have to check from them, and if needs be, put it in writing to you.

PUBLIC BUSINESS

The SPEAKER: House Leader.

Mr. HOLNESS: Mr. Speaker, at Public Business, we will take the Regulations for the (Strata Titles) Act. We will also take, Mr. Speaker, the Sharing of Forfeited Property Act, the Order Resolution. The Minister of Finance will take the Financial Investigation Division Act 2008, and we will begin with that. And we are on standby, Mr. Speaker, for the Regulations to the Terrorism Act.

And of course, Mr. Speaker, the Vote-on-Account for the Second Supplementary. So, what we will do then, Mr. Speaker, is - what

we will do, Mr. Speaker, is, we will take the Vote-on-Account first, then the Minister of Finance will continue with the Financial Investigation Division Act, 2008, and then the Prime Minister will start the debate on the Regulations to the Strata Titles Act, and then the other matters follow therefrom.

The SPEAKER: And the real estate...

Mr. HOLNESS: Not the Real Estate Developers... no, no!

The SPEAKER: Okay, very well. Minister Shaw, you will begin?

Dr. PHILLIPS: Mr. Speaker?

The SPEAKER: Yes, Dr. Phillips.

Dr. PHILLIPS: I understand that we are at the - I would love the House Leader to hear me - I understand that we are at the end of the Parliamentary year.

The SPEAKER: Not today.

Dr. PHILLIPS: We are...?

The SPEAKER: Not today.

Dr. PHILLIPS: No, we are close to.

The SPEAKER: Close to the end, okay.

(*Sotto voce* comment)

Dr. PHILLIPS: Every year you come close to the end - closer to the end.

MEMBERS: So true, you are so right!

(Laughter)

Dr. PHILLIPS: But, Mr. Speaker, we are being placed in a particular difficulty became each week and in fact each weekend, there is a schedule that is presented to the Leader of Opposition Business and the Deputy Leader, and then there are new things - completely new things that are brought. I believe we have tried to accommodate, but it is not the first time, that's why I am not making heavy...

(*Sotto voce* comments/Laughter)

Dr. PHILLIPS: If their claim for their failure to perform is that they are trying to emulate us, then it doesn't make a good case. And in fact it is not based on fact, but I don't really want to get into a tit- for-tat.

(*Sotto voce* comment)

Dr. PHILLIPS: No, because there needs to be at least some close approximation, Mr. Speaker, between what we prepare for and what is actually done.

I can understand, for example, the supplementary Estimates, but there is no reason why Friday or Monday they couldn't be told that this is what is coming. Then, in the Regulations for Strata Titles, that was not on the - was that on your list?

(*Sotto voce* comment)

Dr. PHILLIPS: That was on the list for tomorrow. There are other items. I plead, Mr. Speaker, as we enter the new Parliamentary year that we get some closer approximation between the notice sent out every Friday and what we now have, so that it can work.

(MR. OTHNEIL LAWRENCE, (JLP), St. Ann, North Western, entered and took his seat.)

Mr. HOLNESS: Mr. Speaker, there is no doubt that the nature of Government business is such that we will have to carry matters on an emergency basis. And to be truthful, Mr. Speaker, the Opposition, from time to time, as they must, as is their duty to this country, have accommodated when we have brought emergency pieces of legislation.

Mr. Speaker, on the Order Paper today it's only one matter that the Opposition could claim that they would not have had enough time to review.

(HON. OLIVIA ATAVIA GRANGE, (JLP), St. Catherine Central, Minister of Youth, Sports and Culture, entered and took her seat.)

But even then, Mr. Speaker, they were aware, and that would be the Regulations to the Strata Titles Act. Supplementaries, you really would not get much advanced notice for that in any event. Mr. Speaker, we have tried and decided to provide a timetable. And I believe, Mr. Speaker, we have kept the schedule as tight as possible.

(MR. ROBERT PICKERSGILL, (PNP), St. Catherine, North Western, entered and took his seat.)

And in fact, Mr. Speaker, it is a reflection on the Government... the Government's willingness to speed along...

Dr. DAVIES: Andrew, all of us laughing.

Mr. HOLNESS: ...to move along expeditiously, Mr. Speaker, the business of the country.

(Cross talk/Laughter)

Mr. BUCHANAN: Are you saying that the answers to these questions are…? (Inaudible)

(*Sotto voce* comments)

The SPEAKER: Anyway, Mr. Holness, the fact that a Member has brought it to the attention of the House, though, we hope that, you know, as much as possible we can try to accommodate and make sure that adequate notice is given, you know, as much as possible. I think Members will appreciate how difficult it is at times to ensure that matters which have to be dealt with, that . . . and I am sure that the House Leader frequently advises the Leader of Opposition Business of the urgency of some of these matters. So, having given the notice by Dr. Phillips, we hope things will tighten a bit, okay. Minister Shaw.

Mr. SHAW: Mr. Speaker, I now move for the suspension of the Standing Orders to enable me to take the motions, notice of which I gave earlier.

The SPEAKER: Members, the motion before the House is for the suspension of Standing Orders for Minister Shaw to take the matter, notice of which was given earlier, two matters, notices of which were given earlier?

Put to the House and agreed to.

Minister Shaw.

Mr. SHAW: Thank you, Mr. Speaker.

Mr. Speaker, I now move:

> Be it Resolved that the Second Supplementary Estimates of Expenditure for the financial year ending March 31, 2010, which was laid on the Table of the House on the 16th day of March, 2010 be referred to the Standing Finance Committee of the whole House of Representatives for consideration and report.

Mr. Speaker, in moving this motion, let me first of all just indicate to the Member from East Central St. Andrew that due to my own absence from the island last week it was an inadvertent oversight that we were not able to inform the Opposition from late last week.

The truth is, Mr. Speaker, that the Second Supplementary Estimates came about principally due to the events surrounding the recent Jamaica Debt Exchange as will become apparent in the discussions. And the fact is that we could not in fact construct the Second Estimates until the exchange itself was complete.

But, it is not an excuse and I simply want to indicate that we should have advised the Opposition from late last week, and I take full responsibility for that, Mr. Speaker.

As I indicated to you, as will become clear, it is principally related to the additional interest as a result of the debt exchange, as well as some additional amortization based on short term instruments which were put into the market, and that is the principal feature of the Second Supplementary Estimates and it should not, therefore, Mr. Speaker, detain us too long in terms of the Standing Finance Committee. I am, therefore, proposing that the Standing Finance Committee meets at 1.00 o'clock tomorrow and we can then have the debates on the Second Supplementary Estimates at the regular sitting of the House tomorrow.

On that basis, Mr. Speaker, Be it Resolved that the Second Supplementary Estimates of the financial year be referred to the Standing Finance Committee.

(Consultations)

Mr. Speaker, I propose 12 o' clock instead of 1:00 p.m.

The SPEAKER: Very well. Thank you, Mr. Shaw. Could you move for the motion to be adopted, Mr. Shaw.

Mr. SHAW: I did, but I'll move again for the motion for 12 o' clock for the examination of the Standing Finance Committee be adopted.

The SPEAKER: The motion before the House is for the adoption, motion of which was given earlier?

Put to the House and agreed to.

Just to remind all Members, please, we meet at 12 o' clock tomorrow and remember, after we meet the Clerks will have to write a report which has to be approved by the Committee before it comes to Parliament, okay. So let us meet at 12, even if we only meet two minutes, the Clerks still have to go and write a report to come back to us before we meet at 2.00 o' clock, okay. Very well. That's it, Mr. Shaw?

Mr. SHAW: Thank you, Mr. Speaker. The next matter has to do with the Vote-on-Account, notice of which I gave earlier and I read the entire resolution, Mr. Speaker. It is the usual manner, in that what is actually voted on in terms of the carry on budget is the recurrent and the recurrent figure of $48.392 Billion, Mr. Speaker, to run from April to June and a capital outlay of $5,674.5 Billion to carry on capital works.

I must remind the Honourable House that the statutory expenditure of debt is not listed for approval because it is statutory, as well as pensions, and that amount for the period for those three months, although not listed in your Ministry Paper, for your information, for the information of the House is $49.6 Billion.

So, Mr. Speaker, on that basis I ask for the approval of the House for the carrying on or Vote-on-Account that it be approved.

The SPEAKER: Members, the resolution before the House is for the carrying on account, the Vote-on-Account.

Put to the House and agreed to.

The SPEAKER: Approved, Mr. Shaw.

Mr. SHAW: Mr. Speaker….

The SPEAKER: Yes, Minister Shaw.

Mr. SHAW: …Mr. Speaker, the matter before the House now has to do with the debate on the Report of a Special Select Committee which was set up to consider and report on the Financial Investigations Division Act 2008.

Mr. Speaker, as you are aware, the Financial Investigations Division Act has been in gestation for quite a long period of time, in fact, since 2002. In 2002, Mr. Speaker, the Financial Investigations Division of the Ministry of Finance and the Public Service was formed from the administrative merger between the Financial Crimes Unit of the Office of the Director of Public Prosecutions and the Revenue Protection Department.

The Financial Investigations Division is primarily responsible for the investigation of crimes, namely offences involving money or other benefits, including offences involving fraud, dishonesty, money laundering or the financing of terrorist activities.

Financial crimes have become increasingly complex, Mr. Speaker, and often involve international transactions with high levels of technology. Consequently, governments worldwide have taken a collaborative approach to combat these financial crimes, thus the FID Bill seeks to incorporate the necessary functions that will facilitate local investigation, as well as cooperation with other countries. The responsibilities of the division will also include maintenance of intelligence database, the collection of statistics on matters such as investigations, prosecutions and convictions, appointment of officers of the division, obligations to secrecy.

The establishment of the FID in statute is important as it is expected to result in a number of benefits, Mr. Speaker, because as you know, the FID itself operationally, has been functioning since 2002. But first of all, it gives legal status to the FID of the Ministry of Finance and the Public Service. It provides protection against the abuse or misuse of financial disclosures, that is, the protection of the rights of individuals in terms of financial disclosures. And it allows the FID to share information under specific circumstances with other institutions at home and abroad. It institutes some measure of accountability and it gives the division the necessary authority, Mr. Speaker, to carry out its mandate effectively.

In 2003, the FID Bill was first tabled in Parliament, but later was referred to a technical Task Force for further review. The Task Force consisted of representatives from the Ministry of National Security, the Ministry of Justice, the Legal Reform Department, the Attorney General's Department, the Office of the Director of Public Prosecutions, the Office of the Parliamentary Counsel, the Financial Investigations Division, the Ministry of Finance, the Financial Services Commission and the Bank of Jamaica.

During the review period, Mr. Speaker, the Proceeds of Crime Act, POCA was enacted, incorporating the provisions of the Money Laundering (Amendment) Bill. This resulted in the need to make the provisions in the FID Bill consistent with the provisions of POCA. The Task Force finalized the redrafted Bill for submission to the Office of the Parliamentary counsel.

The Bill was subsequently amended to reflect the decision to reestablish the Revenue Protection Division outside of the Financial Investigations Division. The redrafted FID Bill, Mr. Speaker, was approved by the Legislation Committee and Cabinet gave approval for the tabling of the Bill in Parliament.

Consequently, it was tabled in Parliament and a Joint Select Committee was

subsequently established with eight Members from the House of Representatives and four Members from the Senate. Deliberations on the Bill commenced on the 22nd of July of last year, Mr. Speaker. A total of seven meetings were convened in 2009 and the last of which was held on March 3, 2010.

In light of the importance of the Bill, participation was invited from special interest groups. As a consequence, written and oral presentations were made by the Jamaica Bankers Association, the Norman Manley Law School, the Jamaican Bar Association. And I want to indicate here and to indicate my thanks to the Members of the Committee on both sides of the House for their very diligent participation, Mr. Speaker, in the process of examining the Bill at committee stage. And the Report that is before us today describes the findings and recommendations coming out of the deliberations that took place during the sittings of the Committee.

In terms of a brief description of the Bill itself, Clause 2 provides an interpretation of selected terminology used in the Bill and Clause 3 makes provision for the establishment of the FID as a department of government.

Clause 4 deals with the functions of the division and these functions include the provision of advice to the Minister on policy matters relating to the detection, prevention and control of financial crimes, collection, processing, analysis and interpretation of information relating to financial crimes, including transaction reports and any other reports made to the division, investigation of any person who is suspected of being involved in the commission of any financial crimes, the promotion of public awareness and understanding of financial crimes, establishment and maintenance of a database and databank for the purpose of detecting and monitoring financial crimes. The compilation and publication of statistics on matters such as prosecutions, investigations and convictions relating to financial crimes, and the management and maintenance of property seized, restrained or forfeited in connection with proceedings relating to financial crimes.

Clause 7 provides for the appointment of the Chief Technical Director and staff by the Governor-General. The CTD is responsible for the day-to-day administration and operation of the division.

Clause 8 empowers the Chief Technical Director to delegate his or her function to any person as he or she sees fit as the need arises.

Clause 9 requires persons to treat information, books, records or other documents relating to the functions of the division and in the execution of their official duties as confidential. This obligation extends beyond termination of duty or employment to the FID. Persons are expected to treat all information received as confidential.

Mr. Speaker, this seems to be a very important clause because, as you know, for far too long in this country we have had a breakdown in terms of the respect for the rights of individuals and for the right to privacy in this country.

Clause 10 requires the Chief Technical Director to submit an annual report on the activities of the FID to the Minister and such other reports as the Minister may request on his functions or other matters of concern. The Minister is in turn required to table a copy of the annual report and audited financial statements in Parliament.

Clause 11 makes provision for the exchange of information by the division with local and overseas authorities relevant to the investigation or prosecution of a financial crime and stipulates the conditions necessary for the exchange of information. The provisions in this section allow the division to enter into memoranda of understanding or agreement with any foreign financial intelligence agency with permission from the Minister. And it should be noted that this is a critical requirement for the FID to become a member, Mr. Speaker, of the Egmont Group, the international group of financial intelligence units, to be tabled to get access to that group, the database that they have.

That is significant in the sense, Mr. Speaker, that, as an example, in the recent case of the alternative investment schemes the FID, because of the absence of this legislation, was not freely able to get access to information that flows through the system, the international system that is governed by the Egmont Group and the passage of this Bill will give FID the access to that critical source of information.

Clause 12 indicates that the provisions in the Act will not prevent or affect the provision of assistance under the mutual Assistance Criminal Matters Act.

Clause 13 provides statutory protection to persons who in good faith and in exercise of their functions exchange information with the FID. This statutory protection will also extend to financial institutions designated non-financial institutions.

Clause 14 gives an interpretation of the types of information, document or matter that are relevant to this part of the Act.

Clause 15 deals with the Production and Inspection Orders. Where the CTD suspects that a person has information that is relevant to the investigation of a financial crime, an authorized officer is allowed to apply to a Judge in Chambers or a Resident Magistrate for an order to inspect, take extracts from or make copies of the book, record or document. If the Judge or Magistrate is satisfied that these reasonable grounds exist then he may make the order. The procedure for executing the order is explained in the provision and the provision also gives the person who is required to produce the information the opportunity to seek a variation of the order from the Judge or the Magistrate.

Clauses 16 to 17 allow for the inspection, extraction or making of copies of the information produced.

Clauses 18 to 25 outline the process for applying for a restraint order. If the CTD suspects that a person has committed a financial crime or has benefitted from a financial crime, the CTD may apply to a Judge in Chambers to restrain that person from completing a transaction or restrain a financial institution from carrying out a financial transaction. The restraint order can only remain in effect for 30 days unless the CTD applies for an extension of that order.

Clauses 26 and 27 provide for the monitoring of accounts in a financial institution. The purpose of these provisions is to allow an authorized officer under specified conditions to apply to a Judge in Chambers to obtain an order to request from a financial institution information on accounts held, financial transactions or other financial dealings in relaying to the person affected by

the order in the investigation of a financial crime. The Monitoring Order is limited to 90 days. These provisions impose an obligation on the financial institution to maintain secrecy once the Monitoring Order is in effect. The procedure that should be followed is also outlined. It is an offence to disclose the existence of such an order.

Clause 28 indicates that if copies of documents that are made by an authorized officer are certified by a Justice of the Peace there will be two copies.

Clause 29 allows an authorized officer under specified conditions to apply to a Justice of the Peace, Resident Magistrate or a Judge in Chambers for a warrant to enter and search the premises of a person suspected of having committed a financial crime. The authorized officer is also empowered to seize and detain any book, record or document found on the premises which can be useful in the investigation, search and seizure. Warrants are necessary to obtain materials, documents that cannot be obtained by way of a Production Order providing certain conditions apply. The section also provides the type of information to be included in the search warrant.

And Clause 30, Mr. Speaker, deals with the general offences and penalties and it should be noted that the report contains the amendment that have been recommended, Mr. Speaker, by the committee.

Mr. Speaker, I am simply to end my opening presentation by once again saying that this Bill has been a long time in the making and has benefitted from extensive and wide consultations with all of the relevant public sector bodies, has benefitted from the advice of, by public invitation, the advice of Private Sector organizations, most notably the Bar Association as well as the Norman Manley Law School and importantly, the Bankers Association. And once again, I am also to thank the Honourable Members on both sides of the Lower House as well as the Upper House, Mr. Speaker, for the hard work and diligence and the thoughtfulness and careful attention to details, including protecting the rights of individuals to information that is gathered as well as to impose, Mr. Speaker, upon the employees of the FID the burden of responsibility for safeguarding these rights and acting responsibly in the position of trust that is reposed in them at FID.

I move for the adoption of the Financial Investigation Division Act of 2010, Mr. Speaker.

The SPEAKER: Dr. Davies.

Dr. DAVIES: Thank you very much, Mr. Speaker. Mr. Speaker, as the Minister has indicated, this Act has been long in coming. We have been deliberate on it in an earlier form for close on to eight (8) years and the Opposition in government instigated this work and hence there is no basic objection to the thrust of it.

There are couple points I want to emphasize. I think the Minister has alluded to it. One relates to the fact that this Act provides a great deal of power to the institution and in particular, the Chief Technical Director. And what we need to ensure is that that power is exercised, with all due respect, for privacy of individuals, and particularly those who are shown eventually to be innocent. And within that context I draw attention to Clause 11 which speaks about the ability of the Chief Technical Director, with the approval of the Minister, who, within the context of the Act, is the Minister of Finance, to share information,

to enter in arrangements, agreements with public body in Jamaica and those would most likely be, say, the Bank of Jamaica or the FSC. The committee spent a great deal of time in speaking to how do we ensure that this ability to share information would also be policed and scrutinized to ensure that citizens are protected. This, Mr. Speaker, and even as we wish to pursue financial crimes we have to ensure that regardless of that intent we protect the rights of the citizens in that area.

The second part to this, Mr. Speaker, in terms of this collaboration, we haven't yet thought through that whole process. My recollection is that in certain instances the manner in which the institution proceeded to gain access to information, euphemistically we could say, there was need to improve the bedside manner. In seeking to obtain computers and books, I don't think you really need a full show of force and again that is something which you can't write into legislation but operationally it's certainly something which we will have to work on.

Another point 1 wish to make, Mr. Speaker, and I think the Minister of Justice, and there has to be a collaboration between three (3) ministries in particular, the Ministry of Finance, Ministry of National Security and the Ministry of Justice. But it is one thing to seek to move our investigative capabilities to a higher level, more sophisticated level, but it's imperative that we, at the same time, seek to educate the judiciary in terms of the full implications of financial crimes. And there are instances - and you can't really question this - but there are instances where the decisions have been taken, rulings have been made which in a sense defeat the whole purpose of years of close scrutiny and investigation. So in terms of - this is a necessary platform but it is imperative that there is a fuller understanding of the negative impact and the potential negative effects of financial crimes on the society, and I say society deliberately, and on the economy.

So it is not something which we can write into legislation here became this is about a particular department. But there is a companion set of activities which we must embark on in terms of - I don't know whether it will mean special courts or special members of the judiciary who are trained in these matters. But there is that need to complement the work which is done here.

I speak, Mr. Speaker, from experience, in that there are instances, specific instances, where work has been carried out and the inability of persons within the National Security, officers for the National Security, to fully have a grasp of the matter, of the import of the matter, as well as the judiciary. We have had situations where there has been frustration in terms of those who have worked diligently in collecting the information, in putting the cases together, but in taking it to the other stage whereby these matters can be pursued.

So, Mr. Speaker, the Bill, it's not perfect. There are issues which over time we will perhaps need to refine. But it is a Bill which the Opposition supports. We recognized the need from the beginning and this represents best efforts at this stage within the contents of the caveats I've outlined.

The Opposition supports the Bill.

(MOST HON. PORTIA SIMPSON MILLER, O.N., (PNP), Leader of the Opposition, St. Andrew, South Western entered and took her seat.)

(MR. ANTHONY HYLTON, (PNP), St. Andrew, Western, entered and took his seat.)

The SPEAKER: Mr. Bunting.

Mr. BUNTING: Mr. Speaker, as a Member of the Committee, I spent some time with this Bill and I similarly support the intentions of the Bill. But just two small points I'd like to make.

The first is the importance of finding a way - and I'm not convinced that in the present dispensation it was adequately done - it's finding a way to insulate the Chief Technical Director from political interference. This person and the officers that he delegates the powers to is going to have very, very powerful investigative powers, and in fact he will have police powers, himself and his staff will have police powers as well. And I'm not sure that there are adequate protections to ensure that they are properly insulated from political direction and political interference, given that they are in a Ministry under the direction of a Minister and they don't have the same sort of insulation that a Director of Public Prosecutions or a Contractor General, *et cetera*, might have.

The second point was raised in the Committee and it was not resolved, I believe, but it has to do with where the FID resides. When you read the Bill and you understand the development of the fight against organized crime, transnational crime, this Unit and the Proceeds of Crime Act which they will essentially be the executing agency for, is critical in fighting organized crime. And one of the means that organized crime uses to resist that effort is threat and intimidation. And I am concerned that members, civilian members of a Ministry of Finance may be less able to resist that threat of intimidation than say, members of the police force in the traditional fraud squad or departments of the police force, one of which was merged into this new entity.

So, the question arises, should the FID properly belong in the Ministry of Finance, which to my mind is a secondary purpose of it which is to defend revenue, or, should it properly belong in the Ministry of National Security or within the Police Force itself? And I think if the principal objects of it is to - or, one of the principal objects is to become a tool to fight organized and transnational crime, then we may wish to look at where it is located. I don't believe the Bill prevents that being made as a policy decision or an administrative decision of the Government. But I think it is something that we need to contemplate carefully. And those are my few remarks.

The SPEAKER: Thank you, Mr. Bunting. Mr. Shaw. Sorry, hold, Mr. Shaw. Mr. Millings.

Mr. MULLINGS: Thank you Mr. Speaker.

Mr. Speaker, the legislation is more than required, especially in this time of transnational crimes and, of course, financial crimes, generally. And I note also the concerns of the Member from Central Manchester. But it should also be noted that the location of the department does not of itself become a hindrance. By that I mean that there are other aspects of financial crimes, proceeds of crimes is one other. But the investigation isn't unfettered. In other words, the Technical Director, though you will have a defence he will be acting in good faith, if he is acting unlawfully he has no protection. And so we

can take that into account in looking at the challenges that might arise where political interference is concerned. But also, as it relates to collaboration, because there will be collaboration with this department and other departments, other designated authorities under the POCA legislation and so on and so forth, Financial Services Commission, there's that collaboration. And the understanding in the legislative framework is that the investigation of one entity will not subjugate or oust the jurisdiction of another entity. In other words, you can have these entities which are working together and of course, will not impede the investigations of each separate entity. So, there are cross-references, there are protections in that regard.

One of the things we ought to bear in mind, Mr. Speaker, is the nature of crime, and especially financial crimes has taken on a spontaneity, an immediacy and far-reaching consequences. And it is important that the legislation seeks to keep up, if not go ahead, of these challenges. A financial crime can wreck an economy. And so it is appropriate that the Minister of Finance being in that position where his finger is on the pulse, would be able to have some amount of interface in the investigation of these crimes.

We must move beyond the issue of a lack of capacity. By that I mean sometimes we rely on the established institutions, but they don't have the capacity to deal with it. And this is a cry that has come up many times. We have certain attorneys who must be trained in forensic matters, forensic auditors. They are not necessarily in the police force. And so, you don't want to be in a position where you are unable to investigate and prosecute those crimes because of this lack of capacity.

So it is very important in understanding this bit of legislation to see it not just standing on its own, it's not operating as in a silo as against other entities that will also be investigating financial crimes. And I think in that regard, while l understand the concerns raised by the Member from Central Manchester is that it is not one that ought to detain us too much because at the end of the day, the final arbiter in all of this will always be the Courts, will always be the Director of Public Prosecutions or some other entity. And so the Financial Investigations Division is one of the tools in investigating financial crimes. I think it's very welcomed. It's very important that we move together on this. And I note the collaboration and support of the Opposition on it but this is just one more tool to drive a nail in the coffin of transnational crimes and in particular financial crimes.

Thank you, Mr. Speaker.

The SPEAKER: Thank you, Mr. Mullings. Yes, Mr. Samuda.

Mr. SAMUDA: Mr. Speaker, the Minister of Finance at all stages ought properly to have a global view of exactly what are the challenges facing the financial affairs of the country. And in that context he knows where are the areas of priority and has a vested interest in ensuring that levels of crime, financial crimes, *et cetera*, are properly identified and are investigated expeditiously.

And because he is the man on the spot or the woman, and because he has the overall responsibility for guiding the economic management and financial affairs of the country, this investigative facility that would be offered by National Security or any other agency, is just one more element that constitutes those areas that he has to call on

from time to time to assist in arriving at a proper conclusion of some of the issues that confront him on a daily basis.

So therefore, it does no violence to the principle of utilizing certain agencies of Government to facilitate in the discharge of his responsibilities. So there is absolutely no compromise. I see no compromise whatsoever in a process that separates it and places it quite properly under the Ministry of Finance.

The SPEAKER: Thank you, Mr. Samuda. Mr. Shaw.

Mr. SHAW: Thank you, Mr. Speaker, and I thank the Honourable Members for their participation. As a matter fact, Mr. Speaker, I'd like to perhaps start at the point that was made by the Members on this side in relation - and the Member from Central Manchester - in relation to the issue of just where the FID should be domiciled.

It is an issue, Mr. Speaker that is occupying, even as we are looking at this Bill now. It is an issue that - the fact is that there are strong arguments on both sides as to exactly where it is domiciled. In looking at international standards, the majority of what we have seen so far happens to be reposed at the Ministries of Finance. But there are jurisdictions that also have their FIDs reposed at the National Security Ministry. And I kind of have the idea, Mr. Speaker, that it depends on the circumstances, the time, the particular idiosyncrasies and circumstances and even the people and personnel, that it is dependent on a number of factors.

It is something that we will keep under review, Mr. Speaker, because the truth is that there are certain areas, areas of investigation, for instance, that would lend themselves more to the investigative skills of the security forces, while you have areas that have to do with the collection and compilation of information, for instance, from banking information to your other financial institutions that those would relate more to your Ministry of Finance. So that all of them are being looked at, the whole concept of the old Financial Crimes Unit, the FID in its current form, the RPD which I have found it necessary to re-institute, Mr. Speaker, because of the need to concentrate not only on financial crimes, but the need to concentrate on the protection of revenue through various avenues like customs and inland revenue departments and so on, where we have determined that they are major avenues right now of revenue leakage that is taking place. And of course, you have the whole question of the Asset Recovery Agency as well in terms of the proper - where that ought to be properly domiciled.

So even as we are passing this Bill, Mr. Speaker, I want to give the assurance that we are not setting things in concrete. But we are going to make things sufficient, to have the latitude to be able to come up over time with the best possible system that can allow us to have the best kind of capabilities of interdiction.

I want to just make the point that was mentioned by the former Finance Minister, that the question of the sharing of information. Mr. Speaker, the staff of the FID must also understand, they have to understand the kind of respect that is expected of them in terms of the rights of people, in terms of understanding the precise circumstances of confidentiality that is called upon them in the promulgation of this Act to respect the rights of citizens.

And quite frankly, Mr. Speaker, in doing so,

they need to understand, and I think all of us even as politicians, especially those that are for now in charge of government, is to handle power carefully, handle power with respect for the law, handle power with respect for the rights of the people of the country. And the handling of power with dignity and respect is not something that is at the political level only, it is at the operational level, Mr. Speaker, that that handling of power must be done with discretion, with dignity and with respect for the citizens of the country. (Applause)

Let me also indicate that I agree with the former Minister, Mr. Speaker - and you yourself as a practicing attorney in your other vocation might wish to even give us some advice as to how to go about this because we know that the judiciary itself is an independent estate, so to speak. But the former Minister has made an observation which I would like to wade in on because I think it is important: the suggestion that the Judiciary should be properly educated, that they should have - ensure that they have a full understanding of the impact, the implication of financial crimes on the economy, the implication on the national reputation of the country, the implication that it has for so many things. And I want to share with him in saying that even, not only in financial crimes, but in the prosecution of tax avoidance and tax evasion and questions of honouring the laws of the land in terms of taxation, oftentimes there are questions that we have to ask as to whether the Judiciary is demonstrating a sufficient understanding of the need to preserve our tax laws and to send the message to would be miscreants and avoiders and evaders, that there is a tax law in place that should be respected. And I think this is also part of the need for education of our judiciary. It is not to say that it is an excuse for sloppy investigation and for sloppy work on the part of those who are the compliance officers and the investigators of, in terms of tax, or the investigators in terms of financial crimes.

The point has been made about the question of insulation from political interference, and I just want to make the observation here, that while the Bill itself perhaps is not as explicit as it ought to be - and it is something that we can keep under advisement and keep looking at - the fact is that although it speaks to the policy direction of the Minister, operationally, as it has been done by the previous Minister and as it is now done is, that the head of the FID in effect reports to the Financial Secretary. And I have seen from files and correspondences in the Ministry that the former Minister also had that automatic insulation with the Financial Secretary and took the advice of the Financial Secretary in matters related to the Financial Investigations Division. This is precisely how I conduct it operationally as well. Matters like that I wish the advice, Mr. Speaker, of the Financial Secretary in terms of the effective operation of the FID. And so that for practical purposes the CTD reports to the Financial Secretary of Jamaica.

I just want to say, Mr. Speaker, that I welcome the comments of the Members. And you will see from the list of amendments that go from right through to Clause 30 there are a number of extensive amendments right throughout, that we have sought to make it as good piece of legislation as possible. Not perfect, not perfect, but over time the intention is not just to go towards more perfect legislation, but more importantly in our

experience, the important thing is that we need to observe the laws that are passed by us in Parliament. And we need to have the courage and the will to be able to discharge our duties without fear or without favour because one thing that must be done that we all have to commit ourselves to, is to rebuilding respect for the institutions of law and order in our society. (Applause) If we do not do that then we do not have a sustainable basis on which to move forward as a civilized society.

This Bill, Mr. Speaker, is part of seeking to institutionalize the framework, but more importantly it is by our own sense of integrity and sense of duty that we are going to have to lift the bar and lift the standard of conduct so that we can get the results that are collectively needed in the country.

I beg to move for second reading of the Bill.

The SPEAKER: No, Mr. Shaw, move that the Report be adopted.

Mr. SHAW: I beg to move that the Report be adopted. Thank you.

The SPEAKER: The House will now resolve itself into a Committee of the whole House to consider the Bill

"AN ACT to provide for the establishment of a department of Government to be known as the Financial Investigations Division, for the investigation of financial crimes and for connected matters, clause by clause".

COMMITTEE STAGE

The CHAIRMAN: Any general matters first Minister?

Mr. SHAW: Yes, Mr. Chairman, just in Clauses 1 and 2, there are a number of editorial matters, such as the dates and definitions of various persons, as the authorized officers. Delete the comma and all the words appearing the words....

The CHAIRMAN: These are editorial matters?

Mr. SHAW: They are just procedural editorial matters.

The CHAIRMAN: Which are substantive?

Mr. SHAW: Starting from Clause 3.

The CHAIRMAN: Well, let us go.

Clause I put and agreed to.

The CHAIRMAN: I put Clause 2. In the definition of "*authorized officer*", you want to delete the comma and add the words "*Commissioner of Police*?"

You put it, Minister.

Mr. SHAW: You want me to put everyone in detail like that, Mr. Speaker.

The CHAIRMAN: Yes, please, proceed.

Mr. SHAW: Pardon me.

The CHAIRMAN: Yes, please. It's a procedure.

Mr. SHAW: Well in Clause 2, (1), in the definition of "*authorized officer*" delete the comma and all the words appearing after the words "*Commissioner of Police*".

And the second one. In the definition of "*Chief Technical Director"* delete the numeral "7" and substitute therefor the numeral "8". In the definition of division delete the numeral "3" and substitute therefor the numeral "4". In the definition of "*public body*" delete from paragraph C the words "*person that*" and substitute therefor the words "*entity that*".

(*Sotto voce* comment by Dr. Davies)

Mr. SHAW: Move to "*entity that*", instead of "*person that*".

The CHAIRMAN: You got that Dr. Davies.

Mr. SHAW: Instead of a "*person that*" it's an "*entity that*"

The CHAIRMAN: Yes, the amendments that were....

Dr. DAVIES: In the Bill?

The CHAIRMAN: In the Report itself.

Mr. SHAW: The Report was tabled last week.

The CHAIRMAN: Appendix 2, did you...? You have a copy can pass on?

Mr. SHAW: You know it was being done today, of course.

Mr. CHAIRMAN: Okay, I put the amendments to Clause 2 as indicated by Minister Shaw.

Amendment to Clause 2 put and agreed to.

Amended Clause 2 put and agreed to.

The CHAIRMAN: I put Clause 3.

Mr. SHAW: Mr. Chairman, there is a new Clause 3. Insert next after Clause 2 the following as Clause 3, and thereafter the clauses are renumbered. Renumber Clauses 3 to 14 as Clauses 4 to 15, respectively.

The CHAIRMAN: Could you, for the benefit of Members, could you just read that new Clause 3.

Mr. SHAW: Yes. The new Clause 3 reads as follows: The object of the Act - "*The object of this Act....*

Opposition MEMBER: Go a little slow.

Mr. SHAW: Yes, I have to recognize that you - "*....is to establish a department of government with sufficient independence and authority to effectively deal with the multi-dimensional and complex problem of financial crime and to confer upon it the responsibility to investigate all categories of financial crime, collect information and maintain intelligence databases on financial crimes''*. And (c) "*maintain an arms-length relationship with law enforcement agencies and other authorities of Jamaica and of foreign states and with regional and international associations or organizations with which it is required to share information''*. And (d) "*exercise its functions with due regard for the rights of citizens*".

The CHAIRMAN: Thank you, Mr. Shaw.

The new Clause 3 put and agreed to.

The CHAIRMAN: Now, I still have to go and put Clause 3 but when I put it I will put it as a new Clause 4.

Mr. SHAW: Okay.

The new Clause 4 put and agreed to.

The CHAIRMAN: I put Clause 4, the old Clause 4.

Mr. SHAW: This is to be renumbered as Clause 5, Mr. Chairman. In subsection (1) delete from paragraph (c) the numeral "9" and substitute therefore the mineral "10" and delete paragraphs 9, paragraph (d) and substitute therefore the following new following paragraph (d), "*Where the Chief Technical Director considers it necessary to disseminate information and reports referred to in paragraph (b) to: (1), the competent authority, (2) the Attorney General, the Commissioner of Police, any of the Revenue Commissions under the Revenue Administration Act, the Commission for the Prevention of Corruption established under the Corruption Prevention Act or the Director of Public Prosecutions*". And (3), "*any other body designated by the Minister for the purposes of this paragraph*". And (c) delete from paragraph (j) the words "*restrained or forfeited under this Act or any other enactment*" and substitute therefor the words "*restrained under this Act or seized, restrained or forfeited under any other*

enactment". And in the second amendment is to delete subsection (3). That is, Clause 4 to be renumbered as Clause 5.

The amendment to the new Clause 5 put and agreed to.

The new Clause 5 as amended put and agreed to.

The CHAIRMAN: I put the new Clause 6.

Mr. SHAW: Mr. Chairman, this is Clause 5 in the Bill to be renumbered as Clause 6. Delete and substitute the following - and this relates to the functions of and the cooperation between the division and other authorities: Subsection (6), subsection

(1) "*Subject to subsection (2 the conferral of powers of investigation upon the division by this Act shall not be construed as affecting the exercise of any functions relating to the investigation or prosecution of offenses concurred upon any authority hereinafter called an investigative authority, whether such functions are similar to these powers or not".*

(2) "Every investigative authority shall cooperate with the division in the exercise of the functions conferred on the division".

(3) "The division shall cooperate with an investigative authority in the exercise of any function conferred on the authority under this Act or any other enactment".

The CHAIRMAN: I put the amendment to the new Clause 6.

Motion put to the Committee and agreed to.

The CHAIRMAN: I put the new Clause 6 as amended.

Motion put to the Committee and agreed to.

The CHAIRMAN: I put the new Clause 8.

Mr. SHAW: Mr. Chairman, in the new Clause 8 renumbered, delete the words "*the Governor-General may appoint*" and substitute therefore the words, "*there shall be appointed.*"

The CHAIRMAN: I put the amendment to the new Clause 8 - Sorry.

Dr. DAVIES: What specifically that means, how is the appointment to be effected?

Mr. PICKERSGILL: You are excluding the Governor-General?

Mr. MULLINGS: If I may, Mr. Chairman, the understanding is under the civil service it is only the Governor-General who has that power to appoint. And so the Committee felt that it would be redundant really to state the Governor-General may appoint.

Mr. PICKERSGILL: Make it redundant.

Mr. MULLINGS: And in the other legislation it is absolutely clear that the appointment is done pursuant to the Civil Service Regulations and that can only be done by the Governor-General.

Mr. SHAW: I don't have a problem for it staying there, unless I am advised otherwise.

Mr. SHAW: Can it be saved, kept it, keep? Mr. Chairman, we don't have a problem keeping it as recommended by...

The CHAIRMAN: You withdraw that proposed amendment then?

Mr. SHAW: Yes, withdraw that amendment and it will therefore remain, "*as the Governor-General may appoint*."

The CHAIRMAN: In the circumstances..

The PRIME MINISTER: I am not familiar with the provision. It is a civil service post; there is a procedure for that appointment. The Governor-General acts on the advice of the Public Service Commission. Are we giving the Governor-General the power to act without that? Because in that case you would need to be very careful. Where the Governor-General has the power to appoint, unless the law specifically says that he must act in his own discretion, he has to act on the advice of the Cabinet and I am not sure that that is what you want.

Mr. PICKERSGILL: He could also act on consultation.

The PRIME MINISTER: Yes, but you would have to so specify. But the question is whether, is this the Director General or it is the more subsequent position.

Mr. PICKERSGILL: What obtains in other act where the Governor-General appoints, it doesn't necessary follows that it comes from the Cabinet.

The PRIME MINISTER: It varies, depends on the particular post, in some posts it is after consultation with the Prime Minister and the Leader of the Opposition, in others it is on the advice of the Prime Minister after consultation. And in some instances it is acting in his own discretion.

The CHAIRMAN: Apart from that too Prime Minister, it includes to such other officers and agencies and you are going to ask the Governor-General to make all those appointments? Look at (b) section 7(b)

The PRIME MINISTER: The determination....

The CHAIRMAN: If you leave Governor-General there, you would be asking him to also appoint such other officers and agents as may be necessary for the efficient operation.

Mr. PICKERSGILL: But you are saying that if it is left there it ends up with the Governor-General.

The CHAIRMAN: It may be left up to him.

Mr. PICKERSGILL: So why?

The CHAIRMAN: Is that something you really desire?

Dr. DAVIES: What we are avoiding is this.

Mr. MULLINGS: Mr. Chairman, if I may, I know that this is a point that was canvased in the Committee, the Attorney General's Department considers it and made the point that to state the Governor-General may appoint, it is really not adding to it, because it is the Governor-General who has that power under the civil service arrangements or protocols.

Mr. PICKERSGILL: It must be made abundantly clear.

Mr. JACKSON: If it doesn't do any injury to it, I gather you are saying it is superfluous to state…

The PRIME MINISTER: A determination has to be made whether these are persons to be appointed through the established Civil Service, Public Service Commission route or whether the appointment is to be done outside of that. If it has to be done outside of that then you have to define the exercise of that power very clearly.

Dr. PHILLIPS: And I think, Chairman that the Prime Minister is correct in identifying the problem. The Committee considered a variety of questions here. It considered whether there should be some supervisory board given the powers that are going to be exercised; and while the decision

was taken not to go that route, the fact is, it is also not intended that this is going to be some recruitment from line staff in the existing civil service. So even with the amendment that is being proposed, I don't think it answers the particular point that was of concern to the Committee. In other words, where is this procedure for the selection of the person to be located? Is it on the advice of the Public Service Commission as a separate post? Because the issue was how do you acquire the kind of level of staff and how do you ensure that it is somebody who is relatively insulated. And I think that maybe it requires a bit more, this doesn't really address that.

Mr. PICKERSGILL: Mr. Chairman enormous power is being given to this Chief Technical Director.

The CHAIRMAN: No, no it is not him; it is who is going to appoint him.

Mr. PICKERSGILL: I am saying enormous power; I mean I don't know what to compare it with. Because I want to ask, Mr. Chairman, when we get to section - what is now probably numbered section 11...

Dr. PHILLIPS: Prime Minister maybe I don't know if the - the change even as it is, it would not be satisfactory I think in light of the issues raised. And I wonder whether even if it is possible to go on with the other clauses and maybe we can come back tomorrow to this particular point having canvassed with the Parliament Counsel, and then we leave this matter in square bracket so to speak or unsettled.

Mr. SHAW: Mr. Chairman, that is a - I take that, a proposal, and if we are not able to resolve it before we have completed here, we could delay it until tomorrow until further advised.

The CHAIRMAN: In the circumstances we suspend discussion on the Clause number - the new Clause 8, old Clause 7. So we will put the new Clause 9, is the old Clause 8.

Mr. SHAW: The old Clause 8 renumbers as new Clause 9 that is to be deleted and replaced with the following Mr. Chairman. This relates to be delegation log of function-

9(1):- "*the Chief Technical Director may delegate in writing, the exercise of any function conferred upon him by or under this Act to any person or persons hereinafter called 'the delegate' as he thinks fit.*

(2) a delegation under subsection 1, shall not affect the exercise of such function by or the responsibility of the Chief Technical Director in relation to acts of the delegate carried out in lawful exercise of the delegated function.

(3) Any act done by or in relation to the Delegate pursuant to the delegated function shall have the same effect as if done by or in relation to the Chief Technical Director and

(4) It is declared in the interest of certainty that a delegation under subsection 1, shall in addition to conferring authority to exercise the delegated function, also subject the delegate to the same obligations as would apply under this Act to the Chief Technical Director exercise of such functions. And accordingly, the delegate shall be liable for any wrongful act or omission of the delegate occurring in the exercise of that authority."

The CHAIRMAN: I now put amendment to the new Clause 9.

Dr. GUY: Mr. Chairman...

The SPEAKER: Yes, Dr. Guy.

Dr. GUY: Could l just seek your indulgence to go back to that particular clause subsection 4, the proposed amendments.

If you are saying that the delegate is acting with the same powers as the Chief Technical Director, why is it therefore, that the Chief Technical Director and not the delegate shall be liable for any wrongful act or omission of the delegate occurring at this particular stage?

Mr. MULLINGS: The delegate is liable, in fact, the concern was that when you delegate power, that the person to whom the power is delegated might not have - might not be liable as the person who has done the delegating and so it was specifically put in the amendment that the delegate too would be liable for any unlawful act in the power delegated to him or her.

Mr. SHAW: That is meant, Dr Guy to tighten up - in other words, you can't use it as an excuse to act irresponsibly.

The CHAIRMAN: I now put amendment to the new Clause 9.

Motion put to the Committee and agreed to.

The CHAIRMAN: I put Cause 9 as amended.

Motion put to the Committee and agreed to.

The CHAIRMAN: I put the new Clause 10.

Mr. SHAW: In the new Clause 10, Mr. Chairman, delete from subsection 4 (A) the word "***powers***" and substitute therefore the word "f***unctions***." 4 (a)

The CHAIRMAN: And subsection 2?

Mr. SHAW: And subsection 2, delete - it is an editorial...

The CHAIRMAN: Sorry, subsection 4(c). Sorry.

Mr. SHAW: Yes, subsection 4(c) delete the numeral "11" and substitute therefor the numeral "12"

The CHAIRMAN: I put the amendments to the new Clause 10.

Motion put to the Committee and agreed to.

The CHAIRMAN: I put the new Clause 10 as amended.

Motion put to the Committee and agreed to.

The CHAIRMAN: I put the new Clause 12.

Mr. PICKERSGILL: Is that under the subject heading, Reports and Information. Am I on the right page?

The CHAIRMAN: Yes!

Mr. PICKERSGILL: I would just like to ask you the section 10, subsection 4, yes...

The CHAIRMAN: This is the new 12, the old 11.

Mr. PICKERSGILL: Well let me read it: "***the Chief Technical Director shall not disclose***" are you with me?

The CHAIRMAN: What section is that?

Mr. SHAW: Which page are you on?

Dr. DAVIES: The old 10 which is page 9.

The CHAIRMAN: No, but we did 10.

Mr. PICKERSGILL: You did?

The CHAIRMAN: Remember when I said he just amended it.

Mr. PICKERSGILL: Could we revert?

The CHAIRMAN: Can we recommit. I put the recommittal of Clause 10, the old Clause 10, the new Clause 11.

RECOMMITTAL

Mr. PICKERSGILL: I am at 4.

The CHAIRMAN: Now remember he renumbered 4(c) - go ahead sorry.

Mr. PICKERSGILL: Starting with "***the Chief Technical Director shall***." Mr. Chairman, let me read the section:-

> ***"The Chief Technical Director shall not disclose any information pursuant to this section that would directly or indirectly identify any person who provided a report to the division..."***

I understand that, but it goes on to say:-

> "...***or a person about whom a report was provided under this Act***."

Is the citizen because, what the Minister said just now are due regard to the rights of the citizen. And I am speaking empirically on this matter.

What rights does that person have?

The CHAIRMAN: He is still innocent.

Mr. PICKERSGILL: Well, why keep him in the dark? Well, what is it; if I have an account, in a bank...

Dr. PHILLIPS: No.

Mr. PICKERSGILL: No what?

Dr. PHILLIPS: What you are saying is that, what this clause does, it prevents disclosure. You can't go to the media, you can't tell your friend or anybody about whom a report has come. And a report does not constitute an investigation.

Mr. PICKERSGILL: I am not talking about anybody; I am talking about a customer in a bank, right...

Dr. PHILLIPS: No, the subject has the right when an investigation comes.

Mr. PICKERSGILL: ...they are investigating you and you are not told...

Dr. PHILLIPS: Otherwise, the man who goes to a police station or anything, you would have to tell them who the person that brought the report is, and that a report has been made and that you are subject to....

Mr. PICKERSGILL: But of course, that is done. How you mean? If I go and lodge a report, it can't be a duppy.

The CHAIRMAN: Mr. Pickersgill, suppose I am under investigation, why should I know?

Mr. PICKERSGILL: I think it is a basic right.

Dr. PHILLIPS: There is no such right.

Mr. PICKERSGILL: How you mean no such right? If I am a customer in a bank and you are investigating me why shouldn't l know, if your case is strong, it is strong!

Mr. VAZ: It's a case in point you are talking about?

Mr. PICKERSGILL: Eh, why? Why?

Mr. D. SMITH: Why should you know?

Mr. PICKERSGILL: Because I have a right to know. You are investigating me. And, Mr. Chairman, I speaking empirically.

(*Sotto voce* comment from the Prime Minister)

Mr. PICKERSGILL: Then generally you can go into a bank and get information about a customer? You would be sued to the high heavens.

The PRIME MINISTER: It's being done right now, under law.

Mr. PICKERSGILL: What?

The PRIME MINISTER: Under law that you passed.

Mr. PICKERSGILL: Yes. But I am telling you, I saw that. It's based on that, Mr. Prime Minister, why I am asking this question.

The PRIME MINISTER: The only

qualification is that you have to get a Judge's Order before you do it. That is the only qualification.

Mr. PICKERSGILL: Yes. And the person is still in the dark.

A MEMBER: You will never be told, that's the thing.

Mr. PICKERSGILL: Yes, you are never told.

The CHAIRMAN: The point is, Mr. Pickersgill, if we are all acting straight, we don't need to worry.

Mr. PICKERSGILL: What?

The CHAIRMAN: If we are all acting straight we don't need to worry.

Mr. PICKERSGILL: And if you - no, that's not the point. If you are acting straight then tell the man, tell the man if you are acting straight.

The PRIME MINISTER: Is the Member not aware that that is what underpins several pieces of anticrime legislation, including some that were passed in the last ten/fifteen years?

Mr. PICKERSGILL: No, listen, listen? I am not talking about...

Mr. SHAW: Including POCA.

(*Sotto voce* comment from Mr. Mullings)

Mr. PICKERSGILL: I am not speaking generally - l am talking about - isn't this - let me ask. A person - this report is not something about transactions in a bank?

The CHAIRMAN: But Mr. Pickersgill, where would these transactions go if every time a man is being investigated you tell him?

Mr. PICKERSGILL: Well...

Dr. PHILLIPS: The point also applies, you know, Mr. Chairman, a report…

Mr. PICKERSGILL: No. If you go to...

Dr. PHILLIPS: Hold on.

Mr. PICKERSGILL: If you hear and you go to the bank manager he tells you he can say nothing.

A MEMBER: Withdraw your money.

Other MEMBER: That's what happened the last time.

Mr. PICKERSGILL: Withdraw your money? While it is being investigated they stop it. They put a stop on it.

Dr. PHILLIPS: No, no, hold on! Any restraint or stop would require a Court action. A report does not constitute an investigation, it does not imply guilt, it is just in the course of. Now, if a charge is to be made, arising, then the particulars of charge will be made available to the person being charged. But in the course of an investigation, it is not something that will - nothing may come of it.

The CHAIRMAN: Clearly. That is the point. You see, Mr...

Mr. PICKERSGILL: No, don't tell me that nothing will come of it. Tell the person. What you have to lose? What you have to lose?

The CHAIRMAN: No, but Mr. Pickersgill, but Mr. Pickersgill, suppose - just to give you an example, Mr. Pickersgill.

Mr. PICKERSGILL: Don't tell me that a report doesn't involve any investigation. I don't buy that. What you reporting if you don't investigate?

The CHAIRMAN: Mr. Pickersgill, suppose unusually...

Mr. PICKERSGILL: You going report what you think?

Dr. PHILLIPS: This protects an informant who comes of the road and says...

Mr. PICKERSGILL: The informant is protected. Is the person against whom the information is made? That is what I am concerned about.

Mr. MULLINGS: Yes. But Mr. Chairman.

Mr. PICKERSGILL: The informant might - I don't know who that might be.

Mr. MULLINGS: The Member, I think would also take into account the fact that while a report has been made, one does not want to jeopardize an investigation. If you alert the person, in all possibility, if you alert the person, it may very well give the person an out to frustrate that investigation.

Mr. HIBBERT: Exactly.

Mr. MULLINGS: And therefore you have to ask yourself what is the harm if the person is not made aware of the report. But there is harm if he is made aware of that report and takes other action.

Mr. PICKERSGILL: What is the harm?

Dr. PHILLIPS: The harm that he might frustrate it.

Mr. MULLINGS: Because the person will seek to frustrate it, ferret out whatever.

Mr. PICKERSGILL: Frustrate what? Frustrate what? Well - listen, man.

(Inaudible comment from Mr. E. Smith) (Laughter)

A MEMBER: That might make it worse.

The CHAIRMAN: No. But, Mr. Pickersgill...

Mr. PICKERSGILL: Mr. Chairman...

The CHAIRMAN: Yes.

Mr. PICKERSGILL: I might as well say it now. Because I was involved in something that it was the strangest thing, and when I heard - and I heard about it, that means other people knew and I didn't know. And when I called the institution, he told me - in fact, he said the very thing that the Prime Minister said, is your Administration passed it. And the next thing I know, police was questioning me.

The CHAIRMAN: And you had no problem.

Mr. PICKERSGILL: No. But I did not know. All my accounts were divulged to everybody.

Dr. DAVIES: Who is everybody?

Mr. PICKERSGILL: The lawyers and everybody, unknown to me.

The CHAIRMAN: But Mr. Pickersgill, this is so under many Acts, under many Acts of this Parliament.

Mr. PICKERSGILL: I am not concerned with that. I am saying I have been there, and l think it is unfair, totally unfair.

The CHAIRMAN: What are you suggesting then, just to...

Mr. PICKERSGILL: Well, I don't know. All I am saying, since you are saying due regard for the rights of citizens - so all right, tell me then, what right the citizen has? Since you have this thing...

The CHAIRMAN: No, but Mr. Pickersgill...

Mr. PICKERSGILL: ...in Clause 3, what right the citizen has?

Dr. PHILLIPS: That the information shouldn't be divulged? It has very strong, strong…

(Cross talk)

Mr. PICKERSGILL: Yes. What right you are speaking of?

Dr. PHILLIPS: If they divulge the information in relation...

Mr. PICKERSGILL: To what?

Dr. PHILLIPS: ...to you, to somebody not authorized, then you have a lot of grounds.

Mr. PICKERSGILL: No, no, no, no, no, no! The section here says he is protected by

law, you can't sue him. So don't tell me any...

Dr. PHILLIPS: No. If they are in breach, if they are in breach.

Mr. PICKERSGILL: No, no 'if' thing, he is totally protected by the law.

Mr. MULLINGS: He is protected by the law.

Mr. PICKERSGILL: If he acts legally? No, I don't see that.

Mr. MULLINGS: Because if...

Dr. PHILLIPS: Where? Show me that clause. Which clause is that?

Mr. MULLINGS: Remember now, if the person - if the Director is acting - is not acting in good faith...

The CHAIRMAN: One at a time. One at a time. Yes.

Mr. MULLINGS: Remember, if the Director isn't acting in good faith, liability is going to lie if the action is unlawful.

Dr. PHILLIPS: Yes.

Mr. PICKERSGILL: What?

Mr. MULLINGS: Liability is going to lie if the action is unlawful.

Mr. PICKERSGILL: Where? You show me that. Show me that.

Mr. MULLINGS: But you just read it.

Dr. DAVIES: Can I help.

The CHAIRMAN: One at a time. One at a time.

Dr. DAVIES: Can I help my colleague. I think Clause 9, which is...

The CHARMAN: The old Clause 9 or the new Clause Nine?

Dr. DAVIES: The old Clause 9.

The CHAIRMAN: Yes.

Dr. DAVIES: It says - 4 says,

"Every person referred to in subsections (1)(2)(3), having possession of or control over any information," etc.

And it goes-

"who at any time communicates or attempts to communicate any such information, or anything containing such book, record" etc.

Then it goes through -

"commits an offence".

And then you can deal with the offences, but it says commits an offence. So there is protection.

Mr. E. SMITH: That is a safeguard.

A MEMBER: Tek out your money and keep it at home.

Dr. DAVIES: Or safeguard.

The CHAIRMAN: Can we move on now, Mr. - is that - I mean, I understand the concern, but it would kill the whole Act if you reveal to everyone.

Mr. PICKERSGILL: No, Mr. Chairman, I don't buy that. Well, if you feel that - all right, you would be very happy, Mr. Chairman, if you had an account and you are being investigated, and you don't know anything about it. And the next thing...

The CHAIRMAN: I suspect it is being investigated. I would just make sure that I can answer.

Dr. PHILLIPS: It happens every day.

The CHAIRMAN: Yes.

Mr. E. SMITH: That is nothing new.

Mr. PICKERSGILL: What happens every day?

Mr. E. SMITH: It is done under the Income Tax Act. That is nothing new.

Dr. PHILLIPS: That the information regarding all your transactions, and money coming into your accounts and so, are routinely sent to the relevant agencies, including the bank. It happens to everybody.

The CHAIRMAN: The manager has to

investigate your account, and I don't know who else.

Mr. PICKERSGILL: That is not investigating. That is - investigating is a strong word in that regard. That is normal bank operation. Don't tell me any nonsense! (Laughter) Normal bank operations. That's not investigating. When you investigating it - so is every day this man goes into people's account? Nonsense!

Dr. PHILLIPS: Which man?

Mr. PICKERGILL: This office.

The CHAIRMAN: It hasn't started as yet, we don't know.

Mr. PICKERSGILL: So don't tell me that! So don't tell me that! How you going tell me that if it don't start yet.

Mr. D. SMITH: But why you weren't so strident when it passed in the House under your Administration? Why you weren't so strident when it was passed here under your Administration?

(Cross talk)

The CHAIRMAN: Okay. Can I put…

Mr. PICKERSGILL: Let me tell you, you love to ask this, you love to ask this, you see.

The CHAIRMAN: Can I put it once again, the new Clause 11.

Amendment to the new Clause 11 put and agreed to.

The new Clause 11put and agreed to.

The CHAIRMAN: I now put the new Clause 12, the old Clause 11. Mr. Shaw.

Mr. SHAW: The new Clause 12, Mr. Chairman, renumber subsection 8 as subsection 9, and insert the following as subsection 8:

"For the purpose of an agreement or arrangement under subsection 7, the Minister shall be satisfied in relation to the entity party to such agreement or arrangement, as to the like matters as those which the Chief Technical Director is required to be satisfied of, in relation to an agreement or arrangement with a foreign financial intelligence department, under subsection 4."

The CHAIRMAN: I put the amendment to the new Clause 12.

Amendment to the new Clause 12 put and agreed to.

The new Clause 12 as amended put and agreed to.

The new Clause 13 put and agreed to.

The CHAIRMAN: I put the new Clause 14.

Minister.

Mr. SHAW: The new Clause 14, Mr. Chairman, in subsection (1), insert next after the word "confidentiality" the words, "including confidentiality arising from legal professional privilege".

In subsection (2),

(a) delete the word "action";

(b) insert in paragraph (a) immediately after the word "division" the words "or any individual to whom a function is delegated under section 9"; and

(c) insert immediately after the words " in respect of any" the word "lawful".

The CHAIRMAN: I put the amendments to the new Clause 14.

Amendments to the new Clause 14 put an agreed to.

The new Clause 14 as amended put and agreed to.

The CHAIRMAN: I put the new Clause 15.

Mr. SHAW: In the new Clause 15, Mr. Chairman, delete and substitute therefor the following - this is under the interpretation for Part 111 - section 15, in this part "excluded material" means

(a) medical records;

(b) human tissue or fluid which has been taken for the purposes of diagnosis or medical treatment, and which a person holds in confidence".

The CHAIRMAN: I put the amendments to the new Clause 15.

The amendments to the new Clause 15 put and agreed to.

The new Clause 15 as amended put and agreed to.

The CHAIRMAN: I put the new Clause 16.

Mr. SHAW: In the new Clause 16, insert next after Clause 15 as renumbered the following as Clause Sixteen, "assistance to authorized officer". The new 16 reads:

> "An authorized officer acting in the execution of his office or duty, may obtain such assistance from any other person as he considers necessary."

The CHAIRMAN: I put the amendment to the new Clause 16.

The amendment to the new Clause 16 put and agreed to.

The new Clause 16 put and agreed to.

The CHAIRMAN: Now Members, notice, the original Clauses 15 to 34 will be renumbered 17 to 36.

Mr. SHAW: As a result of the insertion of a new Clause 16.

The CHAIRMAN: So Members, just for notation, the old Clause 15 is now Clause 17.

Mr. SHAW: Yes.

The CHAIRMAN: So I now put the new Clause 17, the old Clause 15, and we go on from there.

Yes, Minister.

Mr. SHAW: In subsection 3, insert immediately after the words "requiring the person" the words "in relation to the financial crime being investigated."

The second amendment in subsection (5), delete from paragraphs (b) and (c) the words "does not" wherever they appear, and substitute therefor in each case the words "shall not".

And third, in subsection 10, delete the words "shall be made without notice, and ".

The CHAIRMAN: I put the amendment to the new Clause 17.

Put to the Committee and agreed to.

The CHAIRMAN: I put the new Clause 17 as amended.

Put to the Committee and agreed to.

The CHAIRMAN: I now put the new Cause 18.

Put to the Committee and agreed to.

The CHAIRMAN: I put the new Clause 19, old Clause 17.

Minister.

Mr. SHAW: In subsection (1), delete the words "order under section 15", and substitute therefor the words "order under section 17", and delete the words "offense under section

15" and substitute therefor the words "offense under section 17(11)(b).

The CHAIRMAN: This looks more like editorial, Minister.

Mr. SHAW: Yes, yes?

The CHAIRMAN: So in that case I put the new Clause 19.

Put to the Committee and agreed to.

The CHAIRMAN: I put the new Clause 20.

Put to the Committee and agreed to.

The CHAIRMAN: I put the new Clause 21.

Minister.

Mr. SHAW: In Clause 21 – in subsection (1), the first amendment, delete the words "section 18" and substitute therefor the words "section 20". And delete from the paragraph (a), the words "the defendant".

The CHAIRMAN: Those are editorials, okay.

Mr. SHAW: And so is the second one, Chairman…

The CHAIRMAN: Yes.

Mr. SHAW: ...where you delete 25...

The CHAIRMAN: The first four (4) are editorial, yes.

Mr. SHAW: ...and substitute 27. In the third amendment in subsection (3), delete paragraph (b) and substitute therefor the following - a new (b):

"Subject to subsection (4), the persons reasonable legal expenses in defending any proceedings under this Act in respect of a financial crime."

Insert after subsection (3), the following as subsection (4):

"Where the Court exercises the power to make provision for enabling a person to meet legal expenses that he has incurred, or may incur, in respect of defending any proceedings under this Act in respect of a financial crime, it must ensure that the provision made:

(a) is limited to expenses that the person has reasonably incurred, or that he may reasonably incur;

(b) specify the total amount that may be released in pursuance of the provision; and

(c) is in accordance with any conditions that may be prescribed".

The CHAIRMAN: Fine. I now put the amendments to the new Clause 21.

Put to the Committee and agreed to.

The CHAIRMAN: I put the new Clause 21 as amended.

Put to the Committee and agreed to.

The CHAIRMAN: I put the new Clause 22.

Put to the Committee and agreed to.

The CHAIRMAN: I put the new Clause 23.

Put to the Committee and agreed to.

The CHAIRMAN: I put the new Clause 24.

Put to the Committee and agreed to.

The CHAIRMAN: I put the new Clause 25.

Put to the Committee and agreed to.

The CHAIRMAN: I put the new Clause 26, the old Clause 24, an editorial amendment, but I put it - the new Clause 26.

Put to the Committee and agreed to.

The CHAIRMAN: I put the new Clause 27.

Put to the Committee and agreed to.

The CHAIRMAN: I put the new Clause 28, the old Clause 26.

Minister, the new Clause 28, old Clause 26.

Mr. SHAW: Mr. Chairman, the new Clause 28, in subsection (2)(a), in paragraph (a) insert the word "or" at the end of paragraph (i) and delete the word "or" at the end of paragraph - well it's not (i) it's (1) ...

The CHAIRMAN: Two.

Mr. SHAW: …and at the end of paragraph (2) and substitute therefor the word "and".

The CHAIRMAN: Okay.

Mr. SHAW: And in paragraph (b) delete the word "or" at the end of the paragraph and substitute therefor the word "and".

The CHAIRMAN: Okay, I now put - you're okay now, Dr. Phillips?

Dr. PHILLIPS: No, the first paragraph, could you just read what it would now read with the amendment?

The CHAIRMAN: Apparently subclause (1) is conjunctive, but then when you get to subclause (2) it's disjunctive with the ...

Dr. PHILLIPS: Yes, but just how does it read?

The CHAIRMAN: Well, remember you're going to take out the - we are looking at 26, the old Clause 26, right?

Dr. PHILLIPS: Yes, 'a Judge in Chambers may, on an application made to him...'

The CHAIRMAN: You want to go through it Minister, just read it through.

Mr. MULLINGS: Go ahead, go ahead.

The CHAIRMAN: We are looking at subsection (2).

Dr. PHILLIPS: We are looking at (a)(1).

Mr. MULLINGS: (A)(1).

Dr. PHILLIPS: Where it says: "Has committed a financial crime or..."

Mr. SHAW: You would put 'and' instead of 'or'.

Dr. PHILLIPS: No, you'd put 'or'

Mr. SHAW: Yes – 'or' yes.

Dr. PHILLIPS: And then in paragraph (a)(2) ...

The CHAIRMAN: Instead of 'or'...

Dr. PHILLIPS: ...instead of 'or' you put 'and'.

Mr. SHAW: 'And'.

Dr. PHILLIPS: And has benefitted directly.

Dr DAVIES: Yes, yes?

The CHAIRMAN: So subclause (iii) Romans (111) is disjunctive with the first two?

Dr. PHILLIPS: But what was the thinking behind this - the 'and', I mean, suppose from the commission of that offence... Oh, okay all right it's okay.

The CHAIRMAN: Remember now, if you look at ...

(Inaudible comments by Mr. Shaw)

The CHAIRMAN: Yeah, one is committed one is participate.

Dr. PHILLIPS: Yes, I realise you may derive benefit directly or indirectly ...

The CHAIRMAN: That's right.

Dr. PHILLIPS: ...would widen it too much for a beneficiary who has not participated ...

The CHAIRMAN: Okay.

Dr. PHILLIPS: ...in the offence, you understand?

The CHAIRMAN: So I put the amendment to the new Clause 28.

Put to the Committee and agreed to.

The CHAIRMAN: I put the new Clause 28 as amended.

Put to the Committee and agreed to.

The CHAIRMAN: I put the new Clause 29 with some editorial corrections.

Put to the Committee and agreed to.

The CHAIRMAN: I put the new Clause 30, old Clause 28.

Minister, the old clause - No, I'm sorry, sorry, I'm sorry. I put Clause 30.

Put to the Committee and agreed to.

The CHAIRMAN: I put the new Clause 31.

Put to the Committee and agreed to.

The CHAIRMAN: I put the new Clause 32, the old Clause 30.

Minister.

Mr. SHAW: But I don't have - my notes ... I'm at the Schedule now.

The CHAIRMAN: No, the old Clause 30 which is the new Clause 32. This is insert under subsection (1)(b)

Mr. SHAW: Yes, immediately after the words 'authorized officer'...

The CHAIRMAN: Yes.

Mr. SHAW: ... the words 'acting pursuant to a court order made under section 17'

The CHAIRMAN: I put the amendment to the new Clause 32.

Put to the Committee and agreed to.

The CHAIRMAN: I put the new Clause 32 as amended.

Put to the Committee and agreed to.

The CHAIRMAN: I put the new Clause 33.

Put to the Committee and agreed to.

The CHAIRMAN: I put the new Clause 34.

Put to the Committee and agreed to.

The CHAIRMAN: I put the new Clause 35.

Put to the Committee and agreed to.

The CHAIRMAN: I put the new Clause 36.

Put to the Committee and agreed to.

The CHAIRMAN: 1 put the Schedule.

Minister.

Mr. SHAW: On the Schedule, Mr. Chairman, delete the entries in relation to section 9(3) and 9(4) and substitute therefor the following under the appropriate columns.

The CHAIRMAN: Yes. I put the amendment to the Schedule.

Put to the House and agreed to.

The CHAIRMAN: I put the Schedule as amended.

Put to the House and agreed to.

The CHAIRMAN: Now, we are going to recommit clause - I now recommit the new Clause 8, the old Clause 7.

Mr. SHAW: Mr. Chairman, the Prime Minister consulted with the CPC, I'm asking him to...

The PRIME MINISTER: What I understand from the Chief Parliamentary Counsel, Mr. Chairman, is that arising out of the discussions in committee, the intention was that this would be a civil service position. And therefore, that is what gave rise to the amendment, because public officials appointed through the Civil Service Statute, are appointed in a particular way where the Governor-General acts and is obliged to act on the advice of the Public Service Commission.

Now, there's an issue that was raised by the Member for East Central St. Andrew, and that was whether such an approach would not confine you to not just a service, of course the people can enter the service, but also perhaps impose on you a kind of - for want of a better word - a culture that may not be considered appropriate for the work that this one has to do. I think we really need a decision as to whether or not we want to establish it outside of the official public service, and then if so, we would have to be very clear in the legislation how the appointment would be made.

What we do in a number of other entities such as that, is that we require the

consultation, Governor-General, after consultation with, for the head, or for the Board, and then allow the head or the Board to go and recruit their people.

Dr. PHILLIPS: In a sense - and this highlights - we ended up between two stools in the committee, I mean, and I'm saying this in hindsight. We thought of making it a stand-alone - what you call it - statutory entity. There was not enough opportunity to do that and so, because of the urgencies we ended up with it as a department of Government.

Nevertheless we have conferred tremendous powers, l mean in a sense you have the tax people have similar types of powers, but they are now - what you call it - an Executive Agency. We didn't have enough time to create an Executive Agency even though there was a sense that it was probably desirable, and neither do I believe that it can perform its sections that are implied by the law simply as a department of the Ministry of Finance, because not all departments have an enabling statute.

So maybe the solution is for us, given the timing, to get this passed and work out a mechanism where he could appoint on the advice and after consultation - on the advice of public service or the Prime Minister, and after consultation or with both Prime Minister, Leader of the Opposition, or we state specifically on the advice of Public Service Commission. But the question is, how do we indicate that they should have a wider look at the available human resources in order to find the Chief Technical Director? Is that possible by statute, or agreement, or how?

Mr. PICKERSGILL: That is only one aspect of it, having found the persons who will do the appointment.

Dr. PHILLIPS: The Governor-General would have to.

Dr. DAVIES: Well, we also have the other problem of the reporting links, its tremendous power which will reside in an office, and we don't have a clear notion of how this office will be governed.

Now, the Public Services Commission at least, provides you with some protection. I understand the limitations as alluded to by my colleague, but...

(*Sotto voce* comment)

Dr. DAVIES: I do too, but it is - right now you have a stand alone. The only other office mentioned is the Minister. And, it is tremendous. It is a wide range of powers this person has...

Mr. SHAW: Mr. Chairman, I understand what the view of the Prime Minister is, but I think maybe the Governor-General could appoint in consultation with the... or on advice of the PLC.

The PRIME MINISTER: I wanted to point out - again I must confess that I haven't sort of paid very close scrutiny to it. But just looking at it as it is, it is quite obvious that the Bill was framed in the context of it being part of the public service, because there is no provision, for example, in there for terms and conditions of service and pension arrangement. There is no power in there to even set up pension schemes, which is the normal thing you do when you are establishing it outside of the establishment.

So, if we are to meet a critical timeline on this, it seems to me that we would have to proceed to treat as a Department of Government where the appointments would be subject to the public Service Commission's advice to the Governor-General. Then we can

consider whether we would want to transform it into an Executive Agency or into some other kind of entity. And then we could then determine what are the specific arrangements that would be put in place to support that.

Dr. DAVIES: I accept that proposal; 1 support that proposal. But the next step is very important in terms of a governing body, a Board, will they have access to the information?

A MEMBER: No, it should not.

Dr. DAVIES: Well, what will they be governing, just the expenditure? I think it is something we can proceed, in terms of under the jurisdiction of the PAC, but I would argue that we would have to give very serious thought to the next step because people worry about politicians with unfettered power. I also worry about officials...

The CHAIRMAN: Look at Clause 4, the old Clause 3, it is a Department of Government.

Dr. DAVIES: Yes, so...no, no but we are - the discussion is whether we should have a different framework, and I am saying it is something we could proceed to very carefully.

The CHAIRMAN: That could come later.

Dr. DAVIES: Yes, it has to.

Mr. PICKERSGILL: Later when?

Dr. PHILLIPS: Maybe in that regard...

The CHAIRMAN: No.

Dr. PHILLIPS: Chairman, in that regard, I would propose that in order that we have the review, as is being suggested by Dr. Davies, that we put in a - we add a clause that requires a review after two years, something? like that, which would enable us - would keep the Parliament on the timeline so that there are the other issues. I believe an oversight mechanism needs to be... so, I think two years, if we can add such a clause at the end, that a review of this Act shall be conducted after two years.

Mr. SHAW: So, in which case it would be - if we were to accept that provision, which I don't have a problem it, in the renumbered Clause 8, we would actually accept the amendment as proposed?

The CHAIRMAN: You would accept the amendment there be appointed yes.

Mr. SHAW: As proposed. And then you would proceed to insert a new clause.

Dr. DAVIES: Because it is more than implied, it is a Department of Government therefore, it would be subjected to the PSC, the appointment would be from the PSC.

The CHAIRMAN: That's right, yes. So what we are going to propose then is the amendment as proposed to the new...

I now put the amendment to the new Clause 8 as proposed.

Put to the Committee and agreed to.

The CHAIRMAN: l now put the new Clause 8 as amended.

Put to the Committee and agreed to.

The CHAIRMAN: Now, are we going to have a new Clause 37?

Mr. SHAW: Yes, that would have to come at the end.

Dr. PHILLIPS: I believe the Parliamentary Counsel is working on it right now.

Mr. SHAW: A new Clause 37, Mr. Chairman, will read as follows:

> "The provisions of this Act shall be reviewed by a Joint Select Committee of the Houses of Parliament after the expiration of two years from the appointed date."

Dr. PHILLIPS: That is fine.

The CHAIRMAN: Okay. I put the new Clause 37.

Put to the Committee and agreed to.

The CHAIRMAN: I put the Title and Enacting Clause.

Put to the Committee and agreed to.

The CHAIRMAN: The question is that I do report the Bill as having passed Committee stage with twenty-eight (28) amendments.

Put to the Committee and agreed to.

RESUMPTION

The SPEAKER: I do report the Bill as having passed committee stage with twenty-eight (28) amendments. Minister Shaw.

Mr. SHAW: Mr. Speaker, I now ask that the Bill be read a third time.

The SPEAKER: The question is that the Bill be read a third time.

Put to the House and agreed to.

Bill entitled:

> "AN ACT to provide for the establishment of a Department of Government to be known as the Financial Investigations Division for the investigation of financial crimes and for connected matters,"

read a third time and passed.

The SPEAKER: (Gavels) Bill debated and passed.

(Applause)

House Leader.

Mr. HOLNESS: Mr. Speaker, the Prime Minister will now take the Strata Titles Regulations and the Real Estate Dealers and Developments...

The SPEAKER: Both together?

Mr. HOLNESS: Regulations, both.

The SPEAKER: No, are you – Prime Minister, you are going to take them separately?

The PRIME MINISTER: They are separate Resolutions, Mr. Speaker, I can... if you wish, I can speak to -

The SPEAKER: But then you have to put them separately.

The PRIME MINISTER: Yes, I will have to put them separately, so I could speak to both of them, and we treat with it...

Mr. Speaker, you will recall that the House enacted legislation to deal with the management of Strata properties. What the House is being asked to approve today are the regulations that are necessary to give effect to the provisions of the legislation, and to provide the administrative tools for the Strata Corporation to be able to administer the affairs of the Strata Corporation. Most of what is set out here is really administrative stuff. As a matter of fact, 10 of the 15 pages just deal with the forms, the statutory forms that are to be used.

But I wanted to point attention to one or two specific provisions which have some relevance to some of the points that were raised when we dealt with the principal legislation. In Regulation 11(d), for example - 11(a) deals with just fees that are to be paid, and forms that will have to be used. Eleven (d) however, says prior to any sale of a Strata lot in a Strata plan, the developer of the land comprising the strata plan shall advise each prospective purchaser in writing of the facilities in the common properties, proposed unit entitlement of these Strata, the proposed bylaws and the estimated contribution pursuant to section 5(2) of the Act.

Remember we had insisted that we had to put into the law and regulations, requirements for information to be provided to the key players in the strata business, so that nobody could be taken unfair advantage of. In regulation 12(a), where a proprietor is ordered by the Commission to demolish any authorized extension, to remove any vehicle or to remove any animal - remember we had insisted the proprietor must be allowed seven (7) days to remove the animal as the case may be.

The rest of it, Mr. Speaker, deals essentially with forms that will have to be used and we have also, in the Second Schedule indicated the fees that will have to be paid. Now, in that regard - and remember that when we took the legislation, there were a number of persons who expressed concern about what this was going to cost the occupants of strata properties.

I want to give you some examples - some actual examples: The owner of these strata units is going to have to pay a one-time cost for registration, that's an annual cost. Once the regulation come into effect - and we are hoping they will come into eject on 1st April - they will pay a one-time registration fee. It ranges between - I am giving you some examples, it ranges, in the cue of... it ranges from $434 to a high of $500. I will give you some examples: Cooreville Gardens, for example, a two bedroom strata unit there, it would be a one time fee $434; Ocean Towers, it is a one-time fee of $460. The most expensive one I see here would be Baypoint in Montego Bay, Millsborough Court that is between $476 to $480. So, that is a one-off payment to register the strata unit in perpetuity.

The annual fee to sustain the registration ranges as follows: In the case of a two bedroom unit at Brenford Road, it would be $721.20 per year or 60.10 per month; In the case of an Ocean Towers two bedroom unit it's $131.58 per month or $1,578.96 for the year; in the case of Cooreville Gardens, that's a two bedroom unit it would be $319.44 for the year or $26.62 per month; Millsborough Court would be $2,666 for the year, or $222 per month; Manley Meadows $399.96 for the year or $33.33 for the month. There are some other examples here but they are all in that sort of range. The most expensive one that I see here would be Glen Abbey in Upper St. Andrew which would be $6,000 for the year, or an additional $500 per month. So that the additional cost - and remember that this cost is necessary because there are administrative functions now that the Board, the Strata Corporation Board or Strata Commission is going to have to perform.

In that regard, Mr. Speaker, and if you will allow me, to just speak to the other… (Discussion between Mr. Holness and Prime Minister) Well, l mean I can - I guess I can do it that way. Al1 right, because there are certain things that tie the two together because remember we are in a sense, conjoining the Strata Commission with the Real Estate Board.

So, Mr. Speaker, what we are seeking to do is to have the approval of the House for the regulations, they are subject to affirmative resolution and that is what is being sought.

The SPEAKER: Yes, Rev. Thwaites.

Rev. THWAITES: Yes, Mr. Speaker, I would like to make - ask a few questions of the Prime Minister, but really to comment first.

These regulations and the ones that are to be taken next were given to us this afternoon, and really, it seems to me that at least a day's notice would have been very helpful so that one could read them carefully and prepare informed comments. We are legislating off the cuff and we should not do that. The business of the House means that if you are going to prepare for this, you have to ignore what is going on previously in order to take your time and do so. I don't think it's necessary for us to operate in this way. My questions are as follows.

With respect to Regulation 11(c) and the very sensitive exercise of the Power of Sale, what appears to be missing in the regulation is a timeframe for the exercise to be carried out. Conceived, Mr. . . .

The SPEAKER: Could you just refer to that one again, Reverend Thwaites.

Rev. THWAITES: Eleven (c).

The SPEAKER: Eleven (c), okay.

Rev. THWAITES: Yes, on page 2.

The SPEAKER: Yes.

Rev. THWAITES: And I am questioning whether there should not be a timeframe in which the Corporation's application to the Commission should be dealt with.

The SPEAKER: But it is dealt within the principal Act to the best of my knowledge.

Rev. THWAITES: What is that timeframe that refers to the timing which the corporation will approve or deny the Commission rather, will approve or deny the corporation's application for Power of Sale, Speaker? If I am missing something, again, I had no idea this was coming up today, or maybe I should have. But, I don't have the principal Act with me but my recollection of it is that it's not specified. You can correct me if I am wrong.

Secondly, on 11(d)....

The SPEAKER: If you look on Form 9 at the back of that regulation . . . In other words, it sets out a period before you can, you know, put in that application.

Rev. THWAITES: No, I am not in doubt about that, sir, that's not the point. The point is that when the application is made remember, think of a practical situation, an acute problem exists between a Strata Corporation and a member, yes, the application to exercise Power of Sale is made, in what period of time must that be carried out, must that application to the Commission be considered? It's very sensitive in terms of the amounts that are due, which can multiply. This is precisely one of the difficulties that Strata Corporations have faced, that whatever process has been available, much improved by the substantive amendments that we have made, yes, have to be done within a period of time or a situation becomes entirely chronic. I would just like to ask consideration of that issue. Section 11(d) . . .

The SPEAKER: If I understand, I don't know, I mean, if the Prime Minister is going to respond to an important point you are making. In other words, your position is that the application should be dealt with expeditiously…

Rev. THWAITES: Yes.

The SPEAKER: ...to avoid a chronic accumulation of . . .

Rev. THWAITES: Absolutely, which can defeat the very process that this act controversially, but I think necessarily allows.

The PRIME MINISTER: Would the Member yield?

My recollection, Mr. Speaker, is that that matter occupied our attention here. I believe that the House, the Members prevailed upon us to be more lenient than what the Bill had prescribed. I am trying to see if I can just get that clarified.

The SPEAKER: Prime Minister, I think the member has gone beyond that point.

The PRIME MINISTER: What's that?

The SPEAKER: I think the Member has gone beyond that point. What he's urging is that once the operation decides that a Power of Sale should be pursued, he wants that Power of Sale to be expeditiously done. Am I right ahm...

Rev. THWAITES: Yes, you are, Mr. Speaker.

The PRIME MINISTER: But if I could still trespass on the Member's time. That's exactly the point I am making. I remember that we insisted that there was to be a notice, that the person was to be given notice and I think we actually extended the time, I can't remember if it's for 30 days, but I remember some passionate appeals were made not to sort of approach the dispossession of that person like Nicodemus . . .

Government MEMBER: Right.

The PRIME MINISTER: …but to give them some time. And I believe that we were moved, we were moved by that passion and we did, we did extend the period, I am just trying to get clarification on it.

Rev. THWAITES: No, Mr. Speaker, I think you understand the point.

The SPEAKER: Yes, I understand the point.

Rev. THWAITES: I was the one - one of those who expressed the passion, and I am grateful that the time was elongated. My concern is not for that.

The SPEAKER: Yes.

Rev. THWAITES: Going beyond that, when a Corporation goes to the Commission and says, that time has elapsed and now we want to proceed to say, yes, what imperative is there for the Commission to act?

The SPEAKER: In other words, Prime Minister, my understanding is that the Member is saying, we have given you 90 days, having given the person notice, after 90 days is the Commission going to act within 30 days or 90 days?

Mr. MAIR: Or a year.

The SPEAKER: Or a year. (Laughter)

The PRIME MINISTER: Well, I need to consult.

(The Prime Minister consults with his advisors)

(Short Break)

The PRIME MINISTER: Again, Mr. Speaker, I am trespassing again because I have already spoken on the matter. Let me just outline what the provision is right now. It says here in 5(c):

> "Prior to the exercise of the Power of Sale by the corporation, the corporation shall satisfy the Commission that the corporation has taken all reasonable measures to recover the amounts owing by giving notice to the proprietor and its agents, *et cetera*."

It goes on to say:

> Where the Commission is satisfied that the corporation has exhausted all means of notifying the proprietor in accordance with Section 5(a), it may direct the corporation to take any additional action it deems fit in the

circumstances, including the publication of a notice of the proposed sale of the strata lot.

And that notice shall be published within 30 days after the Commission has given the direction in relation thereto in a daily newspaper."

So, the member is right. It doesn't put a time limit on the deliberation of the Commission. I believe that to do that we'll have to revisit the Act itself, I don't believe you could do that by regulation, and that is something that we'll be prepared to take under advisement. I wouldn't want, I wouldn't want that oversight, if it is indeed an oversight on our part, to delay the regulations. I think it's important for a variety of reasons for them to be brought into effect by the . . .

The SPEAKER: Apart from this, isn't there a sunset clause too, I mean, I remember there is a junket clause.

Rev. THWAITES: There is a review time and providing it's taken into account. I do feel that the particular provision could be added as a couple of words, a phrase to the Regulations, but the Prime Minister will be advised.

May I proceed to 11(d)? 11(d), subclause (d) provides for the developer of land comprising a strata plan to advise each perspective purchaser in writing *inter alia* the estimated contribution applicable to the strata lot, the specific items to be covered by the contribution, any other payments may be applicable. I ask, is it the role of the developer to do this?

Government MEMBERS: Yes.

Rev. THWAITES: It appears to me that it is the Strata Corporation on formation that determines that, not the developer of the land.

The SPEAKER: But he's the first corporation.

Rev. THWAITES: And does the developer have at his access, at his disposal, all the specific operational expenses…

The SPEAKER: Yes.

Rev. THWAITES: ...that would allow him to do what is provided for or what is enjoined on him in this subsection, I think not. The developer . . . pick through the practicality of it, Mr. Speaker. The developer develops the thing. He does the construction, the Infrastructure, *et cetera*. The charges that the individual member is going to pay relate to operations, to maintenance, to utilities, to all sorts of things. It strikes me that we are imposing a task on the wrong person, and a task which that person is ill-equipped to carry. out.

The SPEAKER: But doesn't he normally do it at this time, Reverend Thwaites?

Rev. THWAITES: Not to my knowledge, sir.

The SPEAKER: I think he does.

Mr. MAIR: Mr. Speaker if I may? The same item that the Member from Central Kingston was mentioning awhile ago, a developer does have the experience and if he is doing a development he has a certain idea of the size of the landscaping, if he is providing the services of a pool or the lighting, he is going to provide service of security, he can outline in the first instance what will be the minimum the cost of maintenance at the time of sale. What usually happens is that it would be up to the strata plan once it's incorporated and a committee is formed, at that time - in the interim maintenance fees would have been collected, you know, by the developer who is

the first administrator of the strata until it's incorporated. At that time when the Strata Plan takes over, they would ratify, increase or reduce.

So I do feel it's important that the developer does indicate at the outset, in his estimation, what would be the maintenance fee and give a breakdown as to why he would consider them to be so.

The SPEAKER: And once the new Strata corporation takes over they have total control to change as they see fit.

Mr. MAIR: As a matter of fact, I would even go beyond just not only notifying in writing, I think it should be in the Sale Agreement. In the Sale Agreement where the developer is committing and the purchaser is also committing, because when the lot is sold the developer also wants to be assured that he will be getting the revenue to maintain that property until it's taken over by the corporation, Strata Plan Committee.

The SPEAKER: Can we put it then… Can we put the Regulations then the Registration (Strata Titles) (Amendment) Regulations, 2010 to the Members in Parliament?

Put to the House and agreed to.

The Regulations have been passed by affirmative resolution.

Prime Minister?

The PRIME MINISTER: Mr. Speaker, l beg to move that the Standing Orders be suspended to enable me to take the motion, notice of which I gave earlier in relation to the Real Estate (Dealers and Developers) Act Regulation.

The SPEAKER: The motion before the House is for the suspension of Standing Orders to allowable Prime Minister to take the motion, notice of which was given earlier?

Put to the House and agreed to.

The SPEAKER: Prime Minister.

The PRIME MINISTER: Mr. Speaker, there is a regulation that is subject to negative resolution. It is required to be referred to the Regulations Committee of the House for consideration and Report. I wasn't able to find out from the Leader of the House when that will be because…

The SPEAKER: Tomorrow.

The PRIME MINISTER: Tomorrow. So we can have that then tomorrow, because we would like to have these regulations brought into effect for the 1st of April. It is critical to the objectives that we have already outlined of taking the Real Estate Board and the Strata Corporations off the budget so that they are self-financing. And, therefore, I am going to urge the cooperation of members to see how we can facilitate that.

The SPEAKER: Members, the question is that the matter just dealt with by the Prime Minister be referred to the Regulations Committee.

Put to the House and agreed to.

The SPEAKER: Prime Minister.

The PRIME MINISTER: Mr. Speaker, I think I have one other matter to be dealt with and that is the - it's a resolution to be moved, the Sharing of Forfeited Property Act, the Sharing of Forfeited Property (United Kingdom Order) Resolution, 2010. Just to give you some background, Mr. Speaker, the Sharing of Forfeited Property Act really has its antecedents in the Vienna Convention Against Illicit Trafficking in Narcotic Drugs and Psychotropic Substances, which is the 1988

Vienna Convention. It makes provisions that state parties to that Convention may enter into agreements for the sharing of forfeited property. It makes provision that the Minister may declare that the provisions of this Act will apply to any agreement that is entered into between Member Parties to that Convention.

Now the Government did enter into an agreement in 2006. On the 8th of June 2006, Jamaica entered into an agreement with the United Kingdom providing for the equal sharing of forfeited property. The law doesn't specify how it is to be shared. The law simply lays out the framework under which it can be shared and how the property is to be kept until the sharing is done. What the agreement between countries does is that it specifies how that sharing is to be divided, and in the case of the agreement with the United Kingdom it is to be shared equally.

On the 25th of August of last year the Minister of National Security made the sharing of Forfeited Property (United Kingdom) Order, 2009 pursuant to that agreement that was entered into between Jamaica and the United Kingdom in 2006. But it is required that that Order be brought to the House for affirmative resolution and that is the purpose of this Resolution which the House is being asked to approve. I should mention that there is cross-linking between this statute, the Sharing of Forfeited Property Act and other pieces of legislation that also provide for the forfeiture of property. The Drug Offences of Forfeiture of Proceeds Act, for example, and there is also some powers that are contained in the Mutual Assistance (Criminal Matters) Act, which also speaks to that. So it brings everything together and it allows for property which is forfeited and emanates from violation under any of these statues would be the subject of this particular Act, and the agreement that has been made between Jamaica and the United Kingdom would fall within the purview of that Act and therefore both countries could enter upon the sharing of property which is forfeited in this way. I don't think it's a controversial resolution. As a matter of fact, the putting into being of it actually straddles the previous Administration and this one and therefore I commend it to the House for its approval.

The SPEAKER: Dr. Phillips.

Dr. PHILLIPS: Mr. Speaker, the Prime Minister is correct. There is nothing controversial in this Order. As he has stated it was during the life of the previous Administration that in fact the agreement was arrived at with the United Kingdom pursuant to other agreements. But there are some issues, Mr. Speaker that I think it is worth underscoring as we support this Order. The first is that the motivation behind this bit of legislation and the Order which we are in fact going to approve today is simply to take the profits out of crime. And, in fact, we had an earlier Bill that established the Financial Investigations Division, which highlights similarly that you have the greatest benefit in blunting the effects of organized crime when you remove the profit from it.

You know, there was once, probably still is, I don't have the available information now, but there was once a time when the main cocaine producers would self-insure the product against law enforcement action in another country. That is to say that they would replace it if you could prove that police seized it. So low was the cost to actually hurt them and you take the monies out of it after they

have completed all the other efforts, it's much more damage than the damage you do by taking away product produced by a few people who are operating in forced labour conditions for the most part.

But there is also another fact, perhaps more pertinent to discussions going on in our local environment, and that is that serious organized crime in today's world is almost inevitably and exclusively transnational crime. It takes place across borders. And we are - the fact that we are entering and have entered into agreements with different jurisdictions - and this is not the only jurisdiction with whom we have such an agreement, we have shared property with the Canadians and with other jurisdictions, now the UK is entering - this reflects that reality, simply that both states or all states involved in an investigation will, in fact, distribute among themselves in proportions agreed to, property that is forfeited.

Now this is one important tool in the arsenal of law enforcement and of various states, but let us understand where the effort started: starts generally with joint investigations. And it is very important for us to bear in mind because a lot of the debate recently about extradition and other things has focused on as if there are two isolated states exercising total authority in their separate jurisdictions and somehow it is an imposition by one to want to even engage in anything internal to the other. That's not the reality of today's law enforcement which this Order is speaking to. It starts with joint investigations. I don't know what the situation is now but we have had, in my time we had Jamaican police officials stationed in the UK, in the US in various states and cities in Columbia, in a host of other jurisdictions. So it starts with a joint investigation and that investigation - and likewise other states have had their personnel located here by agreement. We have shared information, be have engaged in joint analysis and we sit in the meetings in London or in Kingston or elsewhere and we do this. So this Order is just one tool in the tool box, one arrow in the quiver of law enforcement, but there are other elements, as I have said, including extradition arrangements and the like.

Now, Mr. Speaker, are not going to belabour that particular issue again here today. But the fact is what we have to be careful even as we pass this, is to ensure that we are not as you would say, going to put the energy in the passage of the laws but not at the same time have equivalent energy and effort and will and determination in relation to the fulfilment and the investigative side and the utilization of all the other powers in the box. Because the truth is, what we suffer from here is not a lack of laws, what we suffer from in the country is the failure to implement and the inadequacy at all kinds of levels of will to deal effectively with this problem which confronts us every day. (Applause) And we need to deal with that and I daresay, as has been recognized, that we by - and we are getting a lot of very bad press internationally, that what is beginning to happen is that our international partners are questioning our will and our sincerity and our determination to deal with the problem.

I had said, Mr. Speaker - that I wasn't going to rehash the issue, but there is one particular question that I must ask . . .

(*Sotto voce* remarks by Mr. Shaw)

Dr. PHILLIPS: No, that particular question. It is recorded, Mr. Speaker, on the

US Department of Justice website pursuant to the Foreign Agents Registration Act.

The SPEAKER: Is it relevant to this Resolution?

Dr. PHILLIPS: It is particularly relevant Mr. Speaker.

Mr. CHARLES: Is when you turn American?

Dr. PHILLIPS: But weren't you a socialist there?

(*Sotto voce* remark by Mr. Charles)

Dr. PHILLIPS: You, at City University? Now my question quite simply is, I understand that the Government of Jamaica in November 2009 entered into agreement with a firm name Manatt Phelps and Phillips who claimed in their foreign agent registration that they represent the Government of Jamaica through Harold Brady of Brady & Company, and that their advice among other things is sought in relation to treaties, agreements, political and economic matters including, existing treaty arrangements between Jamaica and the United States at a cost of US$100,000 per quarter. And my question is, does - given the timing, given the information in relation, information that exists that the said gentleman operates as counsel for persons who are subject to extradition, which I can't prove or disprove - given the timing, my question is, does this represent a contractual obligation as reported of the Government of Jamaica and does it relate to extradition matters and is it properly entered into by the particular individual on behalf of the Government of Jamaica? I can submit the documents, Mr. Speaker, if you so desire.

The SPEAKER: But I don't know, Dr. Phillips, how relevant this is to...

Dr. PHILLIPS: Because I made the point, Mr. Speaker...

The SPEAKER: No, no, with due respect...

Dr. PHILLIPS: …that if we are to enforce these agreements...

The SPEAKER: Yes.

Dr. PHILLIPS: ...if we are to demonstrate to the world our will, we can't send mixed signals. And it is in… and I also said that extradition, joint investigation as well as the forfeiture of property, is part and parcel of an interest that we have.

And so, Mr. Speaker, I have asked this question in relation to that to determine, not only for myself, but for the country, the extent of the will being exercised when we approve the Order. And I would urge you, Mr. Speaker, unless someone raises point of order, not to yourself descend into the arena of a debate.

The SPEAKER: No, no, it...

Dr. PHILLIPS: I thank you and I support the Forfeiture Order. (Applause)

The SPEAKER: Prime Minister.

The PRIME MINISTER: Mr. Speaker, the House has been asked to approve a resolution confirming an Order made by the Minister of National Security to bring the Agreement that was entered into between the Government of Jamaica and the Government of the United Kingdom within the ambit of the particular statute that provides for forfeiture and the sharing of forfeited property.

The diversion of the Member is not at all surprising. And I think the House had better prepare itself that it is not the last time that you will have heard from that Member in a similar diversion.

Mr. SHAW: That's right.

The PRIME MINISTER: Let me make it

quite clear. The Government of Jamaica has not engaged any legal firm, any consultant, any entity whatsoever in relation to any extradition matter, other than deploying the resources that are available within the Attorney General's Department who has a duty and a responsibility to guide the Government in these matters. (Applause)

I want to only say two more things.

Mr. SHAW: Any more mischief making for today?

The PRIME MINISTER: I want to say two more things.

Dr. PHILLIPS: You need to get them to correct this. (Dr. Phillips displays the document)

The PRIME MINISTER: When we go to international fora like the United Nations, and we proclaim that we are - this is universal equality - we are equal partners in this global environment, the truth of the matter is that some are more equal than others. And the truth of the matter is that some of us are prepared to accept unequal equality. And therefore, anything that can attract a smile from powerful lips, and no matter what principles are to be surrendered and sacrificed, and especially if those principles...

Mr. CHARLES: No nationalism.

The PRIME MINISTER: ...and especially if those principles...

Dr. PHILLIPS: No patriotism either.

The PRIME MINISTER: ...are likely to affect people who can only visit Uptown.

Opposition MEMBER: Nonsense.

The PRIME MINISTER: Can only visit Uptown.

Mr. HYLTON: On a point of order, Mr. Speaker.

The PRIME MINISTER: Why you didn't raise the point of order a while ago?

(Government Members heckling Mr. Hylton)

The SPEAKER: What is the point of order? (Shouting/Heckling)

The SPEAKER: What is the point of order? Allow the Member to say what is the point of order.

Mr. HYLTON: Mr. Speaker, can – is the Prime Minister...

The SPEAKER: Yes.

Mr. HYLTON: ....allowed to impute the character of any Member...

The SPEAKER: He never did...

Mr. HYLTON: ...of the intentions of any Member...?

The SPEAKER: He never did. No, no, no, no!

A MEMBER: Point of order!

The SPEAKER: Point of order. He never did.

Government MEMBER: Sit down!

Mr. HYLTON: Shut up yuh mouth ‘bout sit down! I'm not sitting down. Not sitting down.

The SPEAKER: Mr. Hylton, that's no point of order. Please sit!

Mr. HYLTON: ...on a point of order. (Inaudible) (Heckling)

The SPEAKER: Prime Minister.

Mr. PICKERSGILL: Ask him if it's dealing with the Order that is before.... (Inaudible)

Mr. HYLTON: Mr. Speaker and this addresses the matter that is before the House.

The SPEAKER: You said he imputed to a Member. He never did. You said he imputed something to a Member. He never did. It was widely put. He said to anyone. He never said to the Member.

Mr. HYLTON: And that is in response to what?

(Cross talk)

Mr. HYLTON: In other words, he can rule.

The PRIME MINISTER: Mr. Speaker, I apologize if the headline that was being orchestrated for tomorrow is not going to go unchallenged. I apologize.

Mrs. SIMPSON MILLER: House descending into a...

(lnaudible)

(Cross talk) (Heckling)

The SPEAKER: Who left the room open for that? (Cross talk) Who left the room open for that?

The PRIME MINISTER: Mr. Speaker, Mr. Speaker, I have every right to respond to the comments that were made by the Member of East Central St. Andrew. (Applause) Every right. Every right. You had no discomfort when he was going off the track. You had no discomfort whatsoever. But he is not to be responded to.

(Inaudible comments by Mr. Hylton)

The PRIME MINISTER: Mr...

Mr. PICKERSGILL: He says all of these things are in one toolbox. (Inaudible)

Mr. SHAW: You are in the wrong jungle as usual.

(Cross talk)

Dr. PHILLIPS: Mr. Speaker, let me make it plain.

Mr. HOLNESS: No, the Member has not yielded.

The PRIME MINISTER: Mr. Speaker...

Dr. PHILLIPS: Well, I would appreciate on a point of order.

The PRIME MINISTER: Mr. Speaker...

Mr. HOLNESS: Point of order?

Dr. PHILLIPS: Yes, because mention has been made of me.

The PRIME MINISTER: Mr. Speaker...

The SPEAKER: Let's hear the point of order, Dr. Phillips. Let's hear the point of order.

Dr. PHILLIPS: Mention has been made of me. There is the suggestion that I impugned anyone or imputed personal motive. I did no such thing.

The SPEAKER: But he never did. He never did.

(Cross talk)

Dr. PHILLIPS: Mr. Speaker, implicit in what was said way there was a search for headlines.

Opposition MEMBER: Who said so?

Dr. PHILLIPS: The Prime Minister just said so.

The SPEAKER: Yes...

Dr. PHILLIPS: The Prime Minister just said so. And that is an imputation of motive. And I would ask that it be ruled in breach, Mr. Speaker.

The SPEAKER: No...

(Cross talk)

Mr. PICKERSGILL: What is the ruling, Mr. Speaker?

(Inaudible comments)

The PRIME MINISTER: Mr. Speaker...

The SPEAKER: I don't think it was.

(Cross talk)

The PRIME MINISTER: Mr. Speaker, there is an issue.

Mr. CHARLES: Uunoo can walk out and gwaan.

The PRIME MINISTER: Mr. Speaker, there is an issue involving a Treaty between

ourselves and the United States. There are disagreements in relation to how the Treaty has been operated and the extent to which the Treaty and the operation of the Treaty is in conformity with our laws. And contrary to the view that has been...

(Opposition Members begin walking out of the Chamber)

...contrary to the view that has been expressed, this is not a matter simply to be referred to the Courts. It's a Treaty matter. It's an issue that has to do with the operation of a Treaty. That's not a matter for the Courts to determine. That is a matter that has to be determined in discussions between the Government of Jamaica and the Government of the United States. Those discussions are continuing intensively.

A MEMBER: Hear, hear!

The PRIME MINISTER: And it is through those discussions that the matter will have to be resolved. And I regret that I cannot seek the pardon of anybody who would even contemplate, let alone to commend for our consideration, that in order to receive the applause and the approbation of some people in Jamaica that we are to abandon principle, (Applause) and we are to abandon our obligations to the people of Jamaica. We are not going to do that, Mr. Speaker.

(Opposition Members walk out of the Chamber)

Mr. WARMINGTON: Hear, hear! Derrick, you can go too.

The PRIME MINISTER: I beg that the House approves the Order - the resolution seeking to confirm the order... (Inaudible)

The SPEAKER: The Order before the House is the Order on the Order Paper, Number Five and the resolution is cited as: *The Sharing of Forfeited Property (United Kingdom) Order Resolution, 2010.*

Put to the House and agreed to.

The SPEAKER: The resolution is approved. (Applause)

Mr. HOLNESS: Mr. Speaker, you will recall last week that we brought to this House an amendment to the Terrorism Prevention Act. At that time we tabled the regulations that would accompany the Act. Mr. Speaker, that was done in anticipation of the passage of the amendments. To perfect the process, Mr. Speaker, we would have to therefore withdraw the resolution that we had brought, tabling the regulations, and we will do that now, Mr. Speaker.

So, Mr. Speaker, I would now therefore withdraw... I seek leave of the House to withdraw the resolution that is placed on the Order Paper at Number Nine under Government Business.

The SPEAKER: Members, the motion before the House is for the withdrawal of Number Nine on the Order Paper.

Put to the House and agreed to.

The SPEAKER: Number Nine on the Order Paper is withdrawn.

Mr. HOLNESS: Mr. Speaker, I now move for the recommittal of the item, 'Announcements'

The SPEAKER: A motion before the House is for the recommittal of 'Announcements.'

Put to the House and agreed to.

ANNOUNCEMENTS
(Recommitted)

The Clerk, by leave laid on the Table of the House the Terrorism Prevention (Reporting Entities) Regulations, 2010, under

the Terrorism Prevention Act.

Mr. HOLNESS: Speaker, I now move for the recommittal of the item, 'Notices of Motions Given Orally'.

The SPEAKER: The motion before the House is for the recommittal of the item, 'Notices of Motions Given Orally'.

Put to the House and agreed to.

NOTICES OF MOTIONS GIVEN ORALLY (Recommitted)

Mr. HOLNESS: Mr. Speaker, I beg to give notice that at the next sitting of the House I will move:

Whereas by virtue of Section 47 of the Terrorism Prevention Act, (hereinafter referred to as the Act) the Minister may make regulations generally for giving effect to the provisions of the Act;

And Whereas on the 16th day of March, 2010, the Minister made the Terrorism Prevention (Reporting Entities) Regulations, 2010;

And Whereas it is provided by Section 47 of the Act that regulations made under that section shall be subject to affirmative resolution:

Now Therefore Be it Resolved by this Honourable House as follows:

1. This resolution may be cited as the Terrorism Prevention (Reporting Entities) Regulations Resolution, 2010, and
2. The Terrorism Prevention (Reporting Entities) Regulations, 2010 which were laid on the Table of the House on the 16th day of March, 2010, are hereby affirmed.

And, Mr. Speaker, at a later stage today I will move for the suspension of Standing Orders to enable me to take the motion, notices of which I gave earlier.

The SPEAKER: Very well. Members, we go back to Public Business.

Mr. HOLNESS: Thank you, Mr. Speaker, I now move for the suspension of Standing Orders to take the motion, notice of which I gave earlier.

The SPEAKER: The motion before the House is for the suspension of the Standing Order for the House Leader to take the motion, notice of which was given earlier.

Put to the House and agreed to.

Mr. HOLNESS: Thank you, Mr. Speaker, the Terrorism Prevention Act which we amended to enable these regulations today implement Security Council Resolution 1373. It does this by enacting eight of twelve anti-terrorism agreements identified by resolution in our domestic law. It also created several other terrorism offences. These offences include recruiting persons to commit a terrorist act and participation in the activity of a terrorist group. The Act also deals with a range of issues with respect to terrorist financing. These range from the prohibition of ending terrorist act to the monitoring of facial institutions to ensure that they do not deal with an entity that has been designated as a terrorist entity.

Under Section 15 of the Terrorism Prevention Act, foreign companies which do banking, securities, insurance or investment advice in Jamaica, as well as financial institutions defined by Section 2 of the Terrorism Prevention Act, have to report to the designated authority if they are in possession of property owned or controlled by a listed entity, being a listed terrorist entity.

A listed entity is designated as a terrorist

entity by the United Nations Security Council and listed by an Order of the Supreme Court under Section 14 of the Terrorism Prevention Act. Under Section 16 of the Terrorism Prevention Act the same bodies identified in Section 15 have to report all complex, unusual or large transactions or patterns of transactions as it relates to terrorism financing. However, regulations were required to give effect to this section.

And these are the regulations that we are passing today, Mr. Speaker. These regulations were made pursuant to Section 47 of the Terrorism Prevention Act, which gives the Minister the power to make regulations subject to affirmative resolution.

The regulations set out the procedures that are to be followed by the relevant bodies in their business operations to ensure that they are not supporting terrorism financing or other terrorism offences. It also sets out the procedures for reporting to the designated authority, which is the Director of Public Prosecutions, or any person designated by the Minister under Section 15 of the Act. The requirements for dealing with the competent authority, which is for this purpose, Mr. Speaker, the Minister of Finance, are also established.

The Security Council monitors/states implementation of Security Council Resolution 1373 by requiring that countries submit reports to a committee established under that resolution. In addition, the elements relating to terrorism financing are separately monitored by the Financial Action Task Force. This is an inter-governmental body linked to the Organization of Economic Cooperation and Development (the OECD), which develop policies to combat money laundering and terrorism financing. The Financial Action Task Force also conducts regular mutual evaluation of countries to ensure that they are adhering to international standards in these areas. If a country is deemed to be failing to implement these standards it may be deemed to be a high -risk jurisdiction. If the Financial Action Task Force makes this recommendation to its members about Jamaica that could effectively lead to Jamaican financial institutions being locked out of the global financial system. Which is why, Mr. Speaker, we are making sure that we pass these regulations today.

In order to meet its obligation to combat terrorism financing the Honourable Minister of Finance and the Public Service is committed to have the Terrorism Prevention (Reporting Entities) Regulation 2010 in force by the end of this financial year.

In conclusion, Mr. Speaker, Terrorism Prevention (Reporting Entities) Regulations, 2010 must come into force with appropriate penalties. The failure of the country to enact the regulation by the end of the legislative year may have serious consequences in light of certain commitments which Jamaica has given to the Financial Action Task Force.

Mr. Speaker, very quickly I will just go through the various clauses.

Clause 3 gives direction to all the entities involved, regarding guidance and due diligence.

Mr. Speaker, regulation 4 gives the procedures for training staff that are involved in reporting financial transactions. And, of course, Mr. Speaker, importantly it sets out the maximum fines for breaches.

Regulation 5, Mr. Speaker, deals with the verification of customer identity.

Regulation 6 deals with transaction of verification procedures.

Regulation 7 deals with corporate bodies and how they relate to the various authorities that supervise them.

Regulation 8 deals with the minimum amount not required for reporting, which in this case is Two Hundred and Fifty US Dollars. But, of course, if the worker in the financial entity identifies that this could be a terrorist transaction then they have an obligation to report it, even if it is below the minimum of Two Hundred and Fifty US Dollars.

Regulation 9 deals with the electronic funds transfer.

Regulation 10 deals with payments that are made by posts.

Regulation 11 deals with the identification procedures regarding transactions done on behalf of third parties.

Regulation 12 deals with the identification exemption procedures.

Regulation l3 deals with identification procedures and its supplementary provisions.

Regulation 14 deals with record- keeping procedures.

Regulation 15 deals with internal reporting procedures.

Regulation 16 deals with reporting entities that operate fictitious accounts.

Regulation 17 deals with the form of reports to designated authorities.

Regulation 18 deals with applications of standards of overseas branches of subsidiary entities.

Regulation 19 deals with the directions given from designated authorities.

Regulation 20 deals with the exercise of functions of competent authorities.

And finally, Regulation 21 deals with requirements regarding existing customers.

So these are the regulations, Mr. Speaker. I put them to the House for its approval.

The SPEAKER: Members, the Resolutions have been placed before us.

Put to the House and agreed to.

The SPEAKER: Regulations discussed and passed. (Applause)

Mr. CHARLES: Regulations passed without disturbance.

ADJOURNMENT

Mr. HOLNESS: Mr. Speaker, It is not intended to do any further business today. I, therefore, move for the adjournment of the House until the 17th of March, 2010. But I would like to remind Members that we meet at 12:00 for Standing Finance Committee, 12:00 sharp.

The SPEAKER: Members, please be reminded. I think I gave that warning or reminder earlier. The Standing Finance Committee meets at 12.00 o'clock. And we have to meet at 12:00 so we can get to start at 2:00 p.m.

So with that, the motion before the House is that this House do adjourn until Wednesday, 17th March at 2:00 p.m.

Put to the House and agreed to.

The SPEAKER: This House stands adjourned.

The House adjourned at approximately 5:50 p.m. to resume its sitting on March 17, 2010 at 2:00 p.m.

WEDNESDAY, March 17, 2010

PURSUANT to Notice of Adjournment the Honourable House of Representatives resumed its sitting at Gordon House, Kingston at 2.32 p.m.

PRESENT

THE SPEAKER

HON. DELROY HAWMIN CHUCK, (JLP), St. Andrew, North Eastern.

MRS. MARISA COLLEEN DALRYMPLE-PHILIBERT, (JLP), Trelawny, Southern, Deputy Speaker.

MEMBERS OF THE CABINET

THE HONOURABLES:

ANDREW MICHAEL HOLNESS, (JLP), St. Andrew, West Central, Minister of Education, Leader of Government Business and Electoral Matters.

ORETTE BRUCE GOLDING, (JLP), Kingston, Western, Prime Minister, Minister of Planning and Development and Defence.

AUDLEY FITZALBERT SHAW, (JLP), Manchester, North Eastern, Minister of Finance and the Public Service.

KARL GEORGE SAMUDA, CD, (JLP), St. Andrew, North Central, Minister of Industry, Commerce and Investment.

PEARNEL PATROE CHARLES, CD, (JLP), Clarendon, North Central, Minister of Labour and Social Security.

OLIVIA ATAVIA GRANGE, (JLP), St. Catherine, Central, Minister of Youth, Sports and Culture.

RUDYARD CONRAD SPENCER, (JLP), Clarendon, South Eastern, Minister of Health and the Environment.

MINISTERS OF STATE

THE HONOURABLES:

DARYL WESLEY PHILLIP VAZ, (JLP), Portland, Western, Minister without Portfolio in the Office of the Prime Minister, Information and Telecommunication.

MRS. SHAHINE ELIZABETH ROBINSON, (JLP), St. Ann, North Eastern, Minister of State in the Office of the Prime Minister.

CLIFFORD EVERALD ERROL WARMINGTON, (JLP), St. Catherine, South Western, Minister of State in the Ministry of Water and Housing.

NEVILLE ANDREW GALLIMORE, (JLP), St. Andrew, West Rural, Minister of State in the Ministry of Labour and Social Security and Deputy Leader.

OTHER MEMBERS

MR. GEORGE DELANO ARSCOTT, (PNP), Clarendon, South Western.

MR. PETER MURCOTT BUNTING, (PNP), Manchester, Central.

MR. ROGER HAROLD CLIFFORD CLARKE, (PNP), Westmoreland, Central.

DR. OMAR LLOYD DAVIES, (PNP), St. Andrew, Southern.

DR. DONALD DUNCAN, (PNP), Hanover, Eastern.

MR. COLIN ALFRED FAGAN, (PNP), St, Catherine, South Eastern.

DR. FENTON RUDYARD FERGUSON, (PNP), St. Thomas, Eastern.

DR. MORAIS VALENTINE GUY, (PNP), St. Mary, Central.

MRS. SHARON MERLE HAY-WEBSTER, (PNP), S. Catherine, South Central.

MR. JOSEPH URIAH HIBBERT, (JLP), St. Andrew, East Rural.

MR. ANTHONY GEORGE HYLTON, (PNP), St. Andrew, Western.

MR. FITZ ARTHUR JACKSON, (PNP), St. Catherine, Southern.

MR. DERRICK FLAVIUS KELLIER, (PNP), St. James, Southern.

DR. KENNETH WYKEHAM MCNEILL, (PNP), Westmoreland, Western.

MR. CLIVE ARTHUR MULLINGS, (JLP), St. James, West Central.

MRS. NATALIE GAYE NEITA-HEADLEY, (PNP), St. Catherine, East Central.

MR. PHILLIP FEANNY PAULWELL, (PNP), Kingston Eastern and Port Royal.

MR. DEAN ALEXANDER PEART, (PNP), Manchester, North Western.

DR. PETER DAVID PHILLIPS, (PNP), St. Andrew, East Central.

THE MOST HON. PORTIA LUCRETIA SIMPSON MILLER, O.N., (PNP), St. Andrew, South Western, Leader of the Opposition.

MR. DERRICK CHARLES SMITH, OD, (JLP), St. Andrew, North Western.

REV. RONALD GEORGE THWAITES, (PNP), Kingston, Central.

PRAYERS

Prayers were offered by Reverend Ronald Thwaites.

The Honourable House resumed its sitting at 2.32 p.m.

The SPEAKER: Please be seated.

This Honourable House now resumes its sitting.

CALL OF THE ROLL

(See Listing)

The SPEAKER: Members, this afternoon we would like to welcome in the Gallery thirteen (13) students and one (1) teacher from the Jose Marti High School (applause); and from the Rhodes Hall High School twenty-two (22) students and one (1) teacher. Welcome to the sitting of Parliament this evening. (Applause)

STATEMENTS BY MINISTERS

The SPEAKER: Prime Minister.

HAITI –
DISASTER/RECONSTRUCTION

The PRIME MINISTER: Mr. Speaker, the House is already aware that within 36 hours of the earthquake which struck Haiti on January 12, we dispatched a contingent of 158 Jamaica Defence Soldiers to render assistance in the wake of that terrible tragedy. They have maintained a strong presence there since then and have been engaged in various operations including search and rescue, distribution of relief supplies and logistics support for other personnel from the Fire Service, the health service and from Disaster Management agencies, whom we have also dispatched to Haiti. The presence of the Jamaican forces has been part of the CARICOM's response and Jamaica, as the Caribbean nation closest to Haiti, has been proud to have been able to lead that response.

CARICOM heads had agreed that the focus of CARICOM's efforts in this preliminary stage would have been providing

critical health services. We have performed well in this regard. And I wish to again express our thanks to our doctors, nurses, medical specialists and technicians who have given such valuable service in this effort. (Applause)

Special mention must also be made of our Fire Service personnel who rescued six (6) persons alive who were trapped under piles of rubble, the last of whom was recovered miraculously, 15 days after the earthquake. (Applause)

A total of 159 Health workers were deployed, 141 from Jamaica and 18 from other Caribbean countries. More than 10,000 patients were seen and treated including over 200 major surgical operations performed.

The situation in Haiti is gradually transitioning from emergency response to longer term reconstruction.

(HON. LESTER MICHAEL HENRY, CD, (JLP), Clarendon, Central, Minister of Transport and Works, entered and took his seat.)

At last week's meeting of CARICOM heads held in Dominica, it was agreed that CARICOM would now focus its effort on construction. The details of this and the functional areas in which our efforts will be concentrated are still being worked out with Haiti's President RENEE PREVAL, who attended the meeting in Dominica. Areas being considered include planning and coordination of new housing development, the building of schools and support for the agricultural sector.

(HON. CHRISTOPHER CHARLES TUFTON, (JLP), St. Elizabeth, South Western, Minister of Agriculture, entered and took his seat.)

(HON. JAMES RUDOLPH EDWARD ROBERTSON, (JLP), St. Thomas, Western, Minister of Mining and Energy entered and took his seat.)

These discussions are being coordinated by the MOST HONOURABLE PJ PATTERSON IN his capacity as CARICOM's special envoy on Haiti.

JAMAICA'S CONTINGENT TO RETURN

Given the shift in focus and after consultation with the other heads of government in CARICOM, the decision has been taken for the JDF contingent to return to Jamaica. The mobilization is already underway and our troops are scheduled to arriving back home tonight and will all be in Jamaica before the end of the week.

(MR. LUTHER BARTLETT MONTEITH BUCHANAN, (PNP), Westmoreland, South Eastern, entered and took his seat.)

CANADA'S INPUT

I wish to express our appreciation to the Government of Canada which has provided a vital air bridge in Jamaica to facilitate our efforts. Canadian military aircraft flew 28 missions for us, transporting personnel and over 500 tons of relief supplies. Even now they are assisting in transporting our troops back home.

THANKS JDF

I wish finally, Mr. Speaker, to commend the members of Jamaica Defence Force who have served so well and have made us so proud. (Applause) PRESIDENT PREVAL on several occasions has expressed the gratitude of the Haitian government and people for our

quick response and the assistance we have been able to render.

I wish to thank in particular MAJOR JAMIE O'GILVIE and LT. COL. DESMOND EDWARDS who (applause) at different stages have been in charge of our contingents and to commend them for the outstanding leadership that they have provided in this effort. (Applause)

The SPEAKER: Thank you, Prime Minister. Yes, Mr. Hylton.

Mr. HYLTON: Mr. Speaker, I certainly on behalf of the Opposition, want to join with the Prime Minister in commending the efforts of the JDF and other members who have - the medical team and other members of the various professional groupings who have assisted in this process.

I just want to ask the Prime Minister if he could give us some sense as to where the focus now shifts and where CARICOM now goes as we go to the redevelopment and reconstruction phase in Haiti. The Prime Minister seems to indicate that CARICOM's role will be confined to certain specified areas. Is this the understanding and if so, what is the mechanism that is being contemplated for delivery of these vital services during this reconstruction period?

Thank you.

The SPEAKER: I think Prime Minister, the question really was what is the present role of CARICOM in going forward.

The PRIME MINISTER: I am sorry, Mr. Speaker. That role is still being defined. But CARICOM has identified, as I indicated, three (3) areas based on the wishes that were conveyed to us by PRESIDENT PREVAL. Housing is a major area and that's an area where CARICOM feels that it has the technical personnel that can provide strong support in planning and coordinating the building of houses. Indeed, one of the things that we are considering but not signed off yet, is to see whether among CARICOM countries we can provide resources to commit to building a thousand houses; and that was one of the suggestions that came out of the CARICOM meeting last week. The costings of that are being worked out.

BACK TO SCHOOL

In addition, a large number of schools collapsed during the earthquake. We have offered to provide assistance first of all to get the children back in some kind of learning programme, because it's going to take time for those schools to be built, so to try to identify alternative accommodation that would enable teaching to begin again even while they try with the assistance that they hope to get from the multilateral agencies, to address the need for new schools.

AGRICULTURE – FARMING PROGRAMME

PRESIDENT PREVAL also indicated that a major area of priority, which again is where we feel that we can assist, is trying to get the agricultural sector cranked up, not only in order to provide food for themselves, but also to try and get the rural people back in some gainful activity, bearing in mind that a lot of the people who were living in Port-an-Prince have been forced to move back to rural areas; and therefore to try to get them back in some farming programme,

We took some steps during the CARICOM meeting to provide him with some immediate support in terms of planting materials: seeds, fertilizer and so on. But we

are looking at the possibility of moving some agricultural technicians there to work with the farmers.

They still face a major problem, in that of the one point five million people who were left homeless and who were camped out on the streets and virtually every open space that they could find, they have been able to find temporary accommodation for about three hundred thousand of them. So there are still roughly about 1.2 million people who are on the streets. And nature as such can be so unfair at times, because they are getting rains that they don't want and we want the rains and we are not getting it. It rains virtually every day in Port-an-Prince; and you can imagine the impact it has on people who are living under sheets of plastic on the streets. That is a major, major area of need.

When we had the meeting of Latin America and CARICOM in Cancun two weeks ago, we had estimated that it would have cost about US$25 Million to provide enough tents to accommodate all of the people who were there. Among the countries we all trumped up $25 Million. The estimated cost was $20 Million; we made commitments for 25 Million. I was disappointed that PRESIDENT PREVAL reported that all that he had actually received so far was $2 Million which had been committed by the Government of Ecuador. We are making some efforts to try to get the other pledges that were made to get those pledges in.

One final point I would like to make, and it gives you an idea of the extent of challenges that they face. For the month of January the Government of Haiti collected only 20% of its normal revenue. The figures for February were not available when we met last week. But can you imagine trying to administer a government at a time when you need to actually spend more than you would normally spend, but your inflows are 20% of what the flows are. For that reason, they have had to reduce Public Sector salaries by 50%; but even then they have been only able to pay a half of the public sector workers that 50%.

Despite all of the contributions that have been made, or have been announced, only $31 Million of that have actually gone to the government. A lot of the contributions are gone to NGOs who operate on their own authority and their own priority. So the Government is left in a position and it's embarrassing for them because the Haitian people say all these things on television and they're asking the Government well, where is all this money that people have contributed? It has not actually come to the Government and the Government just has not been able to assert itself in the way that a Government needs to be able to do in these crises.

So we are working with them. They are the ones that have to determine their priorities, they are the ones that have to say to us, these are the areas of need, and we will then have to determine within those areas, where do we have the capacity to provide the assistance. Much of the assistance is going to have to be in terms of technical assistance, because the amount of funds the Caribbean States have, or are able to contribute is very limited. We have, for example, not been able to make any cash contributions. Our contributions have been in the cost that we have borne for supporting the contingent both military and otherwise that we have had there.

Mr. HYLTON: (Inaudible) ...the limitations that CARICOM faces - the

member states of CARICOM - and you quite correctly say that that is limited in terms of the scope of the activity. I thought that the wider international effort provided a role for CARICOM in helping to build a mechanism where Haiti, at the moment, because of the destruction both in respect to the earthquake plus the other challenges that it faces, would not be able to provide that infrastructure. And that CARICOM - one of the roles for CARICOM was to give that support and an infrastructure for the wider international effort.

The PRIME MINISTER: In answer to the Member's question, it ought to, that's how it ought to be; and we have been very insistent that CARICOM has a duty to be involved in the discussions that are taking place at the international level. And in addition to that, PRESIDENT PREVAL has by letter sent to each of the International Organizations, the Multilaterals, the World Bank, the IDB, the OAS, he has made it very clear that he wants CARICOM through its special envoy, to represent Haiti in whatever discussions that are taking place. It's a matter of concern to us that we have to be asserting ourselves in such a way to be able to provide the critical role that we can play. Because Haiti is not just a neighbour in the region, Haiti is a member of a community, and therefore the role of the community has to be recognised.

It was useful that at the meeting in Dominica, we had the President of the IDB and we also had the President of the World Bank and we discussed with both of them in separate sessions, the assistance that needs to be provided, not later on, but needs to be provided right now to assist the Haitian people. The Annual General Meeting of the IDB is taking place in Cancun this weekend and one of the positions that we are taking to the meeting and one of the things that we hope that they will take a decision on, is for immediate budgetary support to be provided to the Government, so that the Government can respond to the challenges and the needs that are out there.

We alerted PRESIDENT MORENO to it when we met with him on Friday, and it's one of the things I've hoped a firm decision will be made on when they meet this weekend.

The SPEAKER: Leader of the Opposition, Mrs. Simpson Miller.

Mrs. SIMPSON MILLER: Thank you, Mr. Speaker.

The Prime Minister answered the question I was going to ask, whether CARICOM would be able to give some assistance in the areas of technical support, in that I know we have no money. We have our own challenges now, but I'm sure we could, and I commend the Government and CARICOM to look into those areas.

The Member from the Opposition spoke to, and I join the Prime Minister in commending our JDF, they did a splendid job in Haiti and represented Jamaica well. I'd like to also commend the Jamaican medical team, including one of our members, DR. WYKEHAM MCNEILL, who went and gave some assistance. (Applause)

Mr. KELLIER: Hear, hear!

Mrs. SIMPSON MILLER: And I'd like to join the Prime Minister in commending the Jamaican people, those who had very little themselves, but were willing to give to their brothers and sisters, of whatever little they had, in Haiti. And I think it is demonstrating the faith, the courage and the determination of

the Jamaican people, that no matter what, we care and we will assist. And to commend the Haitian people for their strength and determination and courage to survive; and I'm sure they will rise again.

Thank you, Mr. Speaker. (Applause)

The SPEAKER: Thank you. Dr. McNeill and then Mrs. Sharon Hay-Webster.

Dr. McNEILL: Mr. Speaker, I think until you are in a moment of crisis, you don't know the benefits that you have.

Three days after the earthquake, our army went over to Haiti. At that point in time Haiti - well Haiti has no army and their communication systems broke down and the place in chaos - was problems, and our army was able to go over there and within 48 hours they set up a fully functional base, they were able to sustain themselves, sustain a medical staff, set up communications and get things working so that you had a base to work out of. It was under very difficult conditions.

Over 100 Medical staff volunteered to go over to work in Haiti under difficult conditions. And what they did in Haiti, the Haitians - you could see the gratitude, because it wasn't just that they were doing the work, it was the manner in which they did the work, the way in which they treated the Haitian people, with respect and brotherly love.

And I want to join both the Prime Minister and the Leader of the Opposition, and I would request that the Parliament formally give our thanks to the JDF especially - I served under COMMANDER O'GILVIE, so l had to follow all of his orders, and through the MAJ - the Medical Association of Jamaica - we could say thank you to the doctors who were mobilized and volunteered their time.

Thank you. (Applause)

The SPEAKER: Thanks. Prime Minister.

The PRIME MINISTER: Allow me to make just one other point. Notwithstanding the fact that our troops will be returning home commencing tonight, we can't abandon the people of Haiti. And it may take some time before CARICOM's further assistance is structured and mobilized.

In the discussion with PRESIDENT PREVAL last Thursday, he kept stressing - in addition to the housing problem that he has which is a real serious problem - he kept stressing the need to get the farmers into planting and to try and get - because as I said before, a lot of what was the urban population is now relocated in rural areas. We're not going to wait until the formalities are in place, and therefore, I think the House would want to know that the Minister of Agriculture - our Minister of Agriculture will be going to Haiti next week with a small team, to see how we can provide some technical support - technical assistance to the Haitian Government in terms of getting their agricultural sector moving. And I'm sure that on his return, we will find a way, notwithstanding the challenges we have and the constraints under which we operate, we will find a way to continue to provide support to the people of Haiti. (Applause)

The SPEAKER: Mrs. Sharon Hay Webster.

Mrs. HAY-WEBSTER: Prime Minister, certainly we are taken with the reports and the comments about meeting the immediate needs of our brothers and sisters in Haiti. But from review of the reports that have come out, and in keeping with your last comment about technical assistance and longer term needs that we address, Jamaica do has an acknowledged role within our region for a capacity in terms

of disaster management, management; and I wonder if there has been any consideration of technical support from our ODPEM, to build out that capacity in Haiti?

I asked this because of my own research that I have done, looking at what has happened - the reports coming out of Haiti and Chile, and in comparison, what is clear is that in Chile, there is a clear programme of work to build out their disaster management capabilities and also, in their rebuilding after disasters which have struck them they've done two things: enforced building codes - and we have just considered some new building codes through our Bureau of Standards - and also done increased community training.

Given the kind of work that we have done in Grenada and Trinidad in particular, to give support to our sister nations, is there any room for consideration of this in our longer term vision for support to Haiti?

The PRIME MINISTER: It has not come up in any of the discussions that I've been involved in, or I'm aware of, but 1 agree with you, it's an area where we have developed a fair amount of expertise ourselves. If we have any weaknesses it really is in the resources to support the disaster management operations. But we are sturdy in that regard, and it's something that I would certainly place on the table.

Let me just mention one other issue. The Member referred to the building code, it's interesting that Cabinet on Monday gave approval to the new building code. It is 11 voluminous documents which will be brought to Parliament shortly. But there's another area where we can perhaps provide support.

PRESIDENT PREVAL has made it clear, that the elections which are necessary in order to allow a transition from himself to his successor - because he is, by constitution not eligible for reelection - he insisting that those elections must be held. He's due to demit office in February of next year. This place is a challenge, because their electoral machinery is not in shape. With the level of fatalities that have occurred - over 300,000 - their voters list is destinated; and it's an area again where I think Jamaica could offer to provide some assistance in the preparatory work that would require, in order to ensure that the elections can be held in time for the handing over of authority in February of next year.

It's one of the things I'm gonna ask our Electoral Commission to look at and to be in communication with the relevant authorities in Haiti, to see what assistance we might be able to offer there.

Mrs. HAY-WEBSTER: Just in responding to that, PM. I know that the Deputy Speaker who is now the ACP Rep replacing me, when I held that position. There is room for her to have discussion within the pretty Joint Parliamentary Assembly to support both initiatives in respect of disaster management and it's training as well as preparedness for elections. Because there are separate committees that deal with that. So if there is an approach made within that parliamentary fora, we can get the necessary supports there too.

The SPEAKER: Thanks.

ANNOUNCEMENTS

The Acting Clerk laid on the Table of the House a copy of the following:

Office of the Contractor General's Report of Investigation on the Enquiry conducted into the Auction Process

for abandoned Motor Vehicles by the Jamaica Customs Department on June 30, 2009 and July 1, 2009; and

Report of the Regulations Committee of the House of Representatives on its deliberations on the Real Estate (Dealers and Developers) (Amendment) Regulations, 2010.

REPORTS FROM COMMITTEES

RE: REPORT REGULATIONS COMMITTEE/REAL ESTATE DEALERS AND DEVELOPERS REGULATIONS

Mrs. DALYRYMPLE-PHILIBERT:

Mr. Speaker, I beg to give notice that at the next meeting of the House, I will move:

And be it Further Resolved that the Report of the Regulations Committee of the House of Representatives on its deliberations on the Real Estate Dealers and Developers (Amendment) Regulations 2010, which was laid on the Table of the House on the 17th day of March, 2010 be approved.

And, Mr. Speaker, I further beg to give notice that at a later stage today, 1 will move for the suspension of the Standing Orders to enable me to take this motion.

The SPEAKER: Thank you.

NOTICES OF MOTIONS GIVEN ORALLY

Mr. HOLNESS: Mr. Speaker, I beg to give notice that at the next meeting of the House I will move:

Be it Resolved, with reference to the Sessional Select, Joint Select, and Select Committees which are appointed in the current session of Parliament, and where these Committees have not completed their deliberations, that further considerations of the Bills, Motions, and Reports before them be suspended, and that in the new session of Parliament the House be empowered to enable these Committees to proceed with the issues referred to them from the stages reached before prorogation;

Be it Further Resolved that the composition of all these Committees remain unchanged except where necessary, by further motion taken and approved by the Houses - by this Honourable House;

And Be it Further Resolved, with reference to the undermentioned motions, which are included in the Order of Business in this session of Parliament, and where deliberations on these motions have not been completed, that in the new session of Parliament, the House be empowered to proceed with them from the stages reached before prorogation:

(a) Report of the Joint Select Committee of Parliament, set up to consider and report on the following Bills entitled: AN ACT to Amend the Bail Act, AN ACT further to Amend the Firearms Act, AN ACT to Amend the Offences Against the Person Act, AN ACT to Amend the Parole Act, AN ACT to make interim provision in relation to the grant of bail in specified circumstances, and AN ACT to make interim provisions extending the

power of arrest and detention under Sections B - 50(b) and 50(f) of the Constabulary Force Act

(b) Ministry Paper Number 124/09, dated November 5, 2009, and the Jamaica National Energy Policy 2009 to 2030, annexed.

(c) The Criminal Justice (Plea Negotiations Agreements) Regulations) 2010, under the Criminal Justice (Plea Negotiations and Agreements) Act and,

(d) The Legal Aid Excepted Offences (Amendment) Regulations 2010, under the Legal Aid Act.

MOTIONS THAT MAY BE MADE AT THE COMMENCEMENT OF PUBLIC BUSINESS REQUIRING NOTICE

Rev. THWAITES: Mr. Speaker...

Mr. KELLIER: Mr. Speaker, just before... The House Leader mentioned a number of the Acts which have been referred to committees that will be carried over. In respect of the motions, did we not take a decision that the motions will be carried forward, those that were not disposed of?

The SPEAKER: To renew them.

Mr. PICKERSGILL: What, they fall off?

The SPEAKER: They fall off the...

Mr. KELLIER: Based on what we had agreed in the Standing Orders Committee...

The SPEAKER: But it hasn't been implemented as yet, you see.

Mr. KELLIER: ...because we had agreed on that, you know.

The SPEAKER: When it is implemented; when the Standing Orders have been changed.

Mr. KELLIER: But when are we going to have that meeting, Mr. Speaker, because...

Dr. PHILLIPS: It would only take it moving a motion now - joining a motion.

Mr. KELLIER: Could we not do that now and take it as well, because they are already on the Paper and we had agreed some months ago that we would carry forward?

Mr. HOLNESS: But in any event, Member, if we had started debate on motions then those we could carry over, but since we haven't started in all practical terms, we should just renew them when...

(*Sotto voce* comments by some Members)

Mr. KELLIER: We had agreed - we had a meeting right here and we had agreed that these matters would not - I think the Prime Minister made an intervention at our meeting and expressed that.

(*Sotto voce* comments by the Prime Minister)

No... well we could decide on whatever we wanted to carry forward and then...

Mr. HOLNESS: But the agreement...

Mr. KELLIER: In the same way we are doing this now we could have had some agreement. It was discussed and we had agreed that we would bring them forward. I am just saying now that that meeting was not held.

(*Sotto voce* comment by the Prime Minister)

Mr. KELLIER: What would we do in the case? Well, if I were asked I could very well have done...

Mr. HOLNESS: If you will allow me, Member, we will debate today the Standing Order Committee Report which would capture the agreement of which you speak. Until then and this House accepts the Report, then after

that we could entertain that consideration. But even then Member, I encourage you to consider that we have not yet started debate on many of the motions. So, it would not make sense to carry them over in any event. It would only make sense if we had started debate.

Mr. KELLIER: Mr. Speaker, I suggest we wait until we have the Standing Orders...

The SPEAKER: Very well.

Mr. KELLIER: ...debate, and then we... decision.

The SPEAKER: We decide what...

Mr. KELLIER: If there are any that was put on the Paper by any Member on either side, then if that Member so wishes I would imagine they could make contact with him or us and we could straighten it out.

The SPEAKER: Reverend Thwaites.

Rev. THWAITES: Mr. Speaker, I am enquiring as to the fate of the answers to the questions which I have outstanding and overdue on the Question Paper, having regard to this being the last sitting of the current legislative year.

The SPEAKER: House Leader.

Mr. HOLNESS: Have you got the item?

The SPEAKER: No, but he...

(HON. LAURENCE BRODERICK, (JLP), Clarendon, Northern, Minister of State in the Ministry of Mining, Energy and Telecommunications, entered and took his seat.)

(*Sotto voce* by Mr. Holness)

The SPEAKER: No, the questions...

Mr. HOLNESS: The question or the items?

The SPEAKER: No, questions and answers.

Mr. HOLNESS: Mr. Speaker, we have no questions prepared for answer today.

(Cross talk)

Mr. KELLIER: Mr. Speaker... Mr. Speaker, I find it very uncomfortable to rise on this matter, because two weeks ago I deliberately asked the House Leader to indicate to the House what was the agenda for answering these questions. And he gave a solemn undertaking to you and the rest of us Members that the questions were going to be answered in a particular way, and on particular dates. And for him to say today that there are no answers, I mean it is not good enough. We need to - I mean the Standing Orders are there and they are very clear, you know, Mr. Speaker.

(*Sotto voce* comments)

We have been more than patient. And the truth is that, you know, for not standing up for this issue, I have been bludgeoned by my own Members, for going soft on the House Leader. And l really think that the House Leader needs to come a little better than that because we need answers for these things. We don't put questions on the Question Paper for style. We need answers.

The SPEAKER: When we discussed the Standing Orders Committee, which is coming up next –

(*Sotto voce* comments)

No, but the point is that, what can the Speaker do to ensure that the answers come?

A MEMBER: Suspend the Leader of Government Business.

Rev. THWAITES: Mr. Speaker..?

The SPEAKER: Yes...

Rev. THWAITES: Mr. Speaker, this goes to a fundamental point. It goes to a point as to the Parliamentary system relying upon the input of both sides of the House. The major opportunities for participation in the work of

Parliament for an Opposition Member, and for those not endowed with ministerial responsibility is through Private Member's Motions and the answering of questions.

And in this instance, look where we find ourselves now at the final sitting of this legislative year. We and ourselves with a number of very significant questions not answered, and no indication of when they will be. Similarly, in respect of the motions, there are large numbers of motions and we are hearing the House Leader with uncertain logic, argue that because they have not begun to be debated, they will fall off.

Now, to me that is unacceptable. And when one speaks here, one speaks on behalf of one's constituents. And I do believe that this goes to the kernel of the efficacy of Parliament and it is respectfully, Mr. Speaker, your responsibility as the President of this Parliament to take the necessary steps. And to declare that you are powerless is a grave disappointment.

The SPEAKER: I can't... apart from my usual admonition, and requests and urgings; there is nothing that the Speaker can do.

Mr. BUCHANAN: What, what!

Dr. PHILLIPS: Mr. Speaker, if I might say the Speaker has the power to name Members, to offer what would be in the nature of a reprimand. But, certainly to - it is not appropriate - and I completely agree with the Member from Central Kingston - it is not appropriate for the Standing Orders to be breached in that way. In fact, in fact - and I have not heard it once enforced, the delay in answering, as provided for in the Standing Orders, can only be for two weeks and with the concurrence of the Member who asked the question. I have never heard, with respect, Mr. Speaker, you enforce that provision, or even seek to enforce that provision.

The SPEAKER: The Standing Orders, you know...

Dr. PHILLIPS: Not to belabour it...

The SPEAKER: Yes...

Dr. PHILLIPS: ... but to suggest that as we go forward, greater diligence be exercised, Mr. Speaker.

The SPEAKER: Dr. Phillips, when the report of the Standing Orders Committee is being debated, which is shortly, I urge you to make some suggestions as what could be done when there is a breach in these matters.

(*Sotto voce* comments by some members)

Mr. HOLNESS: Mr. Speaker, there is no uncertain logic in asking the Members to place in the new legislative year those motions that would have expired at the end of this legislative year. Now, in any event, Mr. Speaker, those motions are not yet debated so they are not open, they are not current issues before us. When we open debates on those motions - and we have about two motions on Order Paper which we have already started to debate, I would agree that those should be carried over automatically to the next year. But the other motions that have not yet been debated, it would make better sense as part of the sifting process to replace them on the Order Paper in the new year.

As it relates to questions, Mr, Speaker, question this House dealt with... 57 questions were asked, Mr. Speaker, 57.

(*Sotto voce* comments)

There are fourteen (14) questions that are unanswered, only eight (8) of those (14), Mr. Speaker, are due for answer. So, Members would have asked questions, knowing that the year is coming to an end, Mr. Speaker, those

questions would automatically have expired.

Dr. DAVIES: Including that from November?

Mr. HOLNESS: There are eight (8) outstanding questions, Mr. Speaker, out of approximately 53 questions that they have asked, that would have fallen for answer today. That is an excellent record, Mr. Speaker, despite the complaints of the Opposition - and we take onboard that they have asked questions. Some of the questions that they have asked are very difficult questions to answer. They have asked for information, Mr. Speaker...

(Heckling)

Mr. Speaker, they have asked for information – they have asked for information, which, Mr. Speaker, some of that would be available in Government publications which, if the Members were truly interested, Mr. Speaker, they would go and do the research.

(*Sotto voce* comments by Mr. Buchanan)

Mr. KELLIER: Don't go there! Don't go there!

Mr. Speaker, I don't think we need to belabour this thing too much. What the House Leader needs to do is to accept the point that he has difficulties and let us try and do the right thing in the new legislative year. It is clear that we can't tidy up this again, so let us not try to ascribe blame for anything and to pat ourselves on the back for how many questions you have answered, because you may answer some yes, but there are still some to be answered, they are put there to be answered. So let us not go down that road, let us just leave that and let us try to tidy it up in the coming year. So it is clear that we'll follow the Standing Orders to a letter as it relates to questions in the next legislative year.

The SPEAKER: Okay, ahm . . .

Mr. KELLIER: Let us not go down there.

Mr. HOLNESS: Mr. Speaker, if you would allow me, Mr. Speaker.

Mr. KELLIER: Let us not go down there again.

Mr. HOLNESS: If you would allow me, Mr. Speaker. We have given great latitude in the questions that Members pose. For example, there is one question here which is on the Question Paper.

Mr. BUCHANAN: What you mean by great latitude?

Mr. SHAW: Hello, bush man, you keep quiet.

Mr. BUCHANAN: Then shut yu mout! I'll keep quiet when you answer the questions.

(Disturbance by Members on both sides)

Mr. HOLNESS: There are, there are questions…

The SPEAKER: (gavels) All right, enough, enough, enough. Yes, Mr. Holness.

Mr. BUCHANAN: I will keep quiet… (Inaudible)

Mr. HOLNESS: You recall, Mr. Speaker, that in answering a question from the Member from St. Andrew South East I pointed out that there was a breach of the Standing Orders as it relates to Members asking questions regarding…

(Disturbance by Members)

The SPEAKER: (Gavels) Listen, Members, Members, please!

Mr. HOLNESS: …as it relates, Mr. Speaker, to Members asking questions about the accuracy of media reports. You will notice that on the Question Paper, Question 46, that there is such a question on the Order Paper, that is to be struck from the Order Paper.

Mr. PICKERSGILL: Yes.

Mr. HOLNESS: Yes, and there are other questions, Mr. Speaker, that equally would stretch.

Dr. DAVIES: Hey, Andrew, sit down. Quit while you are behind! (Laughter)

The SPEAKER: House Leader, my understanding is that at the end of Parliament today, both the motions and the questions fall off. I would urge that those questions and motions would just have to be renewed at the beginning next year.

(*Sotto voce* comment by Mr. Holness)

The SPEAKER: No, I am not denying that there was an understanding which will come up when we debate the Standing Orders that they should carry over, but until that is adopted by the Parliament we can't proceed that way.

(Inaudible comment by Mr. Holness)

The SPEAKER: Okay, we continue.

PUBLIC BUSINESS

The SPEAKER: Remember Members, we are still awaiting the Minutes of the Standing Orders Committee. As soon as we know that it is available, we are going to suspend Parliament to take them, but for the moment we'll continue under Public Business. Yes, House Leader.

Mr. HOLNESS: Thank you, Mr. Speaker. Of course, one of our main business today, Mr. Speaker, as you said would have been the debate on the Supplementary Estimates, and as soon as that is available we will break for that.

In the interim, Mr. Speaker, we will have the Prime Minister taking the Regulations, which we discussed yesterday and was referred to Committee, that would be the Dealers and Developers Regulations 2010, and we will continue and close debate on the Standing Orders Committee.

(Inaudible comment by The Speaker)

Mr. HOLNESS: We will first start with the Dealers and Developers, Real Estate Dealers and Developers Regulations, 2010.

But, Mr. Speaker…

The SPEAKER: You have to ask for the suspension.

(Discussion between the Prime Minister and Mr. Holness)

Mr. HOLNESS: Mr. Speaker, I beg to ask for the approval of the House of the notice that I gave earlier regarding the carryover of the items on the Order Paper.

Mr. HOLNESS: Members, the issue before the House, the motion before the House is for the adoption of the notice that the House Leader gave earlier with regard to the carrying over of the Committee's of Parliament.

Put to the House and agreed to.

The SPEAKER: Prime Minister.

REAL ESTATE DEALERS AND DEVELOPERS REGS.

The PRIME MINISTER: Mr. Speaker, the Real Estate Dealers and Developers (Amendment) Regulations, 2010, which were tabled in the House yesterday, were in accordance with the provisions referred to the Regulations Committee for consideration and report. The Committee met earlier today, the Committee considered the recommendations that have been made and the Report of that Committee has been tabled.

The recommendations of the committee are as follows:

a) the Committee examined the Real Estate Dealers and Developers (Amendment) Regulations and wishes

to bring to the attention of the House, in accordance with Standing Orders 73(1), the Regulations fixed fees for services rendered by the Real Estate Board. It was your committee's view that the proposed fees were reasonable and, therefore, should be adopted.

It, however, went on to recommend that, information showing the amount that the proposed fees were moving from, as well as the rationale for the movement in the fees and the services that will be provided for the existing or new fees, should be outlined to the House.

I think the House was already advised that every effort was being made to from the budget, a number of regulatory agencies that have been on the budget, but we feel offer - because of the nature of the services that they offer, they ought to cover the cost of those services from the fees that they collect. One that comes readily to mind is the Firearm Licensing Authority, for which the Government this year, 1 think, provided a vote of some $70 Million, and it was felt that given what they do and the nature of what they do, that their fees should be adjusted to ensure that they could perform their functions without requiring fiscal support.

The Real Estate Board was one of the agencies identified and given a mandate from almost a year ago, to prepare itself to become self-financing. When we amended the Registration (Strata Titles) Act, we identified that too as one of the agencies that would be required to finance its own operation. We took a decision that while they would be separate entities, they would in a sense be integrated by common Commissioners, as well as having shared corporate services. And 1 will outline briefly how that is to be carried out.

What the regulations are seeking to do, Mr. Speaker, is to adjust the fees that are currently charged by the Real Estate Board to a level that we are hopeful will be sufficient to enable the Board to execute its functions without budgetary support.

I want to just indicate what those fees are. Regulation 2 relates to application fees for dealers and salesmen. Whenever dealers and salesmen are applying for registration, they are required to pay a fee. Currently in the case of dealers, they are required to pay a fee of $7,500 that is being increased to $20,000. In the case of salesmen, they are required to pay a fee of $3,000 now that is being increased to $8,000. Regulation 4 deals with licence fees for dealers and salesmen - this is different from the application fees, these are fees for authority to engage in the practice of real estate and those fees are being increased as follows: In relation to dealers, it is being increased from $22,500 to $40,000. In relation to salesmen, it's being increased from $8,000 to $20,000. In relation, Mr. Speaker, to - we have made a new provision, in relation to an applicant for a licence to practise as a real estate dealer, we are making a provision for those fees to be paid in two installments, so that, one half of that amount would have to be paid on or before the 1st of April and the second half would have to be paid on or before the 1st of September. This is a new provision, given the increase in fees that is being imposed, to stretch out the payments for those who may need more space in order to comply.

We have also introduced a new provision. Real Estate Dealers, even moreso than salesmen, sometimes operate in peaks and troughs. There are periods when they are very

active and there are periods when they may not have any development going. We have made a provision that where they are not engaged in real estate development activity, but they are required still to maintain their licence, we have made a provision where, if they are not practising in that particular year, they will pay a fee of $10,000 for dealers, that is compared to the figure that I had mentioned before which was $40,000 and in respect of salesmen they would pay a fee for $5,000 which retains their licence status, but recognizes that for a period they may not be actually engaged in real estate activity.

We have made a special provision as well in terms of Regulation 5, application to register as a developer, for the developer to offer units or lots for sale to members of the public. Where it involves a scheme of 41 units or more, the old fee was $90,000; that has been increased to $150,000. Where it involves a scheme of 21 to 40 units, the old fee was $54,000 that has been increased to $110,000. And where it involves a scheme of six (6) units and up to 20 units, the old fee was $36,000; that has been increased to $80,000.

They are also required now and will continue so to be, to pay a development fee for each unit or lot of the development. The old fee was $3,000 that has been increased to $6,000 and where a registered developer retains his registration from year to year, the fee payable on the 1st day of April of each year, again, where it involves a scheme of 41units or more, an increase from $45,000 to $90,000.

And where it involves a scheme of 21 to 40 units, the old fee was $27,000, that has been increased to $55,000 and on a scheme of 6 units and up to 20 units, an increase from $18,000 to $36,000. That is in respect of each lot or unit.

There is a provision that has been placed in the Regulation, Mr. President, that where a developer, where any fee that's payable under this section that I just spelt out, remains unpaid for a period of at least 30 days the applicant shall be liable to a penalty equivalent to the full amount of the fee. It is my view, and I mentioned this to the General Manager and to the Chairman, it is my view that 30 days is, for such a huge penalty is tight and therefore I am going to propose an amendment to 60 days. So if it hasn't been paid for 60 days then this penalty would chip in.

We have introduced a new penalty which is important. A developer who commences the development of a scheme without having paid the applicable fees shall be liable to pay a penalty equivalent to the total amount of such fees that the developer should have paid. And the reason for this is that what we have found in practice is that sometimes a developer is doing a scheme, 20 units, 100 units, 150 units, it may take him a year and a half, two years to do the development, during that time the board is incurring cost in terms of the monitoring that it has to do in relation to that scheme. But it's not until the scheme is finished and he is ready to sell and he knows he can't sell unless he complies with the requirements of the Board that he comes in to pay the fee; and therefore we have introduced a penalty if he commences the development without having paid the fees that he is required to under the Regulation. We have also introduced a new provision which will give much greater protection to purchaser.

As you know, Mr. Speaker, a developer is allowed to pre-sell a certain number of the

units and he is allowed to place that money in escrow, a portion of which he can access in terms of guaranteeing financing for the project and the residue is to be retained in escrow. And the Board places a charge on that escrow account to ensure that any fees that are due to the Board can be recovered.

What we have sought to do in paragraph (5) of the Regulation is to put in a new provision that says:

> "where a developer wishes to have discharge from any land a charge that has been executed and lodged with the Registrar of Titles in favour of the Board, the developer shall satisfy the Board that he has generally fulfilled his contractual obligations to the purchaser, he shall provide the Board with evidence of the issuing of the relevant splinter titles, where appropriate a copy of the relevant Road and Works Certificate and where appropriate copies of the relevant certificate of practical and completion. This provides a little leverage for the Board to say we have a charge and your account therefore you can't recover that money until we release that charge, but we are not going to release that charge until you have met your obligations to the Board but apart from that satisfy us that you have met your obligations to the purchasers, otherwise that money that you are hoping to recover is going to remain in that escrow account. So we have brought the protection of the purchaser into the frame of regulations as part of a basis on which the Board can prevent the developer from accessing funds being held in the escrow account."

The remainder of the Regulation, Mr. Speaker, is really just some tidying up activities.

Paragraph (6) simply recognizes that what used to be the College of Arts, Science and Technology is now the University of Technology and some other grammatical tidying up.

There is one regulation here that I want to seek an amendment to as well, and it has to do with persons who have just completed studies whether for real estate development or as a real estate salesman. A dealer, before you can get a licence, is required to complete a period of attachment for at least one year in the office of a real estate dealer who has been approved by the Board for that purpose and the person so attached is going to be required to pay a fee because they are going to be functioning as a dealer.

What was proposed in the regulation, Mr. Speaker, was $10,000 where he has completed the Real Estate Dealers Course at the University of Technology and $15,000 where he holds a degree or a diploma in Land Economy and Valuation Survey from the University of Technology. And I felt that someone who is in the early stages of their career and still trying to complete their qualification for licensing that it may be hard, a bit hard to require them to pay $15,000 in the case of those with degrees and $10,000 in terms of those who have completed the Real Estate Dealers Course at UTECH. And therefore I am going to propose an amendment to reduce the $10,000 to $3,000 and to reduce the $15,000 to $5,000, bearing in mind that many of those who fall in this category are already salesmen. They are functioning as salesmen and would have paid the registration and licence fees as salesmen but want to

become dealers, but are required by the statute to spend one year of apprenticeship, so to speak, and what we are saying is that $10,000 and $15,000 is a little heavy and, therefore, we are proposing to reduce those two fees to $3,000 and $5,000.

Let me just make a few concluding comments. One of the recommendations of the Regulations Committee was to indicate what are the services that are provided by the Board. We discussed at great length when we were dealing with the Registration (Strata Titles) (Amendment) what functions the Strata Commission would perform. In relation to the Real Estate Board, it really has to do with regulating the business of real estate development and real estate selling activity. And I think every Member of this House is aware, not only of the terrible injustice that has been done to some purchasers in the past, which is what gave rise to this Real Estate Board back in the 1980s, but also the fact that so many people are still vulnerable to unfair, immoral, unjust behavior on the part of whether salesmen are developers. And therefore the business of requiring salesmen and dealers to comply with the regulations and with the law, the business of monitoring them to ensure that they do is involve cost, involves considerable work that has to be done by the Real Estate Board.

The Real Estate Board operates - their projected expenses for 2010/2011 this unless you comply. And therefore is $55 million. Their projected income is $43 million, so you are talking about $98 million.

The Strata Corporation has projected expenses of $36 million and income of $30 million. So you are looking at - I added two figures awhile ago that shouldn't have been added.

Dr. DAVIES: No. That's your problem all the time. (Laughter)

The PRIME MINISTER: Your problem is that you subtract figures sometimes that shouldn't be subtracted. (Laughter)

Dr. DAVIES: Your father was a teacher…

The PRIME MINISTER: So the total expenses, Mr. Speaker, would be some $91 million. The total income would be some $73 million. So even with these fees it is possible, I say possible that the Real Estate Board and the Strata Commission will require budgetary support. I intend to have further discussions with the Board because a way has to be found to ensure that they don't. One of the factors in the equation is what percentage compliance they are projecting. And my own view is that real estate development can be monitored in a way that they can have a higher level of compliance. For the reason that a developer who is selling lots or houses, or even a salesman who is selling property and has to have title transfer that's the gateway, that's where you have a gate that says hold on, you are not going to be allowed to do this unless you comply. And therefore, I believe that we can do better in terms of the level of compliance than is being projected.

Where you may find some slippage is where somebody who is a developer knows that he is not likely to be engaged in any real estate business for the next three years and may simply drop out of the system altogether and then whenever he is getting engaged again he comes back in. I am going to want to have some discussions as to what is to be done. We can't allow people to sort of just license themselves when they want to. I don't know,

for example, that 1 would have the option that if 1 know I am not going to drive my car for the next two years that I don't pay my licence, because when I am ready to drive the car again 1 believe that I am going to have to pay up the arrears that had accumulated.

The Commission - again, to rationalize the operations of the two entities, the Real Estate Board will not be employing any additional administrative staff. The administrative machinery it has will service both the Real Estate, the functions of the Real Estate Board as well as the functions of the Strata Commission. It will be necessary for them to employ a senior manager, a senior inspector and a number of inspectors because they are going to have to physically visit the development wherever the development is taking place; and that covers all 14 parishes. And even where it involves salesmen and they are simply selling one house, situations may arise that might require visits by the inspectors or certain times that have to be devoted to deal with complaints that may come in; and therefore, they will have to employ these additional personnel. But the Board knows and the General Manager knows that when the Budget is tabled next week you can go through all the pages of the Budget, there is not going to be any provision there for either the Real Estate Board or the Strata Commission.

(*Sotto voce* remarks by Dr. Davies)

The PRIME MINISTER: That's where you learnt it from.

(*Sotto voce* remarks by Mr. Jackson)

The PRIME MINISTER: So, Mr. Speaker, with those remarks I commend to the House…

The SPEAKER: No, Prime Minister, before you complete - you want to discuss it with the Prime Minister before he closes.

(*Sotto voce* remarks by some members)

The SPEAKER: That's the opening.

The PRIME MINISTER: With those comments…

The SPEAKER: Mr. Fitz Jackson.

The PRIME MINISTER: ….the Real Estate Dealers and Development (Amendment) Regulations, 2010 as reported on by the Regulations Committee. Subject to those two (2) amendments…

The SPEAKER: Could you discuss the amendments first, Prime Minister?

The PRIME MINISTER: Yes.

The SPEAKER: Let's discuss it first. Go ahead, Mr. Fitz Jackson.

The SPEAKER: Go ahead, Mr. Fitz Jackson.

Mr. JACKSON: Mr. Speaker, can I get permission to speak from a seat other than my own?

The SPEAKER: Yes, you may.

Mr. JACKSON: Mr. Speaker, at the outset I want to indicate my support for the resolution before us, to amend the Regulations as presented by the Prime Minister.

Having served on the Regulations Committee that considered the adjustments to the rates referred to, I have a couple observations that I want to share, real quickly.

Mr. Prime Minister, in the Report from the Regulations Committee where it was indicated that there ought to be a rationale for the movement in fees, the fees we are approving today were last adjusted, I understand, in 1988. So, indeed, there is a substantial passage of time and therefore those fees bear no relevance to cost of today, hence the levels to which they were approved.

But the Committee specifically asked for that to be presented for subsequent adjustments. And we'll hope, Mr. Prime Minister, that these adjustments are done in a more timely basis so that the increases are not tremendous each time that you have to make the adjustment. And I think that will be more so in light of the fact that they will be removed from the Consolidated Fund at this time.

But importantly, though the charges will not be borne by the Consolidated Fund, and they become a sort of user fee charge to the public because at the end of the day the developers, the sales persons, *et cetera*, who are paying these fees, they are going to pass these fees onto purchasers, the people in the industry. So, it's an indirect taxation to the public at large because they will bear the brunt of it.

But I make the point that not because it is not coming from the Consolidated Fund, we believe, I believe that the public in general needs to have a sense of what value you are getting in return. So when we ask the question in the recommendations for some rationale to be given why these charges are being made, it's for those paying to get that better sense of what is being provided in return.

The Prime Minister gave a more generalized notion of what the role of the Board is. But in respect of each of those registrants, whether it's a sales person, whether it's a developer, whatever category the person falls under, they must have a sense of what they are getting in return. For example, when we look at the fees for registration of schemes for so much, you are paying X amount, what is it that the Board does that justifes that level of charge to be borne by the person or persons who are paying them? So a greater sense of value we thought needs to be communicated in the process of seeking the adjustments.

Mr. Prime Minister - and I think I'm representing my colleague from North-West St. Ann in this regard. When we looked at the fees and the movements, on the surface of it they seemed huge. But as I indicated, the Committee took cognizance of the fact that the last adjustment was from 1988.

You want the function of the Board to be self-financing. But also, we felt that there may be an opportunity to creative incentives for more investment in terms of real estate development, and may be, may be - and it might be challenging given the fact that it will not be on the budget - but some consideration should be given by way of incentive, stimulus, whatever you want to call it, to induce more investments in the real estate sector. Because the truth of the matter, as you have indicated is, it's a $20 Million shortfall in the budget. But if we can find a way by way of incentives or stimulus to induce more investment, we might very well be able to realize the revenue that we want for the fiscal year to finance that entity. So we want to invite some consideration in that regard.

Also want to lend support to the increase in the...

Dr. DAVIES: Speaking for Lawrence, too?

Mr. JACKSON: I'm speaking for colleague Lawrence and he has authorized me so to do. Do support, Prime Minister, the extension of the period before penalty for non-payment, from the 30-day to the 60-day, given that the penalty is in fact the entire amount. And the feeling was there that the 30-day in fact was a bit rigid. In short order, 30-day pass off.

Prime Minister, I want to put on the table for consideration, again, although the Real Estate Board will no longer be on the Consolidated Fund and no demand from taxation, fees constitute a tax of sorts. In the process of transformation in the public service to look at possible merger or some conjoining of entities that have similar or related function, spoke about the Strata Commission and their role. I think serious consideration can be given by the Transformation Team in how some of these similar entities function can be merged, again, to reduce the charges that are going to be passed on to those who are required to pay for the services and the activities that they will provide.

With those indications, Mr. Speaker, I want to give support to the Report tabled before the House.

The SPEAKER: Thanks, Mr. Fitz Jackson. Prime Minister.

The PRIME MINISTER: Mr. Speaker, let me comment very quickly. l note the comments that were made by the Member for South, St. Catherine. I think it is important to understand that the primary function of the Real Estate Board is not to provide services to developers and salesmen. It's to regulate their conduct in the interest of the public. I mean, that's the essential function, to ensure that they do right by their purchasers.

There are purchasers who have difficulties, who enter into transactions, for example, and don't understand that between the time when they entered into the transaction and when the lot or house is to be delivered the price has escalated and they have complaints, Real Estate Boards. There are persons who are being - well, put it bluntly - who are being conned; who enter into agreements and the salesman or the dealer is not honouring their obligations. They have two options, but in many instances one option is not affordable. They can go employ a lawyer to go pursue the matter for them or they can go to the Real Estate Board, where the Real Estate Board doesn't charge them, and takes up that case and follows it through to achieve some satisfaction. So, it's really a fee to cover the cost of the regulation that is necessary in order to protect the public.

(A note is handed to the Prime Minister)

You know, none of us is ever too old to learn. I thought I was familiar with every procedure relating to this Parliament. And out of good intentions I was suggesting that we amend the Regulations in relation to those fees. I am being advised that because it is a regulation that is subject to negative resolution, that the House can't amend it. It would have to be... (Inaudible comments by the Speaker) ...That's what I'm saying. In other words, new regulations will have to be introduced, and those new regulations would have to go back to the Regulations Committee and they would have to go through the process all over again. I was not aware of that. It has just been brought to my attention. And therefore, the good intentions that I thought the House would have supported me on, I'm sorry I have to decline.

Mr. SHAW: The Regulations haven't changed.

The PRIME MINISTER: It is something which if it proves onerous, then we perhaps would have to bring subsequent regulations. But I wouldn't want that to delay the implementation of this because the fiscal year starts in another two weeks and it's important to have these new fees in place for that. With

those few remarks, Mr. Speaker, I'm asking the House to approve the Report of the Regulations Committee.

The SPEAKER: Members, before you, as put by the Prime Minister is for the approval of the Report of the Regulations Committee of the House on its deliberations on the Real Estate Dealers and Developers (Amendment) Regulations, 2010.

Put to the House and agreed to.

The SPEAKER: Report and Regulations adopted.

Mr. HOLNESS: Mr. Speaker, some time ago, the House started debate on the Report from the Standing Orders Committee. We would wish now to continue the debate...

Dr. PHILLIPS: And conclude, or...?

Mr. HOLNESS: ...and conclude today. The Prime Minister will make his presentation and I gather, Mr. Speaker, that the Prime Minister had made the presentation before to the Standing Orders Committee but now he will make it to the full House.

The SPEAKER: Thank you, House Leader. Prime Minister.

The PRIME MINISTER: Mr. Speaker, I'm really doing so at your insistence. But I'm happy to do so because it's a matter that I've long had a deep interest in. I have always felt that the Standing Orders, less than any other practice that I'm aware of, has defied change over the period of time. As a matter of fact, the Standing Orders we have now pre-dates our Independence in most parts. There have been a few changes since then, but it resembles very closely the Standing Orders that operated in the pre-independent Parliament.

We had given a commitment, Mr. Speaker, prior to the election in our Manifesto to a number of measures that we thought would have been effective in expanding the rights of Members. I have always felt that our Parliamentary Rules do not allow Members to effectively represent their constituents. So much of the business of Parliament seems to be designed to support the business of Government, not appreciating that we all came here as 60 people elected in the same way. And therefore there were a number of measures that we had advocated to strengthen that.

In addition, we had committed ourselves to a number of measures that would have strengthened Parliament as an institution. And in the strengthening of Parliament as an institution, let us be quite clear. What that really means is strengthening the role of the Opposition in Parliament, because the strength of Parliament comes essentially from the effectiveness of the Opposition. Otherwise, Parliament would really simply be an extension of the Executive and that is not what it ought to be. There are times when it might appear so to be. But that is not the purpose or the mandate of Parliament.

In practice, we have introduced some of those measures. For example, the decision to have all Sessional Select Committees chaired by Opposition Members, I think, was a significant move towards a more effective Parliament that could exercise greater oversight on Government. It would be good for an evaluation to be made as to how well it has worked. I do concede that I haven't paid as close attention to it as I perhaps ought to have. But it is an important step, because what we are seeking to do is to graft the tradition that exists in relation to the Public Accounts Committee and to extend that to the

other Sessional Select Committees.

Even in that regard it is a tradition. It is a tradition that has not been codified even in the House of Commons. But, quite frankly, I think we ought to put it in our Standing Orders here so that it is not anything that depends on the benevolence of any Government at any time but is a requirement and a provision in the Constitution.

But there were a number of other matters that had been referred to the Standing Orders Committee which deliberated, under your chairmanship, that had to do with how statements made to Parliament are to be treated. It had to do with the Ethics Committee and what status ought to be given to it and how it ought to function, it had to do with parliamentary oversight over the appointment of persons to certain public bodies, it also included ratification of treaties and what is the role of Parliament in that matter and, an issue that was the subject of some discussions this afternoon, how to ensure timely action and response to questions tabled in the House and to Private Members Motions. In the deliberations of the Standing Orders Committee they addressed a number of these issues.

On the question of Statements by Ministers, I have always felt, I felt so when I sat on that side, and I still feel that way, that I think it's unfair to the public interest that Ministers were able to come to Parliament and to use an item on the Order of Business and to make a statement and by our current procedure, subject only to the latitude of the Speakers. All that Members are able to do is to ask questions for clarification. I have always felt that our Parliament is structured on the basis of a government and a government in waiting.

(*Sotto voce* comment by a member)

The PRIME MINISTER: Long waiting.

(Cross talks and *Sotto voce*)

The PRIME MINISTER: And, therefore, if there is a matter on which the Government feels that it needs to make a statement to the nation through Parliament that is a provision which also ought to be extended.

I have felt quite frankly - to other Members, to all Members - it was a view that that would be difficult to manage and it would likely to be the subject of abuse and would place an intolerable burden on the Speaker in exercising his discretion.

What the Committee has done, has taken us part of the way in my view, the Committee has recommended that Ministerial Statements should be confined to ten (10) minutes, which is the practice in the House of Commons, and that the Opposition spokesman on that subject should be allowed to make a statement. They are proposing three minutes, subject to an extension not exceeding two minutes. In the case of the House of Commons they recognize the right of the Opposition counterpart, what they call the official Opposition, to speak for five (5) minutes. That is in response. And the recommendation is that that would not preclude the Speaker allowing other Members not to make statements but to ask questions.

If we do this, Mr. Speaker, I think it is going to require that we impose a sterner discipline than our circumstances have allowed. In that, if a Minister is going to make a statement, the statement must be confined to ten (10) minutes. The Opposition

counterpart, not **any** Opposition Member, the Opposition counterpart. Which suggests now that we are going to have to introduce in the framework of our Standing Orders the question of Opposition spokesperson. I do not think that it would be proper to leave it open that any Opposition Member can respond.

You know why I say that? Because the provision in the Standing Orders dealing with Statements is confining. It says here - Standing Orders 11A -

> "A statement by a Minister shall be limited to matters which directly relate to the subject or department with the responsibility which he has been charged"

So the Minister of Labour and Social Security,for example, is not privileged to come to the House to come to make a Statement on health, right, he has to confine himself...

(*Sotto voce* comment/Cross talk)

The PRIME MINISTER: And, therefore, I think it would be important, if the appropriate balance is to be made, that there would have to be that restriction as well.

So one of the things that we have to determine is, how do we identify Opposition spokesperson? The House Leader, for example, is required, whenever a Cabinet is appointed or whenever there are changes in the Cabinet, the House Leader is not required by convention, if not by regulation, to advise the House as to who is Minister of what and, therefore, some similar arrangement would need to be put in place. But, but, where I diverge, where I diverge somewhat - well, let me not put it as strongly as that. Where I think that the Committee might have gone further, it may very well be, I didn't sit, I only appeared before the Committee once, and maybe it is something that they considered and having considered it considered that it was inappropriate. I have long been trying to find a way that would allow any Member to be able to get up in the House and bring to the attention of the House a matter that is of concern to the people who he or she represents, other than by having to ask questions or by tabling resolutions.

Dr. PHILLIPS: That is on motion of adjournment.

The PRIME MINISTER: Pardon me!

(*Sotto voce* comment by Dr. Phillips)

The PRIME MINISTER: If it is something on which further consideration needs to be given l think it is worth the effort.

A MEMBER: On Motion of Adjournment.

The PRIME MINISTER: On Motion of Adjournment.

(*Sotto voce* comment/Cross talk)

The PRIME MINISTER: Well, that may go part of the way, and perhaps that would avoid the kind of free-for-all that would probably make the work of Parliament absurd.

The next point I wanted to address, Mr. Speaker, was - oh, I think it may be useful just to look at what is the practice in the House of Commons on this particular issue and to see what it says. It says here -

> "*As no question is before the House…"*

We are talking about Statements by Ministers

> "*....debate on such Statements is, strictly speaking, irregular* ".

We have had some quite robust debates in this House on the basis of Statements made by Ministers. But questions arising from the Statement are normally raised and replies

given by the Minister. It is not the normal practice for questions and more than one Statement to be taken at the same time. And then it goes on to say –

> "*In October of 2002, the House approved a Report from the Modernization Committee which recommended that about one hour should be allotted to Statements taken on Tuesdays, Wednesdays and Thursdays, that the opening ministerial statement should last no longer than ten minutes and that the reply of the official Opposition should be confined to five minutes".*

And I believe that those sort of time limits are appropriate.

The Committee made a recommendation in relation to Question Time, Prime Minister's Question Time. And they said here -

> "*There should be a provision for a Prime Minister's Question Time during which immediate oral answers could be given in respect of questions on matters of urgent national importance and public interest which related to general policy issues. It was also to be indicated that questions that didn't meet these criteria should be posed in accordance with the rules governing questions asked of Ministers".*

Now 1 had, Mr. Speaker, taken a personal position. I was not even recommending it for incorporation in the Standing Orders. I had taken a personal position that I would, at Prime Minister's question time, place myself at the disposal of the House for any oral questioning a Member may want to raise without any prior notice. The Committee seems to be suggesting that this should be formally recognized.

The only comment I would make on it, but I don't have a solution to the problem, is that where it has to relate to urgent national importance and the public interest - suppose a Member wants to ask the Prime Minister a question which is not urgent national importance but it may be in the public interest, I don't think that the Member should be precluded from doing so. As the recommendation is worded, it has to satisfy both those criteria. It has to be both urgent and national and it has to be in the public interest. I would suggest that it be "or" which gives the Members greater latitude. It may not be urgent but it may be a matter of public interest, and I believe that whoever sits here must make themselves available to the House to answer.
One assumes that the Chair will exercise that critical role in ensuring that whoever sits in this Chair is not ambushed, that he is not asked questions that it could not reasonably be expected that a Prime Minister would have those answers in his head, and where such questions are asked for the Speaker to ensure that the Prime minister is not badgered and beaten upon, particularly those Prime Ministers who have difficulty in defending themselves. (Laughter) So) would like to suggest that modification to that recommendation.

The Committee spoke about the Public Administration and Appropriations Committee. They recommended that it be made clear that all public bodies are subject to its oversight and are subject to being summoned before it. I support that one hundred per cent. As a matter of fact as the Minister of Finance will - I am sure - elaborate

on at the appropriate time, the Budget this year will see the beginning of a process to bring all the public bodies within the budgetary framework, if not within the budget itself and to require that they all be held accountable in terms of their programmes of expenditure, and so on.

I'll say something more. In the discussions that we have been having with regard to the Public Sector Transformation Unit and Programme, I have suggested - and work is being done to see how it could be effected - I have suggested that Chief Executive Officers at State agencies shouldn't defined in such a way that they, and not their Permanent Secretaries, are held accountable. l don't think it's fair to a Permanent Secretary to have to bear accountability for some executive body that functions with a highly-paid Chief Executive officer and who is sort of shielded from direct accountability. So that, when the Public Accounts Committee is examining, let the Executive Director or the Managing Director, or whoever it is, let him come and sit in the chair and answer questions that are posed (Applause) And they are working on that to see what, whether legislative or administrative, changes will be necessary.

The Ethics Committee, Mr. Speaker, I'm glad to see that it has been functioning. I have always opposed the traditions in the past. In the years I have been in this Chamber, so often a resolution is brought to exempt a Member from losing his seat because of the provisions of, I think section 55 of the Constitution, because of that persons having become a party to a contract with government; and by tradition for many, many years don't debate it, don't ask any question whether it's Government Member or Opposition Member, we run it through.

The Ethics Committee, I believe, has a duty especially because it is a Member of Parliament, to rigorously scrutinize the contractual arrangement to ensure that there is no question of probity in that contract. And I know that that has been done in a number of cases. I hope that this is a new departure that we are determined to continue.

I support the recommendation of the Standing Orders Committee that we should make the Ethics Committee a Sessional Select Committee of Parliament so that it would stand *pari passu* with the other Sessional Select Committees.

I make a comment quickly, Mr. Speaker, on the question of ratification of Treaties. The Committee did not make a recommendation on this matter. The Committee referred the matter back to Parliament for its consideration. I want to make a few comments and I want to make a suggestion.

I support the principle that a Government should not be able to go and enter upon Treaty arrangements which either impose obligations, and they could involve financial obligations on the part of Government without Parliamentary scrutiny. (Applause) Some of the treaties that we enter upon have no timeline, some of them are not treaties from which it is even simple to extricate oneself, and therefore I think it is important for Parliamentary scrutiny to be applied.

But l had some very interesting discussions with officers in the Ministry of Foreign Affairs and Foreign Trade who have far more experience in these matters than l will ever hope to have, and so some interesting points came up.

In the International Community treaties are considered largely as executive functions. And therefore in negotiating treaties between States, the negotiating parties normally want to be assured that you have the power to make this commitment and that that commitment is not subject to having to go and get Parliamentary approval, not in all cases because in fact there are some treaties that specifically require legislative approval. But this is so because in many instances, or in some instances, the Government, the Executive is not able to give any assurance that the Parliament will support it, because the Parliament may be controlled by a party, a political arrangement that is different from that of the Government. And therefore, they raised with me the difficulty that we might have negotiating some treaties where the expectation is that we have the power to commit.

Now the situation, I looked at the situation in Britain to see just how they deal with it, and what they say here:

> "*According to constitutional practice in the United Kingdom, Parliament has no formal role in Treaty making as the power to do so is vested in the Executive acting on behalf of the Crown. Where the Treaty requires a change in legislation or the grant of public funds, Parliament may vote in the normal way to either effect the changes in legislation or to The Constitution of the United provide the funds."*

So what it is saying here is that, the trump card that Parliament holds is that, if the treaty requires changes in any law or the enactment of any law Parliament can say well, you sign all you want, but we are not going to enact that law. Or Parliament can say well, you go and sign the treaty if you feel that that is what you ought to do, but if that is going to require public funds we reserve the right not to vote it. That may be a check and balance; I don't know that that is necessarily effective governance. 1 think it would be embarrassing to a Government to go and negotiate a treaty, commit itself and say, well look, I am all in favour of it wait until I go to Parliament. And then when you go to Parliament, Parliament says, no, and you have to call the party and say well look, that document that we spent the last three and a half years negotiating I have to tell you that Parliament has turned it down. A way has to be found.

This document, and it is actually taken from the House of Commons Information Office, it goes on to say,

> "The lack of formal Parliamentary involvement in treaty making differentiates the British Parliament from most other national legislatures with few exceptions - most written constitutions stipulate that parliamentary approval of treaties is required before ratification for at least some categories of treaty."

The Constitution of the United States, for example, provides that treaties are made by the President by and with the advice and consent of two-thirds of the Senate.

What I want to suggest, Mr. Speaker - one other matter. I think we have to find a way, we have to find an acceptable definition of treaties because there are some - most treaties are not called treaties. There are some agreements that are even more profound than those that are called treaties. I think - is an IMF Programme,

for example, a treaty? And yet an IMF programme is something that has such profound implications for a country. You may enter upon a treaty to deal with marine bio-diversity that is a treaty. You say that a treaty to deal with bio-diversity must come to Parliament, but an IMF Agreement that imposes significant challenges and burden for a country offers hope as well, but that is not to come to Parliament.

And therefore, there needs to be some discussions as to what are those agreements, treaties, conventions call it what you will that ought to come to Parliament. Which are those that should stipulate clearly that it is a condition and what Standing Orders requirement should be put in place to ensure Parliamentary scrutiny. It is not a simple cut and dried matter. You don't want a government that is so constricted that it cannot effectively negotiate with external parties in the interest of the country. But at the same time as I said at the beginning, you don't want a government that effectively ties up the country in so many ways that the Parliament simply has to take note of it without having an opportunity to either express its opinion or to exercise some control.

What I am going to propose on that matter, Mr. Speaker, perhaps not inconsistent with the recommendation the Committee, the Standing Orders Committee is that that matter be referred to the Internal and External Affairs Committee of Parliament and to ask them to look at it in much more detail, avail themselves of the opportunity of speaking with some of our excellent experienced foreign affairs practitioners who could help to give us an understanding and perhaps could guide us in terms of how this is to be approached.

And I come now just as 1 try to wind up, to the question of issues of motions and questions. I am not happy, Mr. Speaker, that we are winding down this legislative year with 32 Private Member's Motions on the Order Paper.

I want to draw the attention of the House to Standing Order 26A which was one of the few amendments that has been made over the years to our Standing Orders. And 26A is very clear.

It is just that Oppositions don't seem to invoke those provisions.

Mr. JACKSON: We remind the House Leader from time to time.

The PRIME MINISTER: What it provides? Well the problem with this, of course, is that all of these provisions don't trigger in until after the motion is carried, that is the problem. What I want to propose, Mr. Speaker - and it is not new but it is something that if we were to observe it faithfully could make a difference. I believe that we should set aside at least one, if not two days Parliamentary sittings in each month, where once you get to Public Business, the only Public Business for that day is Private Member's Motion. It may mean that we have to come here more often. But I believe that consistent with the views I expressed earlier, that Members must be allowed and must indeed be facilitated in this Chamber, not to just argue about government measures, whether they support it or they oppose it, but to originate issues on behalf of their constituents. That is what they came here for, that is what the people sent them here for. And

therefore, l am going to suggest that we look at laying out in the Standing Orders, depending on how often we are prepared to assemble, if we are prepared to come here more regularly than we have done in the past, then I would say two days, but if not at least one day where the entire business of the House, once you get to Public Business on that day, is going to be dealing with Private Member's Motion.

Now in relation to Questions, that is where the Standing Orders has some very stringent provisions which have been allowed to remain inert. And l am not here to tell the Opposition how do its business, but if you look at Standing Order 17A - and I am not suggesting that you should necessarily become overactive about it. But what we need to do is to start conforming with what the Standing Orders says.

Now in relation to that, let the truth be said, and I am disappointed that the Opposition has been unwilling to acknowledge it. We have answered this year, this session 43 out of 56, if you take out the one that ought to be struck off, 43 out of 56 questions. I am willing to bet you that there is no legislative year in this Parliament going back for the last25/30 years when so many questions have been answered. I am prepared to wager.

Mr. PICKERSGILL: That is a policy you make and one of the few you have fulfilled.

The PRIME MINISTER: But yet, almost every session we are beaten up on, that we are not answering questions.

A MEMBER: Propaganda.

Dr. DAVIES: The Speaker said he has given up on you.

The PRIME MINISTER: Fine, if you try hard enough you can find a little generosity in your spirits you know.

Mr. Speaker, there are just three points that I can deal it. We had proposed, Mr. Speaker that the Reports that are submitted to the House by certain oversight bodies should be debated on by this House. We had suggested within 30 days. What we have subsequently done in the House is that we have established a Committee, I believe chaired by the Deputy Speaker, to whom these Reports are referred. I am referring to Reports of the - the Auditor General Report goes to the Public Accounts Committee - the Report of the Contractor General, the Public Defender, the Political Ombudsman, the Corruption Prevention Commission and the Integrity Commission have over many, many years simply been laid on the Table, the Clerk gets up and dutifully reads out, "*laid on the Table of the House the Report of the Corruption Prevention Commission...*" And we move to the next item.

It may not be appropriate for all of those Reports to go to the same Committee. A Committee, for example, that is going to consider the Report of the Political Ombudsman, may not necessarily be the appropriate Committee to consider the Report of the Contractor General.

What I am going to suggest is that we determine in this House, without setting up any additional Committees, we determine which Committee, which of these critical oversight agencies, to which Committee should their Report be sent. And to require - and l feel that the Report of that Committee on the Report, ought to be the subject of debate in

Parliament. So that the Contractor General makes a Report, let that go to the appropriate Committee. Let the Committee examine it, let the Committee submit a Report, and let that Report be debated, so that the public can be aware that note has been taken of the matter, and this is the view of the Committee, and whether that view of the Committee is endorsed by the Parliament. I think it's important that that be done.

An issue that has been raised from time to time has to do with the commitment that we made, that the appointment of certain - the appointment to certain public bodies would be subject to scrutiny by a Parliamentary Committee.

The Standing Orders Committee looked at it, and I think that they recommended:

> *"We decided to defer recommendation on this issue pending a full review of the constitutional implications of this measure, with input from the Attorney General's Department*".

Now, I don't know whether or not that review has been undertaken.

There are complexities that have to be addressed. There my some appointments, for example, that are so complicated in how they originated. I mean, I know that there are situations, for example, where I have appointed Boards where - I did one just this week - when I have to receive a nomination from a certain body, who nominated three, from which I am to choose two. So it's not just a question of the Minister exercising his original discretion.

In addition to that, Mr. Speaker, there are some that are specified in the Constitution and such - it needs some study. In addition to that, we have to determine how wide we want to go. If we have a hundred and - how many we have - a hundred and seventy-odd public entities, public bodies, and let us say you even had an average of eight (8) members to each of those Boards, you are talking about twelve hundred names, and whether or not parliamentarians are - Members of Parliament are going to be prepared to devote the time to do the kind of diligence that would be required. So those are some of the parameters that need to be set. Whether you are going to say, well, we will do this in relation to the chairpersons, or whether we say well, look, of all of these hundred and seventy-odd bodies, the ones that we are going to require to be subject to this scrutiny are the following fifty-four. We need some discussion as to how.

And then the last thing I want to mention on that is, we need to put in place the guidelines that will govern that scrutiny. Otherwise, people who are willing to serve on these Boards are going to become creatures of scarcity. So we have to establish some protocol, so that people don't harass and badger, raise fundamental points - and perhaps we have to develop a relationship where look, if a name is being proposed and that name is likely to cause serious consternation, then let us have some discussions before, so that we don't have a brawl in the Parliament, and end up damaging people's reputation over issues that may be issues of controversy, may be issues of rumour, and they become played out.

The way in which they do it in America, while it has its benefits, I fear eliminates many people who probably could have given service, but are just not prepared to be hauled through this torturous process.

The matter, Mr. Speaker, of restrictions on the power of Government - which is

something we feel strongly about - in certain critical areas having to do, for example, with debt, having to do, for example, with the fiscal deficit, where we feel that they ought to be not just subject to Parliamentary limitation, we believe it ought to be subject to constitutional limitation, with sufficient proviso that in particular circumstances with the concurrence of a two-thirds majority in Parliament, those limitations can be elasticized, for want of a better word. It is something that would require constitutional review, a constitutional change.

It is something that I would like us to discuss, in terms of the unfinished work to be done, in terms of constitutional reform. And that unfinished work would include an agreement that has already been arrived at, to deal with the method of appointment of certain key functionaries, such as the Public Service Commission, and Police Service Commission, and the Electoral Commission, which we have agreed should be put in the Constitution, and done in such a way that would require bi-partisan consensus in those appointments. I would like to lump those together as part of the unfinished work that has to be done, in one case something on which we have signed off on, but not yet implemented; in the other, something that we could perhaps look at for inclusion whenever we are at a point where those changes to the Constitution are being made.

I want to commend the Standing Orders Committee, Mr. Speaker - under your Chairmanship - for the work that they have done. I support, as I indicated, the recommendations broadly, subject only to some modifications that I would like to be considered.

I think we owe you and the Committee an apology, that the Committee reported so long ago, from May of 2008, and it is almost two years before we have paid the respect that we ought to have paid.

Mr. PICKERSGILL: What caused that?

The PRIME MINISTER: Preoccupation with other work. Spending an enormous amount of time trying to dig up answers to questions that the Opposition raises in Parliament. (Laughter) We have been distracted by many, many things. (Cross talk) I mean, that's how we were able to answer forty-odd this year.

But l would like to hope that in the new Parliamentary year, commencing next week, 1 would like to hope that we will move steadily and furtively to effect the amendments, to bring the resolution which actually formulates the amendments, so that we can look at a Standing Orders that provides a better framework for a more robust Parliament. And also, one that I hope, because it will expand the rights of Members, will be able to evoke from Members a greater sense of discipline and responsibility in the exercise of those rights in a more liberalized Standing Order.

Thank you, Mr. Speaker.

(Applause)

The SPEAKER: Thank you, Prime Minister. Dr. Phillips then Rev. Thwaites.

Dr. PHILLIPS: Thank you, Thank you, Mr. Speaker.

As was mentioned at the - it is apparent, I think, as was observed a while ago, how slowly the wheels of change have in fact moved, in this regard. The Committee was appointed in October, 2007. It was when the euphoria of victory was still fresh in the minds of the new Government. And I trust that the delay is not the result of depression setting in,

the delay in bringing it. Nevertheless, I think the work of the Standing Orders Committee - on which both sides were represented - is to be commended.

And unlike the - I think it is true that over the years the efforts have been made, and some significant efforts were made during the previous Administration, to change the Standing Orders to make Parliament more responsive to public interest, and give it greater capacity, included in that and to give Parliamentarians a greater opportunity to represent the interest of their constituents, and to represent their view of the public interest, generally.

The amendment, for example, for Private Member's Motions, which had - which were determined by the Parliament, merited reference to the Cabinet, and to place that responsibility on the Leader of the House, was an amendment which was carried during that period. The amendment which established the Standing Sessional Committees also dates from that period. And other amendments, including the amendment which established the Committee on tax measures, which also resulted from decisions taken during that period. So all in all, we have had some changes to the Standing Orders, and I believe that those which are recommended further advance the purposes of the Parliament.

There are - the prime objective of - one of the prime objectives of Parliament, Mr. Speaker, must be to ensure that the Executive is responsive to the public interest, to act as a watchdog, so to speak, on the - over the activities of an Executive. And then secondly, to provide an opportunity for ordinary citizens to have their voices heard, either directly in committees, or more usually, through their representatives.

Now, in this, Mr. Speaker, we are - I think that these Standing Orders go some way, but in fact, as has been inferred by the Prime Minister, the job is still not yet complete. Even to get to the point that was suggested in the original recommendations that came, I believe, from the Prime Minister, and in relation to other matters which have arisen since. For example, 1 am particularly disappointed that we were not able to come to any conclusion regarding the matter of public appointments, and the - as has been said, the critical issues to define which range of public officers warrant the approval of Parliament. And I think more work will need to go on in that regard.

But there are some issues which were not raised in the original consideration, but which we need to consider. For example, the question of ambassadorial appointments, it was never mooted. But is there a place, given that the representative is in fact the representative of all Jamaica - is there a place for some sort of Parliamentary consideration/approval of those appointments?

Dr. PHILLIPS: And that would be one kind of issue ... (Power cut)

I notice that the cuts have come with more frequency.

Mrs. HAY-WEBSTER: Mmm!

(Inaudible comment/laughter)

Dr. PHILLIPS: Yu don't like power? Yu obviously don't like power?

(Applause/laughter)

A MEMBER: Him caan deal wid power.

Dr. PHILLIPS: But there are other appointments, the Governor of the Bank of Jamaica, there are some statutory

organizations that may be need to be treated in a special way as compared with others. So that the committee, I would urge, should continue its discussions in that regard.

I'm disappointed also that, in a sense we have agreed to Prime Minister's question time and I believe the agreement would now have it as a period in every sitting. But I believe also, Mr. Speaker, that we probably should provide to a greater degree than is now provided for in the Standing Orders, for Ministers to be questioned on urgent matters affecting their portfolios where such urgent matters, or matters of public interest arise. So it's not that every question is just directed to a Prime Minister, because there are some matters which fall within the ambit of ministerial decision and where, I think, a similar provision, maybe with the appropriate constraint, as to the appropriateness of questions and the determination of the Speaker, as to whether or not they are of sufficient public interest, or of sufficient urgency that those be considered. Right now we have provided for one, I believe, in each month, but we may need to extend that.

(Inaudible comment by a member)

Dr. PHILLIPS: Yes, but I don't think a consensus emerge.

Certainly, in relation to the issue of questions, I don't think we need to belabour the point. It is true that the - many questions have been asked, I am not certain about the record has the most question ever in a session, but if it is, I think we should all over at least on this side primarily, take credit for it. Weird? It is not that the Standing Orders don't provide for adequate remedy, and then I believe that the remedy rests both with Members asking the questions, but also, Mr. Speaker, with the Speaker. Because where Ministers perennially flout the Standing Orders, they ought to be as the Standing Orders say, referred to the Committee on Privileges. And there are other remedies. I'm not certain that we need to strengthen, they can be censored, they can be named. I don't know that we need to adjust the Standing Orders in that respect, what I think we need to do is to enforce the Standing Orders. We have no remedy for the Speaker, when he refuses to enforce the Standing Orders, but certainly that reflects a good recommendation.

The question of the Committees of Parliament, the Sessional Committees of Parliament, the performance I would say, Mr. Speaker, has been variable, as is the case also with the Select Committees. Part of the problem has to do with the quorum and just getting Members to attend. But that problem is complicated, Mr. Speaker, by just the inadequacy of space, because we now have so many committees and it is not possible - we have both the Standing Sessional Committees and a number of Select Committees operating, and in a sense it is, I think, to the credit of Parliament, that there are these various committees, and it is active - but we have neither the space nor the support staff, sufficient to allow these committees that are provided for, to function effectively.

I would imagine that in the context of the fiscal constraints at the moment, that plans which were laid for, you know, a new Parliament building and others will at least be in abeyance for a while. (Applause)

Mrs. HAY-WEBSTER: Please.

Dr. PHILLIPS: But I believe there are nevertheless, be that as it may, we can find a way to utilize space elsewhere and to allow

the committees to be able to meet concurrently. At the moment you have the Chamber and you have the Government Conference Room and there is nowhere else. Maybe as a start, the Conference Centre Rooms could be used if some arrangement was made. The general point being, that for any of this to work effectively, we have to address the support systems that are going to be needed to support the operations of the Parliament. And we probably might need to look too, at lowering the threshold for the quorum in some of these committees, for the simple reason that the...

Mrs. HAY-WEBSTER: The number of committees that are meeting.

Dr. PHILLIPS: Well one, you're having the problem of attendance, but then if the committees are not just to meet once a month and Bills get delayed for such a long time, then we'll be facing a problem of bad governance, the delay in the passage of legislation, the failure of committees to meet - I know my friend from South Trelawny has expressed herself quite vehemently...

Dr. DAVIES: Strongly, strongly...

Dr. PHILLIPS: ...on occasion, about the failure of Members to attend...

Dr. DAVIES: …of her colleagues.

A MEMBER: Workaholic.

Dr. PHILLIPS: ...failure of members to attend to committee business.

(Heckling/laughter)

Mr. Speaker, I concur with the comments made by the Prime Minister regarding the matter of the ratification of treaties. I believe again more work is needed in that regard. But I would want to suggest that as the Standing Orders Committee meets again, that we may want to consider amending that Standing Order - that is the one relating to the committee on taxation - to make it not a discretionary matter as it is now stated in the... 60 what, 5(a)?

(Inaudible comment by a Member)

Dr. PHILLIPS: Yes, 65(a) thank you. ... not to make it ...

(Inaudible comment by Dr. Davies)

Dr. PHILLIPS: No man, he was Leader of the House for quite a time. In fact he practised over here... (Laughter)

Dr. DAVIES: Of course, he's a good guy.

Dr. PHILLIPS: ...and went there, and I'm certain that he is well acquainted.

But I believe that we ought to consider that it needs to be made mandatory. Because, Mr. Speaker, of all the powers that the State has, there are probably two that are most critical. The State has the power by force of law to incarcerate you, lock you up, and then the second power is the power of taxation, and in fact, both sides have practised the breach of the preposition that there should be no taxation without representation.

But I believe as our Parliament has matured, and as public interest has grown in these matters, and in fact as the economic complexities of the moment have gown, that we are a mature enough body politic to really recognise the realties of the public purse, what is needed, and 1 think evidence has shown in what has transpired with recent tax packages, that there can be real benefit from having a wider consideration and opportunity for consultation. There is no need whatever - and many other jurisdictions do it - there is no need for taxation to be done in secret and by stealth any longer in today's world.

(Applause)

So l would want to suggest, Mr. Speaker,

that as the Committee considers its work, that we consider amending it. The provision is there for the committee, but we consider an amendment to make it more - to make it mandatory, that tax packages get referred to, even if they have to be implemented, you know, on an emergency basis upon announcement, but that as is provided for in the existing Bill.

Mr. Speaker, the Prime Minister raised the question of Constitution Reform and I would want also to underscore the point, because we have raised it on many occasions, that we have gone too far with the process of constitutional reform to leave it now, when there are so few, and really matters that ought not to be excessively contentious issues remaining. The thrust of the constitutional reform proposals and the thrust of the proposals regarding the Standing Orders tend in the same direction, to provide greater constraint on the powers of the executive and also to provide a greater opportunity for participation in the overall process of government, for the wider body of citizenry.

And so I would urge - as I've always done - that we should proceed with the constitutional reform. I am myself, very uncomfortable with the kind of process of cherry-picking, from the various constitutional reform measures that has been underway. I believe that we would do well to take this opportunity for a national renewal, which would be facilitated by us grasping the challenge of effective constitutional reform.

So in supporting the measures, Mr. Speaker, I would urge that the Standing Orders Committee not only continue, it will have to consider the actual wording of the orders, the actual composition of the amendments, but that I believe the number of issues raised, including the question and treaties, the public bodies question and a variety of other issues including the quorum, *et cetera*, for committees should be done.

And finally, I think that despite the strange circumstances, we can get other places to meet, but we need to look at augmenting the staff of the Clerk's office, if any of this is to have any meaning at all, in providing us with a more effective Parliament.

Thank you, Mr. Speaker.

(Applause)

The SPEAKER: Okay, Dr. Phillips. Rev. Thwaites.

Rev. THWAITES: Mr. Speaker, the kind expressions regarding the Standing Orders Committee are appreciated, but I feel that there is a measure of self-criticism which is appropriate in that the Committee, whether by constraint of rule or by - for some other reason, has taken the decision that once it has submitted a Report it is prevented from meeting until that Report is considered. If that is the case, you will acquaint me of the rule and may I formally move in whatever quarter is possible, that that be removed, because the Committee can go on meeting even if the Chamber hasn't got the time yet to consider an existing Report. There is much more work that we could have done between May 2008 and March 2010, Mr. Speaker. And so, let us correct our own practice and be clear about that.

Mr. Speaker, I would like to endorse the comments on constitutional reform which have been made by the two previous speakers, the Members from East Central St. Andrew and Western Kingston. And it is a matter of regret that this Parliamentary year is coming to

an end and we haven't taken the Charter of Rights Legislation. And I hope that in the - in his closing or such other opportunity, the Prime Minister will indicate how soon that is going to be taken. It doesn't reflect well on the Parliament that we have postponed and apparently downgraded the pre-eminence of that piece of legislation. Not comprehensive but enhancing the rights of the people, making them justiciable, which we should have brought into being as a matter of priority.

Mr. Speaker, the work of the Committee has been brought before you. I would like to express myself strongly on the question of the ratification of treaties by Parliament. The House will recall that I raised this question to the Minister of Foreign Affairs more than a year-and-a-half ago and was delighted in his crisp answer that henceforth, treaties which were to be entered into by the nation would be brought. That was my clear understanding.

(*Sotto voce* comment)

Mr. Speaker, democracy is an inconvenient instrument but it is a preferred one. And it is unthinkable, whatever the concerns of an Executive, and its commitments which are likely to be reviewed by Parliament, one can understand the awkwardness, but there is a greater issue, an issue of greater significance, and it is that the people of a nation should not be bound unless their representatives give their assent.

Let us not try to reverse any element of the *Magna Carta*, Mr. Speaker, and all that has proceeded from it. And I urge the administration of the day, and indeed the Parliament in its due course, to be extremely clear on this matter. International treaties at this point are hardly known by Members of Parliament, let alone by those that we represent. How many Members of this Chamber, or the one before it, during which it might have been enacted, are conversant with even the bare bones of the World Trade Organization enactments that we are in, Mr. Speaker?

And how profoundly these affect our social and economic relations going forward, as the Prime Minister said, without any sunset clause whatever. It is essential if we are not to demean our democracy that we have treaties brought to this Parliament. And there are no other considerations, it seems to me, that can supervene that necessity.

Mr. Speaker, a great deal of attention has been given to the oversight of public bodies, and we are mindful of the legislation on accountability which this Chamber has recently passed and I believe is due to be brought into effect very soon. Part of the recommendations of the Standing Orders Committee had to do with the range of the Public Administration and Appropriations Committee. Mr. Speaker that Committee needs to be looked at carefully. It has a broad range of responsibilities, recently increased, and it needs to be put into a position where it can bear the load that has been placed upon its shoulders. It is not an ordinary Sessional committee. It is not even functioning like the Public Accounts Committee which is an Audit Committee and which has a prescribed, almost parameter of timing, to carry out its business.

This is an ongoing thing which is monitoring current expenditure, which is now to be very much concerned with expenditure - current expenditure, even moreso than before, and which would be the logical place for the Reports of many of these Commissions of

Parliament to come to. If it is going to do so then it converges on the work of the other committees. It seems to me that Members are going to have to be prepared to make a special commitment as the Chairman, which may require some appropriate arrangements to be made, and as far as logistics are concerned, I certainly feel that it should be given proper accommodations.

Mr. Speaker, what is wrong with using Head quarters House? The Chamber there is quite available. It may not be air-conditioned. Our predecessors sat in that Chamber and did good business for many generations. I do not believe that we should be so soft that we cannot utilize these facilities, free of cost and immediately available. That almost ought to be made the Chamber of the Public Administration and Appropriations Committee, henceforth, Mr. Speaker.

Mr. Speaker, I am particularly concerned, also, of the fact that little progress has been made on the issue of the Parliamentary oversights of appointments to public bodies. In fact, my own recollection differs somewhat from the reports in that I understood that we didn't go further merely because we couldn't decide how wide the ambit of approval was to be. Now, that is the subject for easy resolution, it seems to me, even if we start on a narrow basis and then expand as the need arises and as the public and our own consensus would determine.

Mr. Speaker, an Ambassador, to the best of my knowledge and I am informed by my learned friend from Western St. Andrew, has plenipotentiary powers. He can commit the nation by signing his name on our behalf. We have recently been assailed by others who have purported to do so. But, Mr. Speaker, a person who is going to do so should have the consent of those who are here.

(Applause)

And therefore, we needn't detain ourselves about the Members of the Board of this or that public company, though one does hope that it won't be a hundred and plus anymore but very soon will whittle down to a bare minimum for reasons of financial asperity and general caution of Government.

But, Mr. Speaker, at least let's start with those that are obvious. The major Commissions that relate to appointment and discipline of hugely important bodies like the public service and the police - and I am pleased to follow the Prime Minister in his determination that they we should be the subject of bi-partisan approbation. So, let's do it now. Let's take the intent for the deed and let's not postpone the deed anymore. And may I be bold, even before we go through this process of reform, any such appointment ought to be informally subject to the very provisions, yes. And to the extent that there is any want in that, I am informed that some measures take place, it should be perfected even now.

Mr. Speaker, if an opinion was needed from the Attorney General, surely two years would have been appropriate - or more than an appropriate time for it to be secured. I daresay, Mr. Speaker, it hasn't even been asked. And further, Mr. Speaker, although there are a number of constitutional and other regulatory factors to do with certain of the appointments, this Parliament, in order to achieve the intent that the Government has properly brought before it and which is supported, let those procedures continue, but let the appointments be subject to a confirmatory vote of this

Parliament. That would do no injustice to any existing Order. It would merely add an important patina of approval, and a consensus, and added confidence to the appointment, otherwise taken through its various and present stages. So, we can do a lot if we are really intent to act on it and not just to talk about it. So, Mr. Speaker, we are looking for urgent attention in that regard. May it please you.

Mr. Speaker, the preparations and opportunities to question Ministers for the expansion of Prime Minister's question time and for ministerial question time are all to be applauded. And it is good to hear, and unusual, to hear a Prime Minister speak about the limitation of the power of Government and of the crucialness of Opposition in the strengthening of the process of governance. I believe that a good work has begun, Mr. Speaker, and it is for us now to complete it as quickly as possible. The issue of having the days for Private Member's Motions is to be supported. One only worries, you know, Mr. Speaker, that, would members turn up? Do they concern themselves sufficiently with these issues? And it strikes me that the timely responses and the provisions of the Standing Orders, in this regard, would be properly followed in that way.

We have done well. I hope we are going to, in finalizing this discussion, not only adopt the report but to put certain definite timelines on the implementation of the measures we agree. We cannot afford another twenty-odd months to go, Mr. Speaker, l implore you, without having these things brought into effect, and our own efficiency burnished, and the confidence of the country enhanced in our work.

May it please you.

The SPEAKER: Thank you. Rev. Thwaites. Mr. Fitz Jackson.

Mr. JACKSON: Mr. Speaker, my comments will be relatively brief. Three points, really.

One point the Member from East Central touched on, the question of the Tax Committee. I want to really just lend my own support to that. The truth of the matter, Mr. Speaker, I think that even from a political perspective, it is in the interest of any incumbent Government to activate this Tax Committee. And I say it from the perspective of having been on that side when we have been faced with occasion where we imposed tax measures, and the public respond in a way that we never felt comfortable.

(*Sotto voce* comment)

The public is made up of different sides. And it has subsequently happened.

The fact of the matter, Mr. Speaker, as the Member from East Central indicated, taxation is something that the people, when Government impose it you really don't have any recourse. And to the extent that you are bound to comply, the people should be given an opportunity to participate in the process of the imposition of those things on them. And it has happened in many other jurisdictions. When people get to the point where they get a sense of appreciation for why the taxes have to be imposed, I believe it engenders a greater sense of compliance. And we have seen it even in the Committee stages - in the committee processes - when the public is invited to participate in the deliberation on matters that are going to be pursued or decision taken by the Parliament, it is a greater

sense of acceptance and by extension, compliance.

So, I want to join in support, and urge that the Government seek to implement the Tax Committee as a forum for the implementation of new taxes or even the increase of existing tax rates. I think it would do better to bring the country together around anything that they have to end up bearing the burden of going forward.

The second point, Mr. Speaker, is the question of the Minister's question time. And the Committee dealt with it, and it was discussed to great extent by three (3) Members who spoke, the Prime Minister, and Member from East Central and Member from Central Kingston. And I want to posit this point, and the Prime Minister elaborated at length. One of the purposes of the Parliament is to create an opportunity for Members to raise questions of importance to your constituency and to the nation on a whole, on a timely basis.

In the Constitution there are up to 1 think four (4) Ministers that can be appointed from the Senate. They don't come to this Chamber. The truth of the matter, Mr. Speaker, it is us who are elected by the people. It is, I believe, the right of all Members of this Chamber and by extension the country, to be able to pose questions to Members of the Cabinet on pertinent issues from time to time.

Granted what happens in practice is that, a Member, a Cabinet Member from this Chamber may represent a Minister from the other Chamber, but what happens in a question time exercise, is the opportunity for the Member to get a sense of where the leader of the policy development on that particular issue mind is from time to time.

And, Mr. Speaker, the fact is that it is not all new. We had amended the Standing Order sometime ago, Section 65(12), where, at Standing Finance Committee meetings, what used to happen is that some other Cabinet member lead that particular Ministry where the Minister is from the other House. We amended that so that the Minister, who is not a Member of this Chamber can appear before the Members of the House to answer questions in respect of that budget item, because it was the feeling of the Parliament that it is the right of this House to get from the Member directly where their thinking is on a particular issue and policy going forward.

I want to submit, Mr. Speaker that the Standing Orders Committee should be so required to give consideration to an arrangement that can cause the Ministers who do not belong to this Chamber, to appear under some special question time provision, where Members of this Chamber can pose questions to them on matters relating to their portfolio responsibility.

And lastly, Mr. Speaker, in respect to the Committee meetings. Yes, I know that the Committee has the prerogative to summon any member of the public service to appear here, whether it's from the Central Government or from any of the agencies of the Government.

But, as was suggested, it perhaps needs to be written into the Staff Order of the Public Service that they know that they have an obligation to appear before this House from time to time when they are summoned. Because from my own experience and many of us experience, Mr. Speaker, sometimes we have committee meetings and the principal administrative or managerial personnel believe that they can come at their own whim or fancy, and sometimes choose to delegate

subordinate members to appear before the House.

Mrs. HAY-WEBSTER: And come unprepared.

Mr. JACKSON: And many times even come unprepared. I want to submit, Mr. Speaker, that we may want to give consideration that members of the Public Service are - the Staff Order is amended so that it is a known obligation on their part to appear here, and also, Mr. Speaker, for us to consider sanctions where they fail to comply to the House's requirement to be here. In other words, Mr. Speaker, it's not a mere invitation. And I am being advised from a distance that there is some provision, I think we need to revisit those, see where they might need to be updated, like what we did for the fees for real estate, make them more relevant to today.

With those comments and observations, Mr. Speaker, I want to give my support to the adoption of the recommendations with the necessary amendments to strengthen them going forward, so that in the end, our Parliament can become more effective and more responsive to the people who elected to bring us here.

The SPEAKER: Thank you, Mr. Jackson. Mr. Hylton and then we are going to close faith - you too? (Laughter)

Dr. FERGUSON: What you mean by you too?

Mr. HYLTON: Thank you, Mr. Speaker. Mr. Speaker, I feel, I feel extraordinarily privileged to make a contribution and l want to thank you for allowing me to do so. I'll be brief; I will speak to three quick points.

1 want to agree that the matter of Treaty is one that has to - we have to find a solution to the treaty, to the question of treaty to allow for the House to participate in the process without interfering with the actual negotiation that must take place between the executive and the external institution Member State or whatever.

But, the Prime Minister is correct in that there are, by whatever name, treaties, conventions, agreements, the set of issues that are so far-reaching, are so far-reaching that they really do bear consideration for the elected Parliament to have an input in. I take, for example, trade agreements which are by - they have moved away from narrowly focused agreements on particular issues. It used to be that these trade agreements dealt with things beyond the border and stopped at the border, and they were largely referred to as border arrangements. The current generation of trade agreements touches and addresses almost everything conceivably, matters that were previously left for your domestic internal arrangements are now the subject of these trade agreements, so that issues of investment, issues of competition policy, a range of issues are now subject to and are part of these modern trade agreements.

So that, in truth and in fact, Mr. Speaker, those agreements, especially trade agreements, because of the implication and the economics and the social conditions in the country, I think are ripe for the advice and consent, however, you want to term it, but the input of the Parliament before they are actually completed or at whatever stage that we deem it necessary.

Mr. Speaker, the other matter is the ambassadorial appointments. I think that whatever set of arrangements we come to, the

appointment of Ambassadors must be considered very high on the list for parliamentary input, and I'll explain, Mr. Speaker.

Apart from the fact, the point that the Member from Central Kingston made, which is that Ambassadors have plenipotentiary powers, meaning that by the stroke of a pen, they can commit the country to almost anything. The simple fact, Mr. Speaker, is that, Ambassadors' appointments are made by the Government and their names are forwarded through diplomatic channels to the capitals for their consideration. Mr. Speaker, the truth is, that there is nothing automatic about that person being accepted by the country. So that, it is within the gift of the Prime Minister and the Cabinet to make an appointment and to send the name forward to seek what is called an *agrama*. It is not, it is not an automatic thing at that point, and yet for those individuals, they would have had to make all kinds of arrangements in their economic and social life in preparation for and anticipating a positive response to that appointment.

Mr. Speaker, in the few instances - and fortunately I think good judgment has prevailed so far. I am not aware of any appointments certainly in recent times not being accepted, but we have rejected persons who have been sent forward to us. It is always done diplomatically. But when that happens the consequences are wide-ranging and are severe, particularly on the person that was put forward. It is not only embarrassing but it has all kinds of other implication on family and the arrangements, the economic life and all that sort of thing.

So, it would be good if - because the reasons for the non-acceptance of the persons are matters that can be gone into here and scrutinized here. It shouldn't have to be that the receiving or the country to whom the person is being sent.

The PRIME MINISTER: When has that ever happened?

Mr. HYLTON: No, it has, it has happened. We have rejected persons.

The PRIME MINISTER: We have expelled a…

Mr. HYLTON: No, we have done other things, we have rejected others.

The PRIME MINISTER: Who?

Mr. HYLTON: Well, I'll share with you, I'll share it with you, but I don't think that's fair either to be saying that publicly, whether in the Parliament where you have privilege.

(*Sotto voce* comments by Government Members) (Heckling by Government Members)

Mr. HYLTON: It is not fair on the person who has been rejected.

(Heckling by Government Members)

Mr. HYLTON: You shut up yu mout! Your only role in Parliament is to chat foolishness and be disruptive.

Mr. ROBERTSON: You never even carry… matters to Cabinet much less Parliament, so don't listen to him.

(Laughter)

Mr. HYLTON: Mr. Speaker, the fact is that as the Prime Minister has said it has never… - it has happened, it has happened and it can happen again. The point is that the same level of scrutiny that descended the receiving country applies to the person, can be exercised in appropriate ways here.

The third point is, Mr. Speaker - the other point is that the diplomatic cover, the diplomatic immunity given to Ambassadors is

a wide-ranging and a very, very sensitive matter. It is - again, we have been fortunate to date that we have had no one abusing that privilege in ways that other countries who have not gone through a rigorous process. It has happened where their appointments have caused severe embarrassment and compromised relationship between countries.
So that, these are all critical issues, Mr. Speaker, that have to be taken into consideration.

Finally, on the issue - I think, the discussion has started here about the use of electronic equipment, particularly the computers, and I noted that this is not a matter that the Standing Order, whether it was addressed, but I think it is something that should be settled within the Standing Orders.
A resolution has been passed in this House I am advised, but it is not yet made a subject of the Standing Orders, and l think it ought properly and for good order to be addressed and settled within the framework of the Standing Orders.

Thank you, Mr. Speaker.

The SPEAKER: Thank you, Mr. Hylton.

We have now two - remember we have to go back to what should be the main business of the House, you know, so I am just allowing Mr. Mullings a very short intervention and then Mr. Mair will close.

(*Sotto voce* comment by Opposition Member)

The SPEAKER: No, he has to close, he is closing.

Mr. PICKERSGILL: You open it? (Points to Mr. Mair)

Government MEMBERS: Yes.

Mr. WARMINGTON: You don't know who open or close so shut yu mout!

(Laughter)

The SPEAKER: Yes, Mr. Mullings.

Mr. MULLINGS: Thank you, Mr. Speaker.

I don't propose to guild the lily. Mr. Speaker, the Standing Orders are there to facilitate the operation of the Parliament, the smooth running of the Parliament and to afford Members the opportunity to address issues, whatever they may be and for committees to sit, and I commend the Standing Orders Committee. However, I must raise an issue in relation to a certain recommendation in 11A. The recommendation is seeking to allow for ministerial statements at ten (10) minutes, responses being limited to three (3) minutes and extensions being at the discretion of the Speaker.

I respectfully submit, Mr. Speaker that his will not allow for smooth running of the Parliament. And why do I say that? It is mechanical; persons may have a term of phrase and therefore an economy of expression while others might not have that. And I fear that there will be an issue as to whether someone has gotten to the essence of their statement or an essence of their question. I believe, Mr. Speaker, that you ought not to be shy about your capabilities as Speaker to exercise your discretion. To put in the Standing Orders this limitation for 10 minutes for statements, three minutes for responses is unduly mechanical and I believe that it will raise, indeed, more contention than allow for the smooth flow of the House. And so I would ask that you revisit that so that we could move forward, Mr. Speaker. (Applause)

Thank you.

Mr. PICKERSGILL: Good point. I agree.

The SPEAKER: Thank you, Mr. Mullings. I just want to tell you though, you know, Mr. Mullings, that in many Parliaments three minutes is the norm with no extensions. Mr. Mair, could we close.

Dr. DAVIES: This is abnormal…

Mr. MAIR: Three minutes. Thank you, Mr. Speaker. Incredibly I opened the debate on this Report nearly two years ago. I would like to thank the Prime Minister and the Members from East Central St. Andrew, Central Kingston, South St. Catherine, Western St. Andrew and West Central St. James, for their contributions. In essence the Members have given their support to the Report. Nevertheless, interesting points have been brought to the fore, which I believe should be taken into consideration for a debate and discussion in other committees or in other places such as the aspect of public appointments which was brought by various Members, the aspects to deal with the committee on tax measures - clearly that is something we need to implement - ratification of treaties which was discussed that we need to probably discuss and classify the types of treaties and which one should be or not and when and how ratified, if so, by Parliament. Also the aspect to do with the Reports where the Prime Minister and the Member from Central Kingston are recommending, and this has to do with how the Leader of the House would be running the business of the House, that they be sent to the appropriate Standing Committee. But in essence, Mr. Speaker, I would like to put forward the adoption of the Report, as tabled, with one amendment.

I heard the point taken by the Member from West Central St. James.

Mr. PICKERSGILL: By all of us!

Mr. WARMINGTON: Oh, keep quiet!

Mr. MAIR: But as you rightly say, Mr. Speaker, in many jurisdictions there is a time limit and this is to ensure the effective and efficient use and management of time within Parliament, and probably if we had that time limit we would be able to take on motions at the end of each sitting.

Dr. DAVIES: Or answers to some questions.

Mr. MAIR: That too. So 1 would - based on what other Members have said that we approve as far as that aspect is concerned, the recommendation that Ministers have a limit of 10 minutes and Ministerial Statements may be responded by whoever is appointed as Opposition spokesperson on that matter for three minutes with an opportunity for an extension not exceeding two minutes by you.

Another matter had to do with the Motions, Mr. Speaker. The Prime Minister also recommended that we should have a day in which we debate Motions, but I would like to suggest, it all boils down as to how we run our business, I would like to suggest probably what we should do is spread the Motion throughout the month, probably take a motion at each sitting. I do believe that probably if we were to dedicate one sitting a month for Motions probably the attendance wouldn't be as robust, as fulfilling as we would like. And probably what we should do is take a motion at the end of each sitting.

. (*Sotto voce* remarks by some members)

Mr. MAIR: No, just a motion, one. Well, you know that in the UK the Parliament meets every day except Friday. Monday, Tuesday, Wednesday, Thursday; they start at 10:00 in the morning and they finish at 10:00 at night.

(*Sotto voce* remarks by Mr. Pickersgill)

Mr. MAIR: So, Mr. Speaker, with those brief comments and thanking the Members for their contribution, I would like to propose to the Members the adoption of the Report with one amendment and that is to Prime Minister's Question Time, that our answers could be given in respect of questions on matters of urgent national importance or instead of and, or public interest which related to general policy issues.

The SPEAKER: Members . . .

Mr. JACKSON: Yes, before you put the…

The SPEAKER: This is just for clarification?

Mr. JACKSON: Just for clarification. In putting the amendment, my understanding is that the committee, having considered these bodies of changes, has brought the recommendations and would you go back now to try to put them . . .

The SPEAKER: I understand that.

Mr. JACKSON: So I rise to make the point that in addition to the one amendment that the Member is moving day except that there is an understanding going forward that the committee will take on board much of the points raised in the deliberations for perhaps a next stage.

The SPEAKER: Well, first of all, we can't put an amendment to the Report; we have to send it back to the committee. So the position is that we move for the adoption of the Report and then we can go back and do further deliberations and do the necessary changes, if it is agreed, at the committee level. Okay.

(*Sotto voce* remarks by members)

The SPEAKER: Members, the other thing to note is that Standing Orders Committee doesn't meet on a regular basis.

(*Sotto voce* remarks by members)

The SPEAKER: It can only meet if Parliament sends or refers a matter to it. So what could be done early in the New Year is for the Parliament to refer a number of matters so we can start deliberations.

Rev. THWAITES: Why is the committee constrained that way?

The SPEAKER: Eh!

Rev. THWAITES: Why is the committee constrained that way? If the Rule so enjoined you much change that Rule too.

The SPEAKER: Well fine. Well suggest that when we meet next.

Rev. THWAITES: Right now. We have debated this thing. We have waited for two years. The changes that have been agreed on must go for change now, no more referral back. Life is short.

The SPEAKER: Rev. Thwaites, you have an opportunity when we next meet to change that Rule in the Standing Orders Rules, okay. The position is that we have to follow some rules.

I now move for the adoption of the Report of the Standing Orders Committee.

Put to the House and agreed to.

The SPEAKER: I put the Report as adopted. (Gavels) House Leader.

Mr. HOLNESS: Mr. Speaker, in order to facilitate the debate on the Standing Finance Committee Report I now move that the House be suspended - I am seeking leave of the House for the House to suspend so that the Standing Finance Committee could reconvene to look at the Report and report back to the House.

The SPEAKER: Members, as we indicated earlier, we are going to suspend

Parliament so that the Standing Finance Committee can meet. So what is before you now, the motion is for the suspension of the sitting of the House so that the House can meet as a Standing Finance Committee.

Put to the House and agreed to.

(The House suspended at 5:44 p.m.)

RESUMPTION

The SPEAKER: The sitting of the House is now resumed. House Leader.

Mr. HOLNESS: Mr. Speaker, I am going to move for the recommittal of three (3) items on the Order Paper, 'Announcements,' 'Reports from Committees' and 'Notices of Motions Given Orally'.

The SPEAKER: Members, the motion before the House is for the recommittal of the following items: Announcements, Reports from Committees and Notices of Motions Given Orally.

Put to the House and agreed to.

ANNOUNCEMENTS
(Recommitted)

The Clerk by leave laid on the Table of the House a Report of the Standing Finance Committee of the whole House of Representatives consisting of all Members of the House on the Second Supplementary Estimates of Expenditure for the financial year ending March 31, 2010.

REPORTS FROM
COMMITTEE (Recommitted)

The SPEAKER: Reports from Committees. Minister Shaw.

Mr. SHAW: Mr. Speaker, I beg to lay on the Table of the House a copy of the Report of the Standing Finance Committee of the whole House of Representatives consisting of all Members of the House on the Second Supplementary Estimates of Expenditure for the financial year ending March 31, 2010.

NOTICES OF MOTIONS
GIVEN ORALLY (Recommitted)

Mr. SHAW: Mr. Speaker, I beg to give notice that at the next meeting of the House I will move:

> Be it Resolved that the Report of the Standing Finance Committee of the whole House of Representatives consisting of all Members of the House on the Second Supplementary Estimates of Expenditure for the financial year ending March 31, 2010, which was laid on the table of the House on the 17th day of March, 2010, be adopted.

And, Mr. Speaker, I further beg to give notice that at a later stage today I will move for the suspension of the Standing Orders to enable me to take this Motion.

The SPEAKER: Thank you, Minister Shaw.

PUBLIC BUSINESS

Mr. SHAW: Mr. Speaker, I now move for the suspension of the Standing Orders to enable me to table the Motion, notice of which I gave earlier.

The SPEAKER: Members, the motion before the House is for the Suspension of Standing Orders to allow the Minister of Finance to take the motion, notices of which were given earlier.

Put to the House and agreed to.

The SPEAKER: Minister Shaw.

Mr. SHAW: Thank you very much, Mr.

Speaker. Honourable Members, first of all let me thank the Members for their participation in the brief sitting of the Standing Finance Committee earlier today; and it is not my intention to repeat everything that transpired and that we said today. Except to indicate, Mr. Speaker, that the overall Second Supplementary Estimates have increased by $31.53 Billion over the First Supplementary Estimates and this increase, Mr. Speaker, as I indicated earlier, is primarily due to the Debt Exchange Programme.

And I want to indicate as well that in addition to the Debt Exchange Programme there were one or two areas of tidying up that we used the opportunity of the Second Supplementary Estimates to carry out that exercise as well.

I want to repeat also, it has been stated elsewhere that - one person in the news media suggested that there has never been a case of a Second Supplementary Estimates ever tabled in Parliament. And I want to use this opportunity to refute, absolutely refute that statement, and to suggest that Second Supplementary Estimates have been very much a part of our practice over the years, especially in circumstances where if the First Supplementary Estimates, Mr. Speaker, has been put fairly early into the budget, usually if it's in before the end of the third quarter, then for proper practice, you virtually guarantee that you have to have a Second Supplementary Estimates in order to have the tidying up process. But I just wanted to make that point for the record that this is not something that is unprecedented.

Mr. Speaker, very briefly, the Non- Debt Recurrent Expenditure has seen a modest decrease of $1.73 Billion or 5.49% over the First Supplementary Estimates. The Recurrent programmes have moved from $74.26 Billion to $72.79 Billion representing a decrease of $1.47 Billion and this is attributable to savings in other areas of expenditure.

Despite the Recurrent Programme showing a reduction, however, there are some notable increases amounting, Mr. Speaker, to $1.57 Billion which should be highlighted. I mentioned some of them earlier and I'll just list them now:

- We've had to find an additional $600 Million for street lights arrears.
- Electricity arrears for the JDF for $47 Million.
- Water arrears for the JDF of $84.12 Million.
- Other outstanding bills for the JDF of $134 Million.
- The Operations in Haiti for the JDF of $55.22 Million.
- Electricity arrears for hospitals, $50 Million.
- Pension backlog payments and increased number of pensioners, $400 Million.
- And as I mentioned earlier today, an additional $200 Million for the National Solid Waste Management Authority, Mr. Speaker.

The Revised Capital Expenditure for the Fiscal Year, which is about to come to an end, is $207 Billion, of which $172.2 Billion is the amortization and $34.8 Billion is for Capital Programmes.

The Capital Programmes reflect a small decrease, Mr. Speaker and amortization has increased by $22.11 Billion over the First Supplementary Estimates. As I indicated

earlier, that is primarily due to the amortization which had to come due as a result of the issue of short-term instruments into the market during the period of the debt exchange.

In addition to that, however, we have had to make room for some $4.5 Billion of payments for the Clarendon Alumina Production Limited, which as you know, Mr. Speaker is a continuing problem. And I indicated earlier today that the Government is in very serious discussions with an investor to seek to divest ourselves of the burden of the Clarendon Alumina Production Limited. And that is a matter that will be addressed by the Prime Minister in due course.

We also had to and an additional $133 Million for settlement of Jamaica Cricket 2007, in terms of an arbitration award with the contractors, ASHTROM Limited, Mr. Speaker. In addition to that, there is a US$5 Million claim which we are… (*Sotto voce* comments) ...a final claim, which is to be negotiated in the new financial year. This relates to Jamaica Cricket, primarily the Sabina Park Project, Mr. Speaker.

We have had to have, therefore, an overall reduction of $5.7 Billion in the Capital Projects to offset these increases that I just described.

In terms of interest payments, Mr. Speaker, the interest payments is now at $186.8 Billion, $11.6 Billion or 3.15% higher than it was programmed in the First Supplementary Budget.

The main contributor to this additional requirement, of course, is the accrued interest of $22.3 Billion arising from the Jamaica Debt Exchange which was undertaken in the last quarter of the fiscal year. The increase is less than the total accrued interest paid as the fallout of programmed interest payments due on the old notes between February 24 when the JDX was settled and March 31. This created room to absorb some of the accrued interest. But we had, of course, a picture of declining interest rates as well. And, Mr. Speaker, we've also had some savings on the external side of the debt servicing as a result of perhaps, too conservative a projection on the exchange rate. The exchange rate has been much more favourable and therefore we have had some substantial savings on our external debt servicing as a result of that.

So, Mr. Speaker, in summary, the main feature as to why we have had this ballooning in this Supplementary Estimate, therefore, is the interest payments on the Jamaica Debt Exchange as well as going into the market with short-term instruments during the period of the exchange which was not a time that we felt was conducive to going in with longer term instruments because it was a time of uncertainty, the question of the IMF Agreement that took longer than anticipated to be finalized. All of these issues contributed to the uncertainty and so out of an abundance of caution we decided to go with the shorter term instruments, recognizing fully that we would have to pay those within that short period of time.

So, Mr. Speaker, the issue is, has it been worth it? And I think we would have to say it has been worth it. It has been worth it because our stakeholders, we have virtually set a new record, not just in Jamaica, but in the world, in the world, literally, on the Jamaica Debt Exchange. (Applause) There are many countries worldwide which are looking at this as a model already.

(Inaudible comments by the Opposition) They have sent to the Ministry for information. They have sent to us... (Applause)

(Inaudible comments by the Opposition)...

Yes, yes. I'm not saying it's going into the Guinness Book of World Records yet or anything like that. But they have sent, Mr. Speaker, they have sent for information on it. There is keen interest in it. The multilateral institutions are very keen looking at it. And I want to indicate to you...

Government MEMBER: Omar, yuh jealous?

Mr. SHAW: ...that the three main rating agencies, Fitch, Standard & Poor's and Moody's have all upgraded Jamaica once again. (Applause) And, Mr. Speaker, in all of this we have been able to get an unprecedented amount of foreign exchange that has come into the system, US$640 Million has come in from the IMF and US$200 Million has come in from the World Bank at an unbelievable interest rate of 0.63%.

(Applause)

Mr. PICKERSGILL: Early days yet.

Mr. SHAW: Two hundred and fifteen Million United States Dollars has come in from the Inter-American Development Bank at 1.23% interest rate. (Applause) Making a total inflow of foreign exchange over the past few weeks into Jamaica of US1,055,000,000 that has come in. (Applause)

A MEMBER: At low interest rates.

Mr. SHAW: Yes, at interest rates of between .063% and 2%. That is the interest rates. (Applause)

A MEMBER: Unprecedented.

Mr. SHAW: Mr. Speaker, concern was expressed this morning by the Member from Central Kingston about the question of exchange rates. And I want to take this opportunity to, in addition, thank the stakeholders for that 99.2% participation in the Debt Exchange. I want to indicate that the willingness to cooperate didn't start with the Debt exchange. It actually started with...

Mr. SAMUDA: On the 7th of September.

Mr. SHAW: ...It started also in the question of a commitment to working together with the Government and the Bank of Jamaica to hold the exchange rate as well. Because it is recognized that a slippage, continual slippage of the exchange rate does nobody any good. Does none of us, none of the partners it does any good. It erodes our equity. It is inflationary and all the other problems that come with it. And so we have to thank the stakeholders for over a year now they have really worked with us. And so that slippage in the exchange rate has been quite nominal, under fairly good control at 4% over the past year, Mr. Speaker, a total of about 13 or 14% over the past two years. But slowed down in the past year.

And so we want to thank them for their cooperation in that respect as well. The infusion of the much-needed foreign exchange that has come into the system itself is having a further stabilizing effect as well.

Mr. CHARLES: Invite the Opposition to come on board.

Mr. SHAW: I recognize and acknowledge the point that was made about the question of that interest rate differential. And it is a fact, Mr. Speaker, that the inflation rate at this time has been such that there is no room and that there was concern expressed as to whether we might have resistance because

of the need for the spread.

And I want to stress the point that here again, in the same way that we have had the sacrifice of the Debt Exchange, we continue to ask for more sacrifice, including the fact that long before the Debt Exchange, there was positive returns of anywhere from 7 to 10%... (Inaudible comments) ....Yes, positive real returns were being made over a year-and- a-half to almost a 2-year period. And what we are saying to our stakeholders now, we are committed, starting with this coming fiscal year in 2010/11 to ensure that the inflation rate is brought under control and is irretrievably in single digits going down into the 5 to 7% in the medium-term.

So, Mr. Speaker, I won't repeat the point about the various elements of the control of inflation, except to say that for too long and for too many years we have ignored the role of an energy policy...

Dr. DAVIES: LNG.

Mr. SHAW: ...and what that plays in terms of inflation. And I spoke today at Standing Finance about that and indicated some of the initiatives we are taking because it is an absolutely critical feature in our ability to control inflation over the medium-term.

Let me just indicate, in wrapping up here, Mr. Speaker....

Mr. PICKERSGILL: Oh, you are wrapping up?

Mr. SHAW: Yes, I am wrapping up - indicating here to that is going to be tabled next week Thursday, Mr. Speaker, is going to show quite a bit of compression. It is going to be about - over a Hundred Billion Dollars less than the one we have finally signed off on here. So it's going to be under Five Hundred Billion Dollars, whereas this Budget is Five Hundred and Ninety-three Billion Dollars.

And that sharp reduction is attributable to the Debt Exchange programme. But in addition to that, I have to send the signal, that this doesn't mean we are out of the woods and it doesn't mean that there is any room for fiscal irresponsibility, that we have all kinds of latitude to expand this and expand that, and we mustn't assume that in the reduction of amortization and the reduction of interest payments both will be sharply reduced. It doesn't mean that now we have now created space to go on some kind of fiscal excursion as a substitute.

Mr. HENRY: Don't run wid it.

Mr. SHAW: I want to make that point. As a matter of fact we have to continue, in order to maintain the targets with the IMF, we are going to have to have strong fiscal compression in relation to public sector wages, in relation to capital programmes. There are sacrifices, Mr. Speaker that we are going to have to make. There are critical sacrifices that we are going to have to make. I will give an example - I have had to speak with the Minister of Transport already - while we have gotten a good deal on the importation of the new buses, the fact is that the Budget cannot afford all the buses to be booked in one budget and so I have had to speak to the people at the bus company that are supplying the buses to us, to say to them, deliver a hundred this year but the other hundred that was scheduled to be delivered this year, September, October, will have to be delivered in the new fiscal year next year...

Mr. PICKERSGILL: Good works, good works!

Mr. SHAW: ...and that is because we

cannot afford to accommodate all of it in one budget.

(*Sotto voce* comment by government Member)

Mr. SHAW: Precisely. So we have to make room and we have to spread the burden, Mr. Speaker. So I just want to send the signal that the Budget is going to be smaller because the debt servicing is going to be substantially reduced. Thanks to the Debt Exchange programme. It means that we also have the landscape that can allow for interest rates to remain on the right trajectory.

We also have to make the point, however, Mr. Speaker, we have to make the point - and it's a concern we all have - that for this Debt Exchange programme to be truly successful, the end result has to be lower interest rates to the private sector in the commercial banking system. (Applause)

Government MEMBERS: Hear, hear!

Mr. SHAW: Because that, Mr. Speaker, is the basis of how we are going to create growth in the economy. That's how we can have new businesses being spawned, and new industries, jobs being created, foreign exchange being earned, and that is basis, the foundation of the Debt Exchange programme, and so we are using this opportunity not to threaten our financial institutions but to say to them that that is the next frontier, that is the next frontier - lower interest rates, not just for Government Paper and for our fiscal circumstances but lower, importantly, if we are going to go forward as a country that relies less on debt to finance its operations we must substitute instead a reliance on what we earn as a people. And out of what we earn we get the increments of taxation, which is what you ought to use in a civilized government to run government affairs. (Applause) You cannot over time be running government on borrowed money, you must run government on money that you earn. (Applause) And it is something that we have to come to grips with.

And so, Mr. Speaker, as I come down the final point I want to make is, that we have a culture in Jamaica of tax evasion and tax avoidance and too few of us are the captive people in P.A.Y.E, including Members of this Honourable House....

Mr. PICKERSGILL: Yes.

Mr. SHAW:...that have no say over that twenty-five per cent (25%) that is taken off at the top and that you have to pay. And it has been demonstrated more than anecdotally, Mr. Speaker, that there is rampant evasion and avoidance of taxes in this country. And I want to send the signal to everyone, that I am going to leave no stones unturned, because we are keeping to the promise that we are not going to raise taxes next month. We are keeping to that promise, except for property taxes which we are going to have to take a special look at and as indicated earlier. But I have to send, Mr...

The PRIME MINSTER: Take a special look.

Mr. SHAW: A special look. But, Mr. Speaker, we have to send the signal, we want to spread the tax burden. We need fairness and equity and we need more people. Everyone who is earning an income on which they should pay their taxes, we are asking for everybody to begin to voluntarily comply with paying your taxes. Because what we are going to do, Mr. Speaker, I am availing myself as Minister of Finance of the highest level of advice and counsel and technical assistance from various quarters: The International

Monetary Fund, the United States Treasury Department. I am getting assistance from various sources in England and in Canada. I am leaving no stones unturned because, Mr. Speaker, I want to leave this point with you, tax evasion and avoidance is not just a monetary issue in the final analysis, it comes down to the fundamental issue of public order, of respect for the laws of the land, and so we have to set these new standards in the country; and I want to send the signal that in the new fiscal year it is going to be compliance that we are working on, not additional tax types and additional tax burden, but compliance in terms of spreading the burden across the system.

And with that, Mr. Speaker, I beg for the adoption of the Second Supplementary Estimates. (Applause)

The SPEAKER: Dr. Davies.

Dr. DAVIES: Thank you very much, Mr. Speaker.

Mr. Speaker, this is not going to be a long presentation.

(Cross talk)

Opposition MEMBER: Audley promised ten (10) minutes and is thirty-five (35) minutes him go there.

In a week's time the new Estimates of Expenditure will be tabled and we will be having Standing Finance Committee so there will be time for a real debate. I am going to make a few points here even as we regard this as a tidying up operation. There are some points which I would like to make, notwithstanding the admonition of your former colleague, in terms of what Supplementary Estimates revealed about a Government's preparedness and level of organization.

I know you dismissed it from then...

Government MEMBER: A you fire Webhy.

Dr. DAVIES: Yes.

Government MEMBER: I hear is you fire Webhy yuh nuh.

Dr. DAVIES: Inexperience is a helluva thing!

Let me raise a couple points here, and I would just like to signal to the Administration some issues which, you know, we have pointed out from time to time, things which you should bear in mind which will come back to force you into much more radical action than would have been needed.

(*Sotto voce* comment by a Member)

Dr. DAVIES: You see, I'd looked at it in the first instance - two simple ones, and one is very, very much affecting the whole society, related to public cleansing as well as the street lighting.

In the discussions during Standing Finance Committee for Budget year 08/09, again last year, we pointed out that to artificially compress those expenditure figures you are going to set yourself up for problems, because you can't leave garbage as it is on the streets. I can tell you in my own constituency, that lawless something has happened recently, that for about two months the people just haven't been paid and regardless of what you - we could have a million IMF test, and don't let them tell you anything, they wouldn't agree to garbage in Washington not being cleared. So don't let them tell you anything with them foolishness there. That must be there, that must be there. So do not come back with any artificial numbers when we know that we will have to face it.

I believe in December the Prime Minister spoke to the issue of adjusting the property

taxes, and you know this is something which we have played games with for a long time. Ask anybody, the rates of taxation related to value of property, and so, just totally out of sync with any other country of comparable situation, but also in terms of the services which are ostensibly tied to this. But the problem you face, Minister, is that I think that there are some legal requirements in terms of notices in order to make it effective. I don't believe these have been embarked on as yet. So you are going to have a difficulty increasing the levels of inflows during fiscal year 10/11. So we are going to be watching carefully. Because this is not unreasonable for people to expect that garbage will be collected, and I think it is embarrassing in a city or country of our standing for that to be an issue. We will have to deal with it.

A more substantive matter relates to - and I would like the Minister to hear me carefully - the issue of the Bank of Jamaica advances to Central Government. The Minister in introducing the fiscal responsibility legislation, which really is just adjustment to two of the existing pieces of legislation, said good laws are good but good men are better, whatever.

There are significant dangers - and I am not accusing the Minister of deliberately proceeding along this path - but there are significant dangers if the habit of facilities being extended from the Central Bank to Central Government starts becoming a habit...

(*Sotto voce* comment by Government Member)

Dr. DAVIES: Go and check the record and let him tell you that.

(*Sotto voce* comment by a Member)

Dr. DAVIES: Is mi missing MP. I just wish I could see him doing some work in mi constituency. Missing MP. But it is something - and I say this in all sincerity, I say this in all sincerity, we need two things to happen. First of all, preferably that unless it's a real emergency - and I accept there are certain problems faced - but there must be an explicit statement as to the repayment schedule. You have indicated that this will happen by September, but it's not - let's say I trust you - but you won't be around always. And once it becomes a habit it is something which is dangerous. And it raises questions, Mr. Speaker, about the way in which monetary policy was being conducted. Is it that the Central Bank anticipated this and is taking corrective action?

You have a window of opportunity because of the debt exchange and the mood but after the mood passes then people are going to take rational decisions. You are appealing to rationalism now but after a time that only can last for a certain period.

And therefore, if given the constraints faced by the Central Bank, if it sees that the excess supply has to be corrected, the tools available to it in this period are limited. So I urge that that from a point of view of macro-economic programming and management that this be seen as an action taken in a specific period, but not to become a habit.

The other issue which we would like to raise, and it is not - because of the peculiar structure of public sector accounting, the Member has always, when I was Minister, urged strongly that proper accrual accounting should be in effect. You still feel strongly about that, I know you would ask him about the arrears, the state of arrears accounts payable. Again, it is important and I tell you

why it is important. It is important because it is not good when the State loses credibility as a debtor or a creditor starts worrying as to whether they should extend. And it is not just the big, big creditors, I mean - I was indicator to some of my colleagues who happen to sit on the other side that a certain bookstore feels that I have delayed paying, but I can't pay because I don't get my CDF money. But it is not good if the State - it starts being seen and the credibility of the State. So there is the issue of the size of the arrears. And Minister let me urge you, even if you don't tell us, I would like to be assured that you know, what is the size. You have stated explicitly the size of the arrears and what you can pay and all that, I leave you to the president of various associations, one in particular. But I would like you to, either Uptown or Downtown, I will leave you to them. But you have stated what that number is, I would like to be reassured that you know what the other number is.

The PRIME MINISTER: You need to help us.

Dr. DAVIES: I need to help you.

The PRIME MINISTER: Because every now and again we see something that you sign...

Dr. DAVIES: You are a slow learner. All the files are available and he has seen them!

Mr. WARMINGTON: No, you shred some.

Dr. DAVIES: No, don't do that, hold on, the joking done now. Don't do that, don't do that!

Mr. WARMINGTON: It is alright.

Dr. DAVIES: It is not alright, don't do that, I don't joke about dem things. I don't joke about dem things. I don't think they will even allow you up there.

(*Sotto voce* comments by Members)

Now, Mr. Speaker, let me now turn to certain specific things. This is about accounting and closing the year off. But I would like to suggest to the Minister that a fiscal budget is about the management of the country, and I would like to bring to mind, bring to your attention certain areas which have been drastically cut and it is inexplicable to me in terms of the - what the intentions of Government were for the fiscal year, and I start with the Ministry Youth. On page 4500 B(1), there was the Youth Empowerment and Information Centre and this was heralded as a major initiative by the Ministry of Youth, $71.3 Million was committed and $60 Million was cut. And the question is, what is the reason for that? Is it that the programme wasn't ready? The same thing applies, Mr. Speaker, to the Ministry of Education itself and it had a Youth Development Programme 4100 B(2) and it said, Youth Development Programme funded by the IDB, the revised estimates had $40 Million in it, $31 Million was cut from it. And the question is, what was the reason for such a drastic cut? The Ministry of Education 4100 A(1), and it says basic schools, maintenance of buildings and equipment and the Minister came up with a novel response that the thing was so small he did not bother until he had a big project. But the maintenance of buildings and equipment in basic schools $11 Million, and all of it was cut. What could be the explanation for such cuts? And it suggests - fire services, 1800 A(1) under the Office of the Prime Minister, fire services, grant for rehabilitation of fire vehicles $45 Million, thirty-nine and a half cut, grant for acquisition of firefighting

equipment $20.7 Million, $17.7 Million cut, $3 Million left. Grant for repair to fire station $15.8, $8 Million cut.

(*Sotto voce* comments by the Prime Minister)

Dr. DAVIES: The question is, did you intend to spend it at all? That question. And then - you know when I was at graduate school, before I got married, one time, (Laughter) l had a of girlfriend who worked in the library at North Western and she told me, one of the most amazing set of stories is when you found a student with a book under his coat and all that. So how did it get there and so on? Well, one of the most amazing stories is, when I asked him the Minister, Places of Safety, repairs and maintenance $4 Million, and I say Audley you cut the $4 Million, he says well it was too small, so he is going to come with a really big project. The Prime Minister has committed himself to a big project

The PRIME MINISTER: Hundreds of Million.

Dr. DAVIES: Okay, but we sincerely hope that the hundreds of millions don't suffer the same fate as the $4 Million did.

The point I am making, Mr. Speaker, the point I am making - and I am making this to colleagues, I am making it to the whole House - we all accept, the country accepts the successes of the JDX as you pointed out, we all accept that this is the crises. But in this crises there must be something in your budget which reflects a prioritization in terms of what are those areas of emphasis for ordinary people whereby - and when we cut some of these programmes, it raises questions in our minds as to whether there is any central direction. It can't be that because of the crisis then everything suffers, whether there is a central direction in terms of what are we focusing in, what are we saying to the public, this is what we are going to deliver. It must be that we are going to be able to clean the place, it must be that basic firefighting equipment must be maintained, it must be that the most, those at the bottom of the social and economic ladder who need protection and support from the State can be assured of some level of support.

Whilst, Mr. Speaker, the Supplementary Estimate, whilst the Supplementary Estimates, at this stage we are two weeks away from the closure, the manner in which the cuts have taken place would suggest that there was an absence of a central direction, a central set of priorities guiding this fiscal budget. Let me indicate that from the perspective of the Opposition, let me indicate from the point of view of the Opposition, even as we seek to cooperate in terms of a whole range of activities, even as we cooperated with the imposition of the special tax on gasoline which should go for the Road Maintenance Fund, we are not going to cooperate if you won't give us an explanation as to how those funds are being utilized. (Applause) These are areas, Mr. Speaker, that even...

(*Sotto voce* comments by Mr. Warmington)

Dr. DAVIES: What you do with him all the time. Prime Minister what do you do?

The SPEAKER: Mr. Warmington control yourself.

Mr. PICKERSGILLL: When you were acting you said wait until the Prime Minister comes back and he gets worse, since the Prime Minister come back him get worse. You cannot control him.

Dr. DAVIES: I have to deport him. What

do you say about deporting him.

Mr. Speaker, even as we...

Mr. WARMINGTON: I born and I die yah. Omar finish nuh man?

Dr. DAVIES: Mr. Speaker, even as we extend this cooperation in terms of how we are dealing with the Second Supplementary Estimates, let us indicate that we have grave concerns about the manner in which the budget has been adjusted and these grave concerns will be expressed when we examine the new Estimates of Expenditure when they are laid next week.

I thank you very much, Mr. Speaker. (Applause)

The SPEAKER: Mr. Shaw.

Mr. SHAW: Mr. Speaker, let me thank the Honourable Member for his intervention and just assure you that my wrap-up will be quite brief.

Let me say first of all, that I agree with the points that have been made by the Member. And we see eye to eye on issues like public cleansing, these are not things that we can compromise, we just can't compromise them, and that is why we have had to make the accommodation for the additional resources in these Supplementary Estimates. But he is right, that what we have to do is, we have to make sure that adequate provisions from upfront is made because it is one of these inescapable recurrent items that we have to ensure is accommodated. The same thing for street lighting and it is in respect of those two that in that context that we are carrying out that review of the property taxes at this time.

In terms of BOJ advances, here again, the Prime Minister and I share the view that you have. And I think in retrospect looking back, it would have been perhaps the better thing to have upfront stated that here is this situation that is emerging and this is what we are going to have to do. And I think it would have, you know, probably smoothed the communication process better. And, you know, in matters like these it is still a learning curve.

The truth is that we had the uncertainties surrounding the IMF negotiations then, of course, we had the - initially had a sort of a false start on a Debt Exchange programme, we subsequently had the debt exchange and we realized that we would need the accommodation, in fact the IMF themselves agreed with us that we needed the accommodation. But I want to give you the assurance, and the country the assurance that we - that this has been an aberration and for very good reason, given the difficulties of the time. But we are down as I said today, to some $15 Billion because already the remaining amount of funds are tradable instruments, Mr. Speaker, and so the of Jamaica unloaded some close to $5 Billion of remaining $20 Billion into the market last week. So we are down to $15 Million which it is their intention at the appropriate time to intervene and to unload the remainder into the market. But the point is absolutely taken.

On arrears, here again we have to separate, however, the arrears, in terms of the public sector salaries and emoluments, and other allowances, as separate from the sort of current liabilities throughout the system, in terms of programmes. And we have a figure on the arrears, in terms of public sector. And of course, we - as I indicated today, a build-up in arrears, whether it is for payment of goods and food and whatever, for the prisons or the JDF, and other things like that, these are all matters now, Mr. Speaker, that we have to

bring within the statutory time of, whether it's ' or sixty days, whatever, but we are obliged to do so; both in terms of proper prudential practices, as well as fulfilling the commitments that we have made in the Letter of Intent to the International Monetary Fund, as well. So that is something that is a work in progress, we have to deal with it.

In terms of the question of the Budget, the purpose of the Budget, I totally agree with you. I totally agree with you. But I want to say, you know, the former Minister stated, Mr. Speaker, a number of areas in which there have been cuts. And he knows from his time that a lot of these areas of cuts have to do with pace of implementation, he knows it. And I am not saying all of them have to do with pace of implementation, but I am saying quite a few of them have to do with pace of implementation.

The PRIME MINISTER: And capacity.

Mr. SHAW: They have to do, in some cases - and capacity. In some cases it has to do with capacity as well. And it is true that we have to make sure that we have a sense of direction, in terms of preserving that social safety net.

But, Mr. Speaker, as I wrap-up - and I don't say it to be contentious - but if we do an assessment of the work of this Government now, in terms of the preservation and enhancement... (Cross talk)

Mr. PICKERSGILL: No, no, turn around!

Dr. DAVIES: Don't turn your back to us!

Mr. WARMINGTON: Oh, shut up!

Mr. SHAW: Mr. Speaker, in terms of the preservation and the expansion, I want to say this, because I promise l won't be long, but when you do an assessment of what has been done by this Government, Mr. Speaker - Mr. Speaker, when you think of the elimination of the user fees in health, the elimination of cost-sharing in education, the expansion of the PATH programme, to include an additional 120,000 people... (Government Members applaud)... Mr. Speaker, when you include in that the School-Feeding Programme that has been doubled in the schools islandwide to make sure that our children have proper nutrition... (Applause) ....when you think, Mr. Speaker, of the Constituency Development Fund... (Applause).... that has been put in place, Mr. Speaker, when you think of all of these things when combined, it represents an unprecedented level of support for the social sector in this country. (Applause) Unprecedented!

Mr. WARMINGTON: Hear! Hear!

Mr. SHAW: And so, Mr. Speaker, the criticism, nonetheless, is well taken. And we just want to assure the Member that we will be prepared; we are not looking for any fight over anything next week and when we have the Finance Committee.

But I can tell you, in respect of the Road Maintenance Fund that was mentioned, Mr. Speaker, I can advise you that the Road Maintenance Fund has already gotten out of the Fuel Cess, over $1.7 Billion has gone to the Road Maintenance Fund since the inception. (Applause)

Mr. KELLIER: What!

Mr. SHAW: And we are going to ensure that we have a full report for you, will report, so you have all the information. (Laughter)

So, Mr. Speaker, all that remains for me to do at this time is to thank - I have to thank the staff of my Ministry...

A MEMBER: Hear! Hear!

(Applause)

Mr. SHAW: I have to thank the Financial Secretary and the staff. I have to thank the Planning Institute of Jamaica; I have to thank the Bank of Jamaica; I have to thank all of those institutions that have worked with us, Mr. Speaker, in terms of the IMF Agreement, in terms of the Debt Exchange, and in terms of the entire Budgetary process. We thank them for the work that they are doing.

And with that, I ask for the approval of the Second Supplementary Estimates. (Applause)

Dr. PHILLIPS: Thank the Opposition for coming onboard!

The SPEAKER: Members, the motion before you is for the approval of the Second Supplementary Budget.

Put to the House and agreed to.

Mr. WARMINGTON: D.K., come on board!

The SPEAKER: Supplementary Budget approved.

Dr. PHILLIPS: Thank the Opposition for coming on board!

(Cross talk)

The SPEAKER: Okay, okay, please! Let's...

Mr. HOLNESS: Mr. Speaker, it's not proposed to do any further business today.

Mr. FAGAN: Mr. Speaker...

Mr. WARMINGTON: Get up! You can't talk to the Speaker sitting!

The SPEAKER: Could you - no, you can't talk to me sitting down.

Mr. FAGAN: Mr. Speaker, I am compelled, sir, to crave your indulgence, sir.

The SPEAKER: This is on the Motion for adjournment?

Mr. FAGAN: It's not a motion, sir, just to...

The SPEAKER: Allow him to move it first though, nuh. Allow him to move it first. He was about to move it.

ADJOURNMENT

Mr. HOLINESS: Before the interpretation, Mr. Speaker, I was about to move that...

Opposition MEMBERS: No no, no! (Heckling) An untimely intervention.

Mr. HOLNESS: Mr. Speaker, I was about to move that Parliament do adjourn, *sine die*. This is the final sitting for the Parliamentary Year, and we prorogue on the 22nd of March. And we will have the Opening - prorogue on the 22nd.

(*Sotto voce* comments by some members)

Mr. PICKERSGILL: You heard what the Prime Minister said, he said dissolved.

Mr. HOLNESS: No, the Prime Minister said we didn't say... (Laughter) - and we will have the Official Opening of Parliament on the 25th.

So Mr. Speaker, I now move that the House do adjourn *sine die*.

Mr. FAGAN: Mr. Speaker...

The SPEAKER: May I just say, Mr. Fagan, just for the record, remember you must always give the Speaker notice of what you are going to raise on The Motion of Adjournment. So I hope it's nothing substantial. Anyway, let's hear it.

Mr. FAGAN: Mr. Speaker, it's nothing contentious, sir. Just to say, sir, it's a matter of - Mr. Speaker, it's a matter of national concern, sir. The Solid Waste Management Authority, sir, presently there is a serious problem with garbage collection across Kingston and St. Andrew, St. Catherine, and

indeed, the entire Jamaica. However, the problem is very severe, in respect to garbage collection. Many communities, Mr. Speaker - and I am happy that the Prime Minister is here because it falls under his portfolio. Many communities...

Mr. HOLNESS: On a Point of Order, Mr. Speaker, the Member is raising a matter that was already addressed, both at the Standing Finance Committee and in the presentation by the…

Mr. PICKERSGILL: No, no!

(Cross talk)

Mr. WARMINGTON: Walk out if you want!

The SPEAKER: Mr. Fagan, I think it's fair to say that the matter was addressed.

Mr. FAGAN: Mr. Speaker, but, but, but the...

Mr. WARMINGTON: Take your seat! The Speaker is speaking!

The SPEAKER: No, no! I understand you are speaking of the urgency. But the matter having been addressed today...

A MEMBER: Go to the Parish Council.

The SPEAKER: ...I don't think it is appropriate for you to raise it at this time.

(Cross talk)

Mr. FAGAN: Mr. Speaker, I just wanted to say that - I just want to...

The SPEAKER: No. 1 think you have - okay, it's okay.

Mr. FAGAN: I just wanted the Prime Minister to be aware that there is a serious problem, sir, and...

The SPEAKER: Okay.

Prime Minister.

(Cross talk)

The PRIME MINISTER: Mr. Speaker, I hope you will allow me to trespass on your indulgence, and to express disappointment - and I don't believe that I am the only one - that Parliament is being prorogued shortly, and we were not able to complete passage of the Charter of Rights Bill. It is something that I really had hoped that we would have been able to complete in this Parliamentary Session.

Part of the reason for that has to do with the deliberations that had taken place between both sides, as to how to treat with the question of Capital Punishment. Parliament, having voted - and bearing in mind the discussions that had taken place when we had the debate, and the undertakings that we had given to address what is clearly an obstacle in the current Constitution, to the practical implementation of the declared majority wish of Parliament, taken in a conscience vote - and in the discussions that we have had between Government and Opposition, it has been agreed that the amendment that is necessary to address that particular issue, which would have to go through the same process of amendment - three months to lay on the Table of the House prior to debate, and three months on the Table of the House after debate - that rather than the processes going forward sequentially, that we should bring them together. As to whether or not it is going to result in two separate Bills, or whether it will result in an amended Charter of Rights Bill that is something that the legal draftspeople are working out. I hope that we will be able to have whether the Bill or the Bills, introduced in Parliament as soon as possible after the new session begins.

In the discussions between ourselves and the Opposition, since we have already debated the matter, we would not need to entertain any protracted discussion; after the first three-

month period has elapsed we would be able to move it to the next three-month period that has to elapse, so that we could conclude that sometime as early as possible in 2010, and then we send it to the other place that has to deliberate on it. So hopefully, what we had hoped would have come into being in the early part of 2010, we hope we will be able to get it into effect by the latter part of 2010.

I think we owe it to the people of Jamaica. It's an important initiative to further secure and to galvanize their fundamental rights, and to give them a basis on which they can ensure compliance with, and defence of, and secure redress in the event that those rights are infringed.

It is something that we want to make sure that we have in place by the end of 2010. The Government and the Opposition are collaborating on this. And I believe that I can give that commitment on behalf of both sides.

The SPEAKER: Thank you, Prime Minister.

The motion before the House is that this Honourable House do adjourn *sine die.*

Put to the House and agreed to.

The SPEAKER: The House is adjourned *sine die*.

The Honourable House of Representatives was adjourned *sine die* at 6:48 p.m.