

PRESS STATEMENT
HON. MIA AMOR MOTTLEY, Q.C.,M.P.
LEADER OF THE OPPOSITION, BARBADOS

I have come this morning to alert Barbadians that we are in a crisis and that we cannot keep burying our heads in the sand. Barbadians have been allowed to engage in a debate this week that would suggest that the laying off 3000 workers in the manner announced or a pay cut by all public servants will bring us to safety and stability. It is a false debate and will not carry us to safety.

The Prime Minister and the Minister of Finance must come clean with the country and stop spinning tot in mud. Persons are asked to make sacrifices if it will lead to stability or improved circumstances. The question must be asked, "Where will these sacrifices take the country and our economy?"

Time has come for persons in influential positions to start putting Barbados first and that, in spite of Christmas, time is of immediate essence. The magnitude and scale of the problems must be shared with the public and institutions. Further, those who are aware must stop burying their heads in the sand too.

I would tell persons like Sir Charles Williams that I understand that he may mean good but the Minister of Finance needs to give you the true picture. It is much worse than you think.

The leadership of the NUPW is clearly not focused. They need independent economic advice to help them get focused. The NUPW has said that their agenda is not Roebuck Street but it is also not the workers agenda. I would only say that Roebuck Street has always had a workers agenda.

We are deep in a crisis and the Government has lost control.

The clearest signs are that the Minister of Finance made a Ministerial Statement to meet a deadline of the departure of the IMF Article IV Team from Barbados to minimize the harshness of their judgment on the performance of the Barbados economy. It was not even to unlock funds from the IMF or the other multilateral institutions or the capital markets.

This announcement was made without consultation being completed with any of the Social Partners nor indeed with there being a clear settled Implementation Plan to meet the unusually close deadline of January 15th 2014.

We have now heard from the General Secretary of the Barbados Workers Union that these announcements in the Ministerial Statement on December 13th were just proposals for discussion with the Unions. Further, that Minister Sinckler has agreed with him that there are just proposals. We have equally heard from the Prime Minister that the Government will welcome alternatives to announcements that are to be implemented in less than a month.

Let us be clear. A Ministerial Statement to Parliament has greater potency than any other statement from a Minister. It sets out Government's policy and what it will do. It is not debated as it is not speculative but reflects actions to be taken upon which the population can then plan. This is why it can be relied upon to sue a Government as evidence of a Government's policies or programmes.

For this Ministerial Statement of actions to be undertaken to be reduced to policy makes a nonsense of it all and adds confusion to the lives of thousands of public servants and undermines confidence in the Minister of Finance even further, if that is possible.

The Barbados Labour Party expressed this lack of confidence 10 weeks ago, in October.

We understand why some in the country may not have had the same urgency as we did because they did not have the information. The Government continued to mislead them - even on the reasons for the failed bond and the likely success of the August Budget, which has now been repudiated.

Well the results from the lab have now come in - Minister Sinckler has failed at every turn. Three failed plans and a fourth dead on arrival. How many more plans must fail? How much longer can we continue to give him the benefit of the doubt or believe him? How many people must now suffer for his incompetence and failure to share the full facts with the Barbadian population?

As I said we saw it and we saw where the consequences of failing to act decisively would lead the country and tens of thousands of innocent Barbadians. We acted and brought the Motion of No Confidence.

Almost 20 000 people who signed our Petition also saw it. Indeed we are still receiving requests up to this week for us to re-open the petition that reflects no confidence in the Minister of Finance as many others are now seeing it.

This is a good start but we now need urgent action from where it matters

most. There are only two possible sources that hold the balance of power -:

1. Either any of the other 15 elected members of the Government Benches in the House of Assembly;
2. The leadership of the Trade Union movement and the Private Sector.

Special interest groups must now act in the interest of the country. We are not talking about hundreds of groups but a hand full of groups. They are given legitimacy by the population by reason of the titles and positions they hold. They have a duty to the same population, even beyond to their sectoral group or interest.

We are calling on all concerned and well meaning Barbadians must now lobby these groups over the season and in the New Year to do right by this country which we love and is our only hope.

They are the other entities, who have the power in their hands to turn this crisis around. We need action from these people to give Barbados a chance to rebound from this catastrophe. And Barbadians from all walks of life must now make it clear to them that they cannot sit on the fence anymore and wait for outcomes that will not happen. They cannot bury their heads in the sand anymore.

For Barbados to grow, the Minister of finance must go.

Chris Sinckler has done more damage to the short and medium term prospects of Barbados and to the lives and livelihood of Barbadians than any Hurricane Sandy did. It is almost unpatriotic now to support Chris Sinckler as Minister of Finance.

Yes, we are returning to the issue again of confidence and the incompetence of the Minister of Finance.

Bloomberg last weekend and now Forbes Magazine this week are now referring to Barbados in the most unflattering of terms and even calling Barbados, "Cyprus West" to communicate the scale of the problem to international investors and capital markets.

Last night, we received the third downgrade in this month. Of greater concern, this was another double downgrade with a Negative Outlook by Moody's AFTER the announcement by Minister Sinckler of the freezing of 5500 jobs, with the immediate dismissal of 3000 people by March. They recognize that it does not get us to stability and safety. They have said that if the Reserves continue to fall and the Central Bank continues to print money they will

downgrade again. As Bajans say, to be forewarned is to be forearmed. The Board of the Central Bank and the Governor must recognize their duty and what their actions will lead to if they print money again to meet Government's uncontrollable deficit.

It is important to remember that even after the announcement last Friday, the IMF made it clear in their press release that Government's deficit will STILL be at 9.5% at the end of March. Barbadians must be told that this is a worst deficit that the one Sinckler announced in August as their worst case scenario that they were implementing measures to cure and run away from.

The tinkering and confusion must stop.

The Prime Minister and the Minister must stop handling the downgrades in this childish and irresponsible manner that they have been doing it – trivializing them. Our ignoring them will not solve our problems in the same way that a person who ignores the advice from the Doctor that their blood count is down cannot get better.

I have already indicated that I will do a State of the Nation address to Barbadians in early January and I will lay out in detail all of the facts for people to assess where we truly are and to decide where we must go as a people and as a nation.

Finally we say that the following things must happen from the start of 2014.

1. First there must be a restoration of confidence and in the competence of the Minister of Finance of Barbados. This one must go.
2. Secondly, Barbadians must decide where they want to go and what must of necessity happen for them to get there.
3. Thirdly Central Bank must be a neutral and objective voice in the management and the Governor must not behave as if he is the 21st member of the Cabinet. We need a Governor who will come to us on a monthly basis from now on, not quarterly.
4. Fourthly, stop the partisan approach to the devising approaches going forward. You cannot just want to hear from DLP support - the BLP represent 50% or arguably more at this stage. We need a national advisory group to the Government that is competent, credible and will act in the national interest.

In this vein, I say clearly that the time has now come however for the Prime

Minister to establish an Eminent Person Group to address these national economic concerns as a matter of the utmost urgency. This group should be set up no later than the 6th January 2014 and should be given 4 weeks to report back to the country as to all of the necessary actions to be taken to truly stabilise Barbados and return us to growth. We have 3 critical problems:-

1. An uncontrollable fiscal deficit, even with the announcements of the last week that we cannot finance without the printing of money;
2. A continuing and steep decline of our foreign reserves that is placing our fixed exchange rate at risk;
3. An economy that is ceasing to be viable - no sector is producing and leading us back to growth.

We believe that this group should be no more than 6 or 7 persons. Nominations should come from the Government, Labour, Private Sector and the Opposition. We are prepared to nominate persons of the highest caliber to serve – we have a former Prime Minister who distinguished himself as one of the finest Finance Ministers in the Caribbean; we have Erskine Griffith who has served with distinction as this country's Director of Finance and Economic Affairs and who was there in previous crises, especially 1991 as Permanent Secretary, Finance.

If we are serious about putting Barbados first and to give us our last, last chance to get out of this with facing the worst and without asking for meaningless sacrifices, then we must act now. There will be adjustments, there will be sacrifice but they MUST count for something and lead us to safety. They must not be in vain. And this debate this week will carry the country nowhere as we are not being told the magnitude of the crisis.

I want to say clearly that a prescription founded on a Wages cut or arbitrarily sending home 3000 workers as an arithmetical necessity to satisfy the judgment of but one international agency the IMF so that they would give us a report one notch above failure is NOT the answer. That time is long past.

Barbadians must stand up now and decisively for this country, which we love. Let us not regret our failure to do so 6 months from now.

21ST DECEMBER, 2013