



Central Bank of Barbados

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Remarks delivered by
Mr. Cleviston Haynes, Governor (Ag), Central Bank of Barbados
at the
Rotary Club of Barbados South Installation Ceremony
Accra Beach Hotel
June 30, 2017

Thank you, President Hiranand Thani for that kind introduction.

Honorary Rotarian Your Excellency, Ambassador for the Embassy of Japan in Barbados Teruhiko Shinada and Mrs. Shinada

Sgt-at-Arms Edmond Bradshaw,

Past District Governor, David Edwards, and your Partner in Service, Donna

Partner in Service of President Hiranand, Nisha

Immediate Past President Trevor Sealy and your Partner in Service, Andrea

Vice President, Mr. John Jones

I also recognise

Past District Governor, Milton Inniss

Assistant District Governor, Mr. Peterson Downes and your Partner in Service, Lisa

President Elect Paul Ashby of the Rotary Club of Barbados and your Partner in Service Gillian

President Elect Michael McClean of the Rotary Club of Barbados West and your Partner in Service, Lisa

Rotarians and Guests

Members of Media

Good Evening

It is an honour to participate in this Installation Dinner of the Rotary Club of Barbados South. As a new Board takes over the mantle of leadership of this Club that has provided laudable service to our island and its people for more than three decades, let me express my personal appreciation to those who have served before and offer congratulations and best wishes to the new Board. I am sure that, during the coming year you will maintain the fine traditions to which this Club has become accustomed, upholding your motto of *Service Above Self*.

When Vivian-Anne contacted me to solicit my presence here at this Dinner this evening, I did not hesitate in agreeing to be here even though the terms of my invitation made it patently clear that she is a firm believer in the concept that there is no such thing as “a free dinner”. However, given my respect for the work your Club has undertaken in this island, I consider that a short speech is a small price to pay, and affordable too, as it does not require any coin of the realm.

In addition, my ready acceptance reflects the realization that your Club and the Bank that I currently have the privilege to lead share common values related to improving the economic circumstances for our citizens. Indeed, I believe that it is true to say that, like your Club, the Bank has earned the respect and appreciation of the public for its heightened awareness and demonstration of its corporate social responsibility through its programmes of supporting worthy causes in the community, as far as its slender resources would allow.

On a more personal level, over the years I have become acquainted with your work through my sister-in-law, Pat, one of your faithful members, and who, I noted did not get a medal for perfect attendance, from time to time has enlisted the support of my wife and daughter to assist in some of your volunteer activities. Their experiences have sensitised them to the needs of those less fortunate and created a sense of satisfaction that their efforts were contributing to help others whose circumstances may have prevented them from independently fulfilling their basic needs. Whether the specifics that give rise to these conditions are known or unknown, I am sure that similar feelings enrich your members on an on-going basis.

As I look around this room, I can't help but notice that the audience comprises several Barbadians who have demanding careers, families and otherwise full lives. And some whose careers have long ended! Yet all of you give dedicated service to this Club and by extension to your country. This service is doubtlessly a recognition of the biblical injunction “Everyone to whom much was given, of him much will be required....”

Clearly, you have made a commitment to serving others. Such commitment allows you as individuals and the Club that you represent to make a difference in the lives of others. That is why you come together here each week in fellowship with your fellow Rotarians, and why you participate selflessly in fund-raising activities and the delivery of your programmes and services. And lest anyone does not understand what commitment truly means, let me share with you the simple explanation given to me on my wedding day, of all days, on the difference between involvement and commitment. Take the breakfast dish of ham and eggs, the chicken was involved and lived to lay many more eggs. The pig was committed! You may take whatever moral from that story that you wish, but for me it is that half measures will not suffice when you are committed.

Tonight therefore I want to share a few thoughts on how I see the role of this Club during difficult economic times.

At the outset, let me say that your Club by its charter has an important contribution to make to the national development of Barbados. By your actions you recognise that there are persons in our society who need a helping hand. These are persons who, because of circumstances into which they were born or through personal misfortune, are unable to enjoy the quality of life to which we all aspire. Just as the island is susceptible to natural catastrophes, including hurricanes because of our geographical location, so too are these persons especially vulnerable to the economic shocks that confront us from time to time.

As a country, however, we have to ensure that we have mechanisms to help such persons. Protecting the less fortunate in society is a must as we seek to create economic opportunity and avoid serious social and economic displacement, dislocation or disruption.

This is true everywhere and various world leaders including Mahatma Ghandi, Jimmy Carter and Pope Francis have spoken eloquently about the importance of a society looking after its most vulnerable members. Indeed Pope Francis notes that

“It is not enough to offer someone a sandwich unless it is accompanied by the possibility of learning how to stand on one’s own two feet. Charity that leaves the poor person as he is is not sufficient. True mercy, the mercy God gives to us and teaches us, demands justice, it demands that the poor find the way to be poor no longer.”

Every post-Independence Government in Barbados has espoused the tenet of protecting the vulnerable and has demonstrated adherence by making the provision of social services and the maintenance of the basic social safety net a priority.

It is no secret that Barbados currently faces economic challenges. Indeed, government’s recent budgetary measures, by their sheer magnitude, represent a substantial fiscal adjustment effort

that seeks to restore macroeconomic stability, engender confidence and place the economy on a sustainable growth path.

As an import-dependent country, foreign exchange is critical to sustain economic activity. Unfortunately, the foreign reserves have fallen below the levels to which we have become accustomed in the recent past, raising concern among the public about the trajectory. This situation is reversible but increased foreign exchange inflows together with a dampening of demand for foreign exchange are now needed.

At the same time, the taxes we collect to finance public services and facilitate the distribution of resources to the less fortunate have historically been less than necessary to meet the costs of public administration, social services and infrastructure development. Education, health, sanitation, public housing and public transportation are all delivered to the public at below costs. These investments in people and infrastructure have enabled Barbados to be ranked as having a high level of human development, the highest in the CARICOM area.

These services have been paid for in part by a progressive income tax system that requires those with access to greater means to carry a heavier burden. Traditionally, however, we have borrowed as matter of policy to cover the gaps between revenue and expenditure and facilitate improved living conditions. Over time the costs of financing the accumulated deficits that arose from this strategy have begun to absorb a substantial share of the revenue government collects, coincident with reduced access to private sector financing.

From a macroeconomic perspective, adjustment is therefore required. However, placing the public finances on a sustainable path requires a stable revenue base to fund expenditures necessary for enhancing socioeconomic conditions. We need, inter alia therefore, to improve the efficiency and effectiveness of both our tax collection effort and the delivery of public services. This is particularly necessary given that one of the outcomes of the current fiscal imbalance is that the State has found itself unable to sustain the level of funding being requested for some social services.

Government has been reviewing the scope and scale of activities in which it is engaged. Some persons advocate the need for cuts in public expenditures in preference to new or higher taxes, with public enterprise reform at the centre of the adjustment. Reforms require us to make difficult choices as to how we will allocate available resources and where we will seek increased efficiency. We should not ignore the possibility, therefore, that such reforms may require some or all of us as citizens to participate more directly in the funding of services that we receive from government in the future. Already some adjustments have been made, the most prominent of which has been the decision to ask students at the University of the West Indies to pay some of their tuition costs.

In my recent press briefing, I stressed the need for an approach to fiscal consolidation that is orderly, in part to make sure we can safeguard the vulnerable. But during an adjustment period, protection of the vulnerable is especially important and charities and service organisations like the Rotary will be essential in designing and executing projects that help those most in need.

You already have an impressive array of existing programmes that are playing an important role in addressing basic needs, mitigating the worse aspects of poverty, fostering the development of individuals whose enterprise can contribute to their own upliftment. The wide scope of your programmes caters to several demographics, potentially enabling the Club to render assistance to the same individual at different stages of his or her life.

The demands on the incoming executive will be great but I am sure that utilising your network you will rise to the challenge. Your work, combined with that of civil society, the private sector, and the government can help us overcome our current challenges. Working together, we can and will make a difference.

I encourage you therefore to maintain and even expand your programmes to provide that assistance to those in need. I know that developing programmes and undertaking projects that bring about the change and improvements is often a difficult undertaking, especially where there is competition for scarce resources. But this is where the Rotary Club has excelled in the past.

I encourage you to continue to offer programmes that prepare students for the work-place that help them to be more productive and engaged. I can tell you that based on the Central Bank's own experience with its own summer internship programme, these students gain exposure to the different facets of the work experience and are better prepared to transition into fulltime, long term employment. Let us remember that these young people have the potential to move beyond being workers and to become innovators and entrepreneurs. If they can build on the opportunities they are given and become leaders, not only in their professional lives but in their communities, then we can say that the value of your contribution has been immeasurable.

I encourage you to continue to support the arts as you have with initiatives like your Best of Youth Evening. This is something we at the Bank are also committed to because we, as you also clearly do, recognise that our artistes play a major role in defining Barbadian culture and identity.

I encourage you to continue to promote leadership by recognising and rewarding persons who demonstrate those attributes, and who attempt and achieve positive change in their communities and in the wider Barbadian society. This type of recognition invariably encourages

others to do the same, which means it will lead to more citizens making positive decisions, becoming voices in our society, and developing positive influencers.

Most of all, I encourage you and all of your members to continue the long Rotary Club tradition of putting service above self because as you have shown, when you do this, you can and do make a difference in all facets of life. Let your stewardship be defined as one in which you made a tangible difference to people's lives, and to our country.

If you succeed in your efforts, you will go a long way to helping fulfil Pope Francis' vision that the poor find the way to be poor no longer.

Thank you.