

THE House of Assembly Debates

(OFFICIAL REPORT)

SECOND SESSION 1999 - 2004

HOUSE OF ASSEMBLY

Tuesday, November 07, 2000.

HOUSE OF ASSEMBLY Pursuant to the adjournment, the House of Assembly met at 11:15 a.m.

PRESENT

His Honour I. A. ROETT, B.A., Dip. Ed., (Speaker) His Honour J. M. EDGHILL, J. P., (Deputy Speaker) Hon. Sir Henry FORDE, K.A., Q.C., M.A., LL.M. (Cantab.) Rt. Hon. O. S. ARTHUR, M.Sc.(Econ.), (Prime Minister, Minister of Finance and Economic Affairs) (Minister of the Civil Service) Hon. D. A. C. SIMMONS, Q.C., LL.M. (Attorney General and Minister of Home Affairs)(Leader of the House) Mr. D. J. H. THOMPSON, LL.B.(Hons.) (Leader of the Opposition) Hon. Sir HAROLD St. JOHN, K.A., Q.C., LL.B. Mr. L. R. TULL, Q.C., M.A. (Oxon). Hon. Dr. R. L. CHELTENHAM, Q.C., M.A., M.Sc.(Econ.) Hon. R. C. EASTMOND, B.A.(Hons.), Dip. Ed., LL.B. (Hons.), L.E.C., J.P. (Minister of the Environment, Energy and Natural Resources) Mr. D. CARTER (Chairman of Committees) Hon. R. N. GREENIDGE, B.A., LL.B., (Minister of Labour, Sports and Public Sector Reform) Hon. G. A. CLARKE, B.Sc., Dip. Ed.,J.P. (Minister of Housing and Lands) Hon. R. D. MARSHALL, (Minister of Public Works and Transport) Hon. H. F. LASHLEY, (Minister of Social Transformation) Hon. R. St. C. TOPPIN, LL.B., (Minister of Commerce, Consumer Affairs and Business Development) Mr. D. St. E. KELLMAN Miss H. E. THOMPSON, LL.B. Mr. M. Z. WILLIAMS Mr. T. A. PRESCOD, B.A. Rev. J. J. S. ATHERLEY, B.A., B.Sc. (Parliamentary Secretary, to the Attorney-General and Minister of Home Affairs) Mr. D. T. GILL, B.Sc. Hon. N. A. LYNCH, B.Sc., M.B.A. (Minister of Tourism and International Transport) Hon. A. P. WOOD, B.Sc., M. Sc., M.Phil, J.P.,(Minister of Agriculture and Rural Development)

Prayers were taken by Canon Father Ivan Harewood.

Mr. SPEAKER: The House is now in session.

MINUTES

Mr. SPEAKER: The Minutes of Tuesday, October 24, 2000.

Hon. D. A. C. SIMMONS: Mr. Speaker, the Minutes for Tuesday, October 24, 2000, have been circulated and subject to any motions for amendments to those Minutes, I beg to move that they stand confirmed.

Hon. R. C. EASTMOND: I beg to second that, Sir.Mr. SPEAKER If there are no corrections or observations, then let those Minutes stand confirmed.

ANNOUNCEMENTS BY HIS HONOUR THE SPEAKER

I am to report to this Honourable House that I have received from the Accountant-General, the Accounts and Statements for the months of January, February, March and April 2000.

PAPERS

Rt. Hon. O. S. ARTHUR: I am commanded to lay the following

Duties, Taxes and Other Payments (Exemption) (National Heroes) Order, 2000;

Annual Report of the National Insurance Board for the year 1999;

Report of the National Insurance Board on the Operations of the Unemployment Benefit Scheme for the year 1999; and

The Report on the Audit of the Accounts of the Auditor-General's Department for the financial year 1999 - 2000.

FIRST READING OF BILLS

On the motion of Hon. D. A. C. SIMMONS, seconded by Hon. R. C. EASTMOND, the following Bills were read a first time:

The Tenancies Freehold Purchase (Amendment) Bill, 2000;

The Insurance Corporation of Barbados (Amendment) Bill, 2000;

The Land Tax (Amendment) Bill, 2000;

The Broadcasting (Amendment) Bill, 2000; and

The Barbados National Bank (Transfer and Vesting of Assets) Bill, 2000.

The question was put and resolved in the affirmative without division.

ORAL REPLIES TO QUESTIONS

Rt. Hon. O. S. ARTHUR: I beg to give notice that the reply to Parliamentary Question No. 1 asked by the Honourable Member for St. John is ready.

Hon. D. A. C. SIMMONS: Mr. Speaker, I am to advise that replies to Parliamentary Questions Nos. 5, 6, 7 and 9, asked by the Honourable Leader of the Opposition are ready; that the reply to Parliamentary Question No. 19, asked by Honourable Member for St. Lucy is ready and that the reply to Parliamentary Question No. 18 asked by the the Honourable Member for St. John is ready.

Hon. R. D. MARSHALL: Mr. Speaker, I rise to let this Honourable House know that the replies to Parliamentary Questions No. 4 and 21 asked by the Honourable Leader of the Opposition are both ready.

SUSPENSION OF STANDING ORDERS

Hon. D. A. C. SIMMONS: Mr. Speaker, I beg to move that the following Standing Orders be suspended for the remainder of today's Sitting. Standing Orders Nos. 6, 16, 18, 20, 42(5), 43 and 44.

Hon. R. C. EASTMOND: I beg to second that.

The question was put and resolved in the affirmative without division.

GOVERNMENT BUSINESS

ORDER NO. 6

**RESOLUTION TO APPROVE THE GUARANTEE BY
THE MINISTER OF FINANCE OF THE REPAYMENT
OF THE PRINCIPAL SUM OF \$15 MILLION EUROS
(ESTIMATED AT \$28.8 MILLION BARBADOS CURRENCY)
AND INTEREST
TO BE BORROWED BY BARBADOS AIRPORT INC. FROM
THE EUROPEAN INVESTMENT BANK.**

Hon. N. A. LYNCH: Mr. Speaker, the issue before this Honourable Chamber is a Resolution to approve the guarantee by the Minister of Finance of the repayment of the principal sum of \$15 million Euros (estimated at \$28.8 million Barbados currency) and interest to be borrowed by Barbados Airport Inc. from the European Investment Bank.

Sir, although this debate is set primarily in the context of the loan for the airport, this debate must also be set in the wider context in terms of the three substantive issues that are important for the development of our country. The issues are, it has wider implications for the development of our tourism industry, its substantial growth and its potential for future growth.

It also must be set in the context of Government's continued proper handling of the economy which

gives us an imminent spin off in terms of our improved credit worthiness as a country and also the continued enfranchisement of all Barbadians through making available to them the State's most productive and efficient assets. That, Sir, is the context in which this debate must be framed.

It also speaks to the issue of continued modernisation of our country. The airport, as the first point of entry, for both Barbadians and visitors, must be a priority if we are to continue in the state of good governance that we have always prided ourselves on. The corporatization and privatization of the Grantley Adams International Airport and the Bridgetown Port both serve this fact.

Now, first, I am going to speak upon the corporatization of the Grantley Adams International Airport and to say very early in the debate that corporatization and privatization are not one and the same. I will explain that later as I go along. However, the Grantley Adams International Airport and the Bridgetown Port have both sentimental and tangible values for many Barbadians. Direct ownership of these entities by Barbadians is another important aspect of our development policy.

11:25 a.m.

Tuesday, November 07, 2000

Continuation of Hon. N.A. LYNCH:

We must continue to share the wealth and we must continue to share the potential wealth of our nation with all the citizens. Grantley Adams International Airport was built in November 1979 which makes it 21 years this month. It was built at that time at a cost of BDS\$28 million. At that time, it was considered the most up-to-date and the most state-of-the-art airport in the Caribbean. Very little has been done since then to the actual facilities of the airport. There was a control tower that was also built in 1976.

At the time when the airport was built the capacity for handling passengers, both inbound and outbound, was estimated to peak around 1982 to 800 passengers inbound and 800 outbound per hour. By the time the airport was built and finished in 1979 it was already handling 1200 passengers per hour inbound and outbound during the peak periods.

The airport was designed to handle 2.2 million passengers per year and that was expected to peak in 1982. By 1982 it had already reached 800 passengers inbound and 800 passengers outbound per hour. At this present time we are handling an average of 1000 passengers inbound and outbound per hour for an airport that was built to handle 800 passengers at peak capacity inbound and outbound. At peak periods it has now moved up to 1200 passengers per hour. This happens daily between the hours of 2 p.m. and 5 p.m. every day at the Grantley Adams International Airport.

Mondays particularly are days when it goes way beyond the peak capacity that it can handle and at times it has been estimated that some 1400 passengers per hour are actually passing through an airport that was built originally to handle only 800 passengers inbound and outbound. That is a result, Sir, of many issues at the airport and many issues in aviation and many issues in air travel.

In those peak periods we have a bunching of aircraft at the Grantley Adams International Airport because both the charter carriers and the scheduled carriers are all coming in approximately at the same time. Monday afternoons is a particularly serious period because that is the time leisure travellers prefer to travel on what they consider to be the first day of the week, in this case not Sunday but Monday.

Many of the aircraft that come in at the airport at that time if they are coming from Europe, these are aircraft that also serve the Mediterranean. There is a whole big bunching of slots at Gatwick and at Heathrow in England and also there is the issue of those that are coming from the other side of the Atlantic in terms of coming into Barbados. When aircraft traffic was deregularised in the 1980s, it meant that it created a whole issue in relation to airline traffic, particularly in relation to North America. Barbados being very far easterly has to bring in aircraft to get back to the hub in time so that they can distribute passengers across the USA.

I know there are many people who believe that Barbados has a peculiar problem in that because we are so far easterly we do not get back to the hub in time. It is not the best for our tourism industry because a man or woman can leave a place like Texas very early in the morning and only get into Barbados very late at night. Particularly on short-break vacations it is seen that that person has lost a day of their holiday because by the time you get to Barbados it is already dark.

Those who come in during the evening and I spoke to the area of Mondays there are as many as 6 or 7 aircraft coming in from Europe: British Airways, BWIA, Virgin Atlantic, Britannia, JMC, which was Caledonian, and Air Tours, are all on the ground at the same time. In terms of US carriers at that time, you have American Airlines, Air Jamaica, BWIA, Air Canada and Sky Service all on the ground. You can have situations at the airport where you have 9 or 10 different carriers on the ground at the same time. The Chamber can appreciate the seriousness of what we are speaking. It not only affects the actual coming and going through the terminal buildings but it also has implications for parking on the aprons on the outside on the airside and also for parking and congestion on the landside of the airport.

This is a problem that has been going on and is a challenge now for some time. What even compounds this problem is that as tourism takes a different type of shape, particularly cruise tourism which I will speak to later, we are also seeing an issue where on Tuesdays and Fridays a carrier out of England actually operates five 320-seater aircraft to Barbados bringing passengers for cruise ships. That again compounds the problem that we are having not only in terms of the scheduled and actual

chartered carriers but when you are talking about aircraft bringing people for home-porting and for cruising the problem is even more compounded.

On those days, we are not only talking about 1112 passengers, we are talking about transferring 1500 passengers in and out of Barbados on those particular days intended only for cruise ships.

When this initial plan was thought out we were expecting by 2005 to have an average of 1300 passengers - you can see that we have already passed that amount in terms of our peak hours - and 1600 passengers inbound and outbound by the year 2015. What ultimately is summed up, Mr. Speaker, is that Barbados' airport has long outlived its capacity to accommodate its passengers. That is the wider issue. We, Sir, are victims of our own success. Barbados is doing particularly well in terms of its numbers and people that are coming and going, both locals and regional passengers and of course our bread and butter tourists. The issue is that the airport can no longer withstand the level of traffic that we have.

It speaks, Sir, to the issue not only of being the victims of our own success but it also sets up in our own minds benchmarks and parameters for how we are doing as a country particularly in our most important industry. That must be the significant point. Not only is this a challenge in terms of how we will handle the capacity but it sends a message that we are doing well and it sends a message of prosperity to our nation, how we handle the challenge, how we go from here is really what is going to be the most significant thing for our tourism industry and for national development on the whole.

Tourist arrivals over the past decade have certainly skyrocketed. In 1989 in terms of long-stay visitors we were just over 450 000; 1990 - 432 000; 1991 - 394 000; by 1992, which was the year of the economic holocaust that we went through, we were down to 385 000. By the year 1999 we were back up to 517 869 long-stay visitors.

During that time as well over the past decade from 1989 we had 337 100 cruise passengers.

11:35 a.m.

Tuesday, November 7, 2000

Continuation of Hon. N.A. LYNCH:

In 1989 we had 337 100 cruise passengers and it came to a peak of 517 000 cruise passengers in the year 1997 and that the first year that Barbados actually recorded over one million passengers coming into Barbados both long-staying and cruise. This has a significant effect on what happens at our two major ports, the Grantley Adams International Airport and the Bridgetown Port.

Sir, it is obvious and clear that our capacity has been stretched to the limit. Also, Sir, the changing arrangements in the air traffic and tourism globally are impacting very seriously on how we deal with our tourist industry. Many non-traditional tourism destinations have now come on stream, competition has become more intent and there are many people willing to travel which means that in the future we are projecting even greater numbers. Emerging middle classes all over the world and non-traditional passengers, people who never travelled to any destination, particularly a tropical destination in a developing country, are now willing to travel to our country. These circumstances have impacted upon the industry in Barbados and on all of our operations.

Barbados also has become literally a regional hub for all of the other Eastern Caribbean islands both in the sense of cargo and passenger traffic. Many new smaller airlines have also come on stream in recent times. There are a number of smaller aircrafts - EC Express, BWIA Express, TIA and other smaller charter operations - distributing people from larger aircrafts to cross the Atlantic, from either side when they come into Barbados. Sir, all of this is cumulating in the fact that there are numerous aircrafts on the ground at any time.

Sir, our neighbours in the other island want to be associated with the prosperity and what is happening in Barbados. We have seen significant rises, not only in our traditional markets, in terms of bringing people to this destination but we have also seen an increase in regional traffic coming into Barbados.

People in the industry consider Grantley Adams International Airport to be the top airport in the region. Over the years this airport, no matter what we say, has won numerous awards for its efficiency. Grantley Adams International Airport continues to be a beacon of aviation excellence in the Caribbean and people from all over the globe have praised Grantley Adams International Airport. The most recent award, the prestigious World Travel Award 2000, was just conferred on Barbados last week in Jamaica. They voted Grantley Adams International Airport as the best Caribbean airport ahead of airports in Jamaica, the Bahamas, Cuba and Puerto Rico. This is the second time in three years that Grantley Adams International Airport has been conferred this award.

This particular award is voted by travel executives and high profile travel players all over the globe. It is not an award that comes lightly. As I have said, this is the second time in three years that Grantley Adams International Airport has won this award.

There are a number of other awards that the airport takes every year. It speaks to the efficiency of the Grantley Adams International Airport whatever people may say. It also speaks to the efficient management at the Grantley Adams International Airport. It speaks to the type of operation that we run and it also speaks to the state of the art operation that we have. Sir, it also speaks to the confidence

that travel professionals have in our airport.

Sir, all of this creates a whole new difference for what is going to happen in our tourist industry in the coming months. All is not rosy. There are going to be some challenges ahead. Particularly bothersome to us is the weak Pound Sterling versus the U.S. dollars, the rise in oil prices, the changing interest rates in the United States and also the perception of what is going to happen in the United States of America without Bill Clinton as the President. These are some of the serious challenges that we have to look at.

Sir, this new tourism thrust is changing our tourist industry in Barbados literally before our eyes. Not only are we seeing non-traditional markets emerging in terms of supplying tourists to Barbados but we are actually seeing tourism being reshaped and this is going to impact very severely on traffic at the Grantley Adams International Airport and the seaport. The dynamics of the industry are forcing us to reshape our industry and rethink these institutions that have been symbols of efficiency in our country.

One of these areas is the area of cruise tourism, this is changing significantly. The issue of home ports and cruise-and-stay is literally changing the way in which we do business in the industry. Barbados never used to be a home port. In a home port situation passengers actually come into Barbados and are taken to the ship. They come back to Barbados on that ship and are taken directly to the airport and are taken away again. In the issue of stay and cruise, a combination where a passenger actually stays on the island or the issue of staying first and then cruising or cruising and then staying will have significant implications for our hotel industry as well. Sir, presently there are three ships that are home-porting in Barbados, the Star Clipper, the Royal Clipper and the Black Watch. These ships are actually home-porting in Barbados and taking as many as 1 500 passengers a week out of Barbados. Four other carriers are expected to come on stream very soon. This was discussed in September at the FCCA Conference in Panama in which four other ships are expected to home-port in Barbados but Puerto Rico, which was one of the significant areas for home-porting, has not been able to provide all of the facilities, particularly for mega ships and, therefore, Barbados stands a very good chance of being able to be the home port for some of these mega ships. This is going to have significant effect on what happens to our tourism industry overall.

Sir, it also will have a significant effect on aircraft travel in and out of Barbados. It also will have a significant effect upon what happens at the Bridgetown Port in terms of the corporatisation and the privatisation of that Port as well. The Arcadia, the Sun Dream, the Sun Bird, the Emerald and some on the bigger ships are expected to come on stream very shortly.

Sir, all of these issues will have serious impact on our country because the infrastructure our country has to respond to the dynamics of this industry. Our social situation and also the actually physical makeup of our country will change as we get more people coming from the exterior, particularly in terms of the roads, the parking areas, the terminal building itself and the equipment that is used at the airport. There are a number of significant changes that must be made if we are to continue to be on the cutting edge of what is happening in this very dynamic industry.

12:45 p.m.

Tuesday, November 7, 2000,

Continuation of Hon. N.A. LYNCH: Barbados has always prided itself in being a country that has had very good successes and has been at the cutting edge of the changes, technologically, with happenings within the industry and also in upgrading our physical plant to accommodate these changes.

There are other issues as well in terms of the parking areas at the airport. Obviously there is going to be more traffic and employees. The parking areas for both staff and patrons will also be severely impacted with this increase in traffic. There is going to be a need, as well, on the island for more hotel rooms. We are talking about bringing as may as 3,000 to 5, 000 passengers a day into Barbados for cruises stay through the airport. It also creates a significant impact upon our hotel bed situation.

Barbados lost hotel beds over the years. We are now up to a capacity of just over 5,000 rooms on this island. There are already new rooms coming on stream and this is not only in response to what is happening in the cruise- and-stay area but also what is happening, generally, for our tourism industry as it takes shape.

There are new rooms going up. Gems of Barbados - 75 rooms at the Savannah property; Sandy Lane comes back in December with just over 100 rooms; Needhams Point Development which provides another 300 plus rooms in the new Hilton; Coconut Court, on the south, is building 100 rooms; there is a proposed development for that Peninsula as well, Needhams Point Peninsula, the Island Inn is proposing to build another 200 rooms; the Fairmont; Royal Pavilion; Glitter Bay Hotel is expanding and building another 50 rooms at their property as well as upgrading the existing rooms that they have; the Pierhead Project that was just approved in this Chamber some weeks ago, also speaks to the issue of creating another hotel of 300 rooms right here in Bridgetown in what some people consider to be best strip of beach in Barbados.

The issue now of Barbados having more capacity we are talking about in the next 5 to 8 years being able virtually to create another 2,800 to 3,000 hotel rooms on this island. It has significant impact for how we operate as a people. It brings with it many pending social problems and challenges. It needs, seriously, to be looked at because Barbados is going to have much more tourism than it has now once these come on stream.

All of this does not even speak to the issue of the villa market. There are also villas expanding in Barbados, even on the south coast. Significantly, Royal Westmoreland continues to expand as a

village, and Sandy Lane, in the Bennetts area, in terms of around their golf course, having more villas than they have now.

This increased tourism capacity, overall, will have a significant impact on other areas of national development and particularly in the industry. It speaks to the issue, as well, of how we upgrade our ancillary services to meet this onslaught. Included in there is the ancillary activity that will go on at the Grantley Adams International Airport. Once you move to that level we also have to provide ancillary services at the airport and part of that project includes the issue of duty-free shopping areas and the like in the new terminal at the Grantley Adams International Airport.

We have always, Sir, prided ourselves on having new upgrading always on the cutting edge. The new initiatives outlined in the Economic Proposals this year, earlier in this Chamber a week or so ago, in terms of investment opportunities are going to create, we believe, additional investment in Barbados because the terms of conditions for investment are going to be substantially improved particularly in terms of having 20 years tax holidays in Barbados.

We are going to have to upgrade the airport to meet the demand and we have to give Barbadians and visitors the best face of Barbados. It is said that you do not get a second chance to make a first impression. The Grantley Adams Airport is the first place that anyone sees when they come into Barbados. That sets the stage for whether your vacation goes good or bad. It also, significantly, sets the stage for your first impression of Barbados. Not only of Barbados but also Barbadians.

The issue speaks to how we deal with our immigration services, the cleanliness of the airport, the friendliness of the airport people, taxi drivers, what you see when you first come out of the airport in terms of curbs and roads, what you see if you want to go to the bathroom in the airport, the first line that we present to Barbadians is going to be the Grantley Adams International Airport.

As we become more sophisticated as a nation, we, therefore, need to present the best face possible because it is going to impact, not only upon our tourist traffic but also on the probability of investment in Barbados. If an investor comes here and he is treated with a surly attitude by some functionary of the Government at the airport, I can tell you straight and plain that we may be kissing that investment good-bye.

Therefore, with all this said and against that backdrop, it was determined that we needed to move toward revamping this airport. I want to make the point that it is not only for visitors. The Grantley Adams Airport is for Bajans first and foremost. That is why not only an issue of bringing it up to standard and making it better, going the extra mile, is not only important for our tourism industry but it is also significant, as well, for the pride that we take in our nation as Barbadians.

This project, Sir, is not a partisan thing. This project begun in 1989 when a previous administration determined that there was need for expansion at the airport. However, it was not until 1993 that the feasibility study was completed and signed. In that feasibility study, the recommendations were that on the landside, that new terminal buildings, duty-free malls and a new arrival hall should be built at the Grantley Adams International Airport. On the airside, the feasibility study recommended rehabilitation of the existing runway, taxiway, the parking aprons, and also additional parking aprons and taxiway for aircraft.

In 1995, the Canadian company Syher Meuller was contracted as consultants for the project and in principle they also agreed that an airport authority should be established and that a strong project unit should be put in place to oversee this entire operation.

The design phase of the airport: There was supposed to be the preparation of requisite legislation and regulation for a new airport authority for Barbados to update existing airport, and civil airport legislation, and a study on the cost effectiveness of air bridges and other passenger utilisation at the airport.

11.55

Tuesday, November 07, 2000

Continuation of Hon. N. A. LYNCH: In addition to that there was supposed to be study on new shopping space and shopping areas as well as counter space, and discussion with the Caribbean Development Bank and other institutions for additional financing.

There was also an additional study that was done to examine the legal regulatory framework and the financial arrangement for the establishment of an airport company; an actual commercial operation.

What was determined was that a commercial entity was needed at the Grantley International Airport deal with the commercial side, while the regulatory side was going to stay in the hands of the Government.

Barbados Airport Inc., is a limited liability company in which Government has all of the shares. The project which is estimated to cost \$163.7 million is supposed to build an airport with the capacity to handle traffic through to the year 2015.

In October 1999, the loan of \$28.8 million was approved by the IADB and additional project financing

was to be sought by other means.

The additional financing, a loan from the BDB, makes up \$44.46 million or 27 per cent of the total cost. Counterpart financing by the Barbados Government of \$17.39 million, or 10.63 per cent of the total cost.

Counterpart financing by the Barbados Airport Inc., of Barbados \$69 million, or 42.41 per cent of the total cost.

In addition, there was supposed to be a duty-free study which was completed in 1997.

When the project was first started, it suffered a number of set backs and one of these was with the actual consultants. Tyfermueler was contracted for the terminal work. When the duty-free study was completed 1997, it set the project back by more than one year. The pavement work actually started in December, 1998, and it was projected that there would be 635 days to complete the project.

There were some other things in addition to the pavement work: The installation of new conduit for lighting at the airport, the paving of an additional outer eleven meters on either side of the runway which was not in the original project and came in as an additional cost of \$4 million and also the realignment of the airside road.

On September 03, 2000, the project was given an extension of 29 days and was substantially completed on September 13, 2000. However, it should be noted that there were a number of outstanding issues from the project. The asphalt in some areas, were tearing away and the contractor were asked to repair the taxiway, which was outside the contract. The tearing is also occasioned by putting aircrafts on the shoulder of the taxiway.

Generally speaking, there was a report made indicating that the project would have been set back by two months because of theft at the airport. That is totally erroneous. I want to repeat the project was substantially completed on September 13, 2000. Anyone can go and see it. The physical work is now completed and it is now within the revised budget. So far, there are some additional claims for the contractor, but those are being dealt with by the Airport Authority.

In terms of the physical work at the airport, seven pre-qualified contractors were selected and have sent the necessary tender documents and a pre-bid meeting with these seven contractors is set for November 16, 2000.

The tender documents should be returned by January 03, 2001 and work on the terminal is expected to begin in April 2001 and should take some eighteen months to be completed. So, some eighteen months after April, we should have a new arrival terminal at the airport.

There are some other issues that are of significance. As I have said earlier in the debate, Barbados is fast becoming a hub for the Eastern Caribbean in both cargo and passenger traffic, therefore, there must be a new cargo facility built. The cargo facility, which was delayed some two years ago, is now expected to start on January, 2001 and should be finished a year later.

In terms of security, a new perimeter fence also will be placed at the airport, as well as a waste-water facility. The airport as well - and this is of some significance - is to be corporatised as opposed to privatised. In the initial stages of this corporatisation, what will happen is that BA Inc., a company already incorporated under the Company Act of Barbados with a Board of Directors, is now in the process of hiring members of staff. They are also in the process of handling the operations regarding how we are going to deal with those who have been working at the airport under the Government.

The Government, of course, is going to handle this with a very humane face in terms of giving each employee at the airport the best possible conditions, either for transfer into another department, or working continuously with the new company. In terms of the creation of the Grantley Adams Airport Inc., the Bill will soon be coming to Parliament.

There are some other significant changes that are happening. One is the relocation of the people in the flight path at Fairy Valley, close to the Grantley Adams International Airport.

There has been some toing and froing on this issue. The issue is now being resolved. Some 69 households are in this relocation project and the Ministry of Housing and Lands is acquiring the land and actually is in the project of building the houses for these 69 households.

Let me say, Sir, significantly, the Government is looking to improve overall, the circumstances of all of these people and upgrade their standard.

Sometime ago, the Government moved people from Bridgetown to Clapham and immediately improved their circumstances of living. In this project, the houses that are going to be built in Leadvale are going to be done under the strictest of conditions, sticking to the housing code of Barbados. We need to do it right and the Government is looking at the prospect of putting everyone into a concrete house. Now, this is going to be a significant step in improving the living conditions of all of persons living in the flight path of Fairy Valley.

I know that the Minister of Social Transformation would like this...

Asides.

Hon. N. L. LYNCH: You do not know much about houses. A stone house. You want an airport in St. Lucy, we are not giving you any airport.

In terms of improving the living standards of all of those associated with this project, that is being handled by the Ministry of Housing and Lands.

12:05 p.m.

Tuesday, November 07th, 2000

Continuation of Mr. N. A. LYNCH:

I also want, Sir, to be able to set the records straight in terms of many of the challenges that we have. Even though the Grantley Adams International Airport is considered to be the best in the Caribbean, and it is, and even though it runs a more efficient shift than any other airport in the Caribbean, the issue is that there are still some significant challenges at the airport that need to be dealt with.

The airport is 21 years old, the equipment at the airport is old, it is prone to break down. The state-of-the-art equipment that you have at the airport, you do not buy off of shelves anywhere, you therefore must go through some pain in terms of acquiring new equipment at the Grantley Adams International Airport.

Sir, there is a new radar system that is going to be installed at the Grantley Adams International Airport by the first quarter of next year. This was already ordered

since January 2000, when Cabinet gave its instruction to do so. However, it takes time to both construct and install. A radar is not a shelf item. It must be custom built for specific air spaces and the issue is that we have been handling a situation at the Airport which the air traffic controllers and the management of the Airport have been handling very seriously, very diligently and with the utmost respect for all those who travel into our air space.

Barbados continues to run a very good and efficient operation but there is going to be a Facilitation Committee coming to the Airport to be able to oversee and deal with the challenges that we are going to have regarding the dislocation of people when the new Airport, Inc. comes on board. There is going to be serious channelling of efforts to see that everything at the airport runs smoothly.

As a matter of fact, there was a playing field at the airport which is going to be lost because of the construction of the new cargo facility but we have been able to create a new playing field on the other side of the road for those that have been dislocated. It is a much bigger facility and it is going to be a much better facility. In other words, the Government is showing a very serious human face to everything that is happening within the confines of the airport because that is part and parcel of this project. No one is going to be dislocated by what happens at the airport as we continue to expand and create for Barbados what is going to continue to be the best airport in the region and can compare with

many Airports internationally that have big names.

Sir, the other issue is that we will project that Barbados will have an airport that is owned by the people because the airport ultimately will be privatised. However, in the initial stages, it is necessary that we continue the process of being able to look at the airport as belonging to all Barbadians and all Barbadians sharing in the wealth in an institution that is seen to be one of efficiency upon activity.

The same thing will happen at the Bridgetown Port because in essence, as our tourism industry continues to move, the two of them are bound together, when one improves, the other will improve. The same type of expansion project is going on at the Bridgetown Port. That particular project has had its set backs and one of the determinations in that particular project was how we will deal with the future of sugar and the bulk sugar terminal at the Port.

We have now resolved the issue and the Port itself is also going to be expanded to accommodate mega ships, to create a whole different scenario in terms of cruise tourism for Barbados. The Port is also going to be corporatised and then privatised so that Barbadians can share in the wealth and the potential wealth of this nation.

Sir, I want to give some aspects of the loan, the terms and conditions of the loan from the European Investment Bank. It is a 15-year loan, including a four-year grace period. The interest is imposed at the date of signature, contract or disbursement and the guarantor is obviously the Government of Barbados. Sir, many steps have been taken to ensure that this loan has an interest rate that we can more than pay back but it speaks to the efficiency on being able to pay back debts.

I want, Sir, to end by saying that the project at the Grantley Adams International Airport is more than just another airport project, or another expansion project. What it speaks to is the prosperity of a nation, the prosperity of a nation not only being able to be seen by its people but people being able to share in the wealth and the potential wealth of this nation.

Through the privatisation project, Barbadian will now have an opportunity to significantly own aspects of the airport, an institution that so many of them have a sentimental attachment to. It means the continued modernisation of Barbados for all Barbadians to see.

With those words, Sir, I beg that this Resolution do now pass.

Mr. SPEAKER: The Honourable Member for St. Lucy.

Mr. D. St.E. KELLMAN: Mr. Speaker, I rise to speak on this particular Resolution. The Honourable Member for St. Michael South has stated that the airport was built for 800 passengers within an hour. He went on to say that it has risen to 1 200 and as much as 1 400.

Sir, some simple statistics, at the 1 200 rate, there is a 150 per cent increase and at the 1 400 there is 175 per cent increase which tells me that we are operating with a capacity of...

Hon. A. P. WOOD: Mr. Speaker, on a point of order, just a slight correction for the Honourable Member for St. Lucy. This is something minor. Mr. Speaker, if we move from 800 to 1 200, it is not

150 per cent increase but it is a 50 per cent increase.

Mr. D. St.E. KELLMAN: Mr. Speaker, that is quite correct and I am glad to see that finally...

Mr. SPEAKER: Which one is correct?

Mr. D. St.E. KELLMAN: I will get to that, Sir. There is no need to correct me when it comes to math.

Mr. SPEAKER: Okay.

Mr. D. St.E. KELLMAN: When I said 150 per cent what I meant was 1.5 per cent and 1.75 per cent.

The Honourable Member for St. Philip South is now doing his job because the Prime Minister long wanted someone on that side who understands figures and I am glad to see, Sir, that I have been begging in this House for some person to understand figures and now we have the person from St. Philip South showing his abilities.

It shows, Sir, that in truth and fact what the Minister is saying that we have built an airport and at 800 passengers we have the target and the capacity we needed, at 1 200 there is a need for another half of an airport, at 1 400 that we are three-quarters short and at 1 600 that we need another airport.

It also tells me, Sir, that instead of investing all of this money, that all the... I nearly said the stupid talk on the other side. When I called in this House for another airport, the Honourable Member for St. Michael South should have got up in this House this morning and demanded of his Government to look for another airport and I will not tell you where to put it because the location is right and the position is known.

Mr. SPEAKER: You know that kind of expression in Bajan what it means. I hope you are not so referring to the Chair.

Mr. D. St.E. KELLMAN: Mr. Speaker, fortunately for me, Sir, that might be in Bajan but because of how I have been brought up, I would not know of what you speak.

Mr. SPEAKER: Okay, thank you.

12:15 p.m.

Tuesday, November 07, 2000

Continuation of Mr. D. St. E. KELLMAN:

I am saying, Sir, that we need to stop and study carefully what we are doing. If we are going to be developing our tourism industry, we cannot continue to put all of our eggs in one basket. Barbados must seriously look at having another airport in this country because if we are going to be dealing with the numbers we have, we cannot afford on an hourly rate to lose 1 200 or 1 500 passengers if we have a serious problem at the airport.

It is true that we have a serious problem at the airport but we are still making out, Sir. It is true that we need that radar in place but to come in here and give the impression that the radar problem is a minor problem, is not a serious discussion which should be coming from the Minister of Tourism because Barbados is too dependent on the tourism industry to have a radar at the airport which is not working.

To be borrowing the amount of money that has been borrowed for this particular project, I would expect that priority number one would have been to make sure that the radar is in place and operating correctly, Sir. It is a bad message to send to the world that we have an airport where some evenings you can have seven aeroplanes coming out of Europe and five aeroplanes coming out of the United States of America and we do not have a radar to direct those aeroplanes onto our tarmac. I am calling on the regulatory authority to make sure ... I know that we cannot buy a radar ...

Hon. N. A. LYNCH: On a point of order. The Honourable Member is misleading the House as he continues to do every day in here. I have already said that a new radar has already been ordered for Barbados and that it will be in place by the first quarter of next year. A radar is not a shelf item. It was ordered since January of this year. It has already been made. Some of the parts have already been shipped. It will be installed - you just do not put it up just like that - by the first quarter of next year and it will be commissioned. I have already said that so the borrowing of the money has nothing to do with the radar. The radar has already been ordered and parts of it are already here.

Mr. D. St. E. KELLMAN: Mr. Speaker, I cannot understand how in a House like this, when everybody knows that the official tourist season starts in December, how you are going to come and tell me that you want to put up a radar in the year 2001. That radar should be in place before the tourist season begins, so what point of order is that, Sir.

We must make sure that if tourism is what we are going to be guided by, that the necessary infrastructure is put in place to make sure that we get those tourists, Sir. If this report goes out as it stands, there is a possibility that we can have a massive decline in tourist arrivals in Barbados and I could be hearing in here that the Minister said that there is a radar to be put in place in 2001 and not in October or November. I am saying that this is not a matter to play with, Sir. This is a matter that we have to be serious about because if tourism is the main plank of our economy, it must be treated in that particular way, Sir.

Asides.

Mr. D. St. E. KELLMAN: I will move on. Can the Minister tell the tourism officials at the Barbados Tourism Authority and those who deal with the aircrafts coming out of the European and American markets that you can have 12 planes in the air at the same time with no radar? The Minister should apologise to the House for this type of behaviour, Sir. This is a serious matter. It means now that I cannot even book a flight out because I am not leaving Barbados nor coming back to Barbados without a functioning radar at the airport. If that is the way he wants to go, well then, I will warn him, that is how serious the matter is.

We also have another situation, Sir. Since March of this year, I have been warning the Government to be very careful about where they are borrowing money from. Here it is again, the Government is borrowing money on the Euro market again, but this is a very dangerous market on which to borrow money. We are borrowing Euros, Sir.

One Honourable Member is saying that is not true, but if the Honourable Member had taken time to read the Resolution, he would have recognised that we are borrowing \$15 million Euros which is \$BDS28.8 million. The present exchange rate is \$1.92, that means, Sir, that we are borrowing a currency that can fluctuate and nobody knows what it will go up to. As it stands now, the Euro is very low.

I have always said in this House, Mr. Speaker, that whenever you are borrowing on a market with fluctuating currencies, you should borrow when the rate is high in your favour and not when it is low, for the simple reason you get more Barbadian dollars but when you borrow when it is low you get the reverse.

We have not learn from our Japanese experience in this House, Sir. What will happen, Sir, is that when you borrow when the Euro is low, when you come to repay it, you will have to pay out a lot of Barbadian dollars and US dollars, which will impact on our foreign reserves, when in truth and in fact you would not have netted the maximum amount in the US currency for the Euro. This is simple finance.

If the Honourable Member for South Philip South wants to get up, this is the time now to get up and contradict me and I challenge him to get up and correct me on this pronouncement but I know that he cannot do it, Sir.

What is also amazing, Sir, the Honourable Member for St. Michael South said, that the Caribbean

Development Bank will also be helping to finance this particular project and he has made an amazing revelation, Sir, that \$44 million will be coming from the Caribbean Development Bank. Many Barbadians would not have remembered that the Caribbean Development Bank borrowed a Japanese loan for Barbados. Unfortunately for me, Sir, I do not have the right bag in Parliament but I have it downstairs where I noted where the Caribbean Development Bank borrowed that Japanese loan and I told a meeting at Road View that the loan the Caribbean Development Bank was borrowing was for Barbados and the evidence is now here, Sir.

What will happen is that Barbados would have to service this loan that was borrowed by the Caribbean Development Bank. The Japanese Yen is also very low at this time, Sir, which means that when we come to repay these loans, we will have 'to fork out' large sums of foreign exchange and we will have a significant foreign exchange loss on these particular repayments.

This reminds me very much of the situation - and I have spoken about this particular problem in here on more than one occasion and I know you are tired hearing me talking about it, Sir - where the Caribbean Development Bank was borrowing loans and then they will pass them on to people who do not understand. I am telling you that this is the same thing. They have now borrowed another Japanese loan and they are doing the same thing to the Barbados Government as they did to the Barbados Sugar Industry Limited.

I am telling you that when the Japanese loan appreciates that the foreign exchange losses for Barbados are going to be significant and they would then come back and be 'sitting pretty' at the Caribbean Development Bank because they would have found someone to service their Japanese loan for them.

I am saying it is alright to come in here and brag about what you are doing at the airport and how you are going to be spending X amount of dollars, but when you look at the total amount of payouts that will be incurred, there is going to be a significant drain on the foreign reserves of Barbados. That I why I keep saying to people, it is all right to brag about how many foreign reserves you have, but if it is not managed properly... I feel that the Minister of Finance should give some directions to his Ministers on this particular matter because surely the Minister of Finance and his advisors would understand exactly what I am talking about.

Sir, I would expect that at Cabinet meetings, the Honourable Member for South Philip South would educate the other Ministers on issues like these especially when it comes to the foreign exchange of this country. It makes no sense just reading a note, it is no sense taking it and keeping it for himself, it is time he takes it from me and expand it to his other Members.

12:25 p.m.

Tuesday, November 07, 2000.

Continuation of Mr. D. St.E. KELLMAN:

It is clear that the Cabinet Members do not know

what the capital expenditure is and neither will they know about foreign exchange losses or gains.

Mr. Speaker, we are at a stage in this country where we should be coming to this Parliament to put a proposal for a second airport and not spending a substantial amount of money on the airport and we should be preparing ourselves for an alternative airport in case anything happens. There is no doubt and the smallest child in Barbados will tell you that the tourist arrivals in Barbados might increase, but the smallest child will also tell you that if we ever had a serious problem in Barbados that we would suffer significantly because we do not have a backup plan.

It is okay to talk about the airport and the seaport. The truth is that if we should have a problem at the seaport the ships would not necessarily have to come into the harbour for the tourists to come to Barbados. It can be done just like St. Maarten. They come off in St. Maarten as though they are coming off flying fish boats, that is no problem. But at the airport, are you going to stop the plane in the air and let them down? I am serious. The only way that we are going to solve our particular problem is for us to let them down by a rope or something. If we have an alternative airport, we will be able to divert the plane to the alternative airport and deal with that particular problem.

Sir, on this particular issue we understand what we are about. It is time that the Government understand what they are about. I understand, Sir, that it will also take fifteen years to service this loan of which four years will be a grace period. They will brag and tell you, Sir, that they are getting this loan only at 3 per cent interest. I have said to this Parliament on more than one occasion that the interest rate is not the only factor to judge whether a loan is good or bad. It is the rate of the particular currency at the particular time and the potential propensity for the currency to move upwards. It is clear that if the renewal is at its lowest it can only go up. If you are borrowing when it is high, you can easily make the assumption that it will come down. The financial advisors and the Governor of the Central Bank must come and explain to Barbadians what advice they have given to the Minister of Tourism where he has recommended this particular loan to the Minister of Finance.

Mr. Speaker, because you have a build-up in foreign reserves you just do not go around shopping and borrowing bad loans. It also draws attention to something that is most significant. If our credit rating is so good, why would we at this time borrow a loan on the Euro-Market and get CDB to borrow a loan for us on the Japanese Market? That is the question that must be asked, Mr. Speaker. One would have thought, Sir, that our credit rating would have been so good that we would have been able to go to any bank in the world. We also would have been able to dictate to any bank that we want to borrow X-amount of money. It is clear to me that what is happening in this country is that though the papers are saying one thing, when go to the banks it is a different story.

Sir, that is why during the Budget the Honourable Member for Christ Church East said that he was walking on a playing field and his telephone rang, and when he answered somebody told him that the \$100 million loan on the U.S. Market came through. That is a very significant point, but he forgot that I was in here. How can you change a Resolution in here to move from U.S. to London and then come and tell me about U.S. \$100 million? It tells me, Mr. Speaker, although the loan was made in the U.S. dollar

that we will have to repay in sterling.

Asides.

Mr. D. St.E. KELLMAN: No, no. The Honourable Member for Christ Church South I know that you mean well but you are slipping on this particular one. Thank you. That is why they loan it on the U.S. market and they will get their repayment in the Euro. This means that Barbados will get a fixed rate and pay at a fluctuating rate. What a risk to this country! Thank you very much. I know that you would not mislead me.

Asides.

Mr. D. St.E. KELLMAN: Never mind. I was schooled under the hands of the greatest, T. S. Haywood, Coleridge and Parry School and he produced Prime Ministers.

Mr. Speaker, I am saying that whether they want to change what I am saying or not, is not important. The important thing, Sir, is that the history of this country will prove that the Barbados Labour Party was warned that they were going to the wrong market and they refused to listen. It is a very funny thing with this Government. You can give them the best advice and they take too long to take it in. Sir, the simple reason is that I was listening to an 'ad' lately on a radio station in this country. I heard a lady telling returning Barbadians, and I believe the lady was referring to English Barbadians, that you can now come and get a duty-free car in Barbados. Do you know what was amazing about that? I could not believe my ears, Mr. Speaker, that a returning national instead of bringing a car to Barbados, would come now and buy a car in Barbados to save foreign exchange and spend some money in Barbados.

Sir, when we had the discussion in this House and I put that as an alternative, the Honourable Member for the City lambasted me for making a point like that and told me that it was against the returning nationals. The Government can now sneak it through the back door and implement it and did not give credit to the Honourable Member for St. Lucy. I know, Sir, when they recognize that the advice given on this particular Resolution is the correct one, they will sneak it through the door again and everybody will believe that the source was the Barbados Labour Party and its Cabinet.

Sir, do you know that there should be a law in Barbados that when you give like this and it is not taken the same time and then it is implemented later you should be able to bill for consultancy fee and be able to put people in Court for using your ideas without your permission. The Barbados Labour Party would have to pay out 'real' fees and they would be in Court on many occasions because of ideas and afterthoughts which they used that belong to the Honourable Member.

Sir, I am saying that we also have to make sure that those ships that are now using Barbados as their home port must use Barbados under certain conditions. I do not believe in this foolishness, Sir, in taking a plane load of people from the airport and taking them from one port to another port. I do not believe in that, Sir. I believe that there should be some negotiation where they can either get an island tour or they must be able to come and see what we are offering in Barbados so that there might be a possibility that some of them instead of using the ships to come to Barbados and move from port to port might become long stay visitors in this country. If you are going to move them in the all-inclusive way, as this Government likes to do, where you shut them up in air conditioned coaches and move them from

port to port, they would not get in contact with the masses of people in Barbados which is our greatest product. If they do not get the opportunity to meet the people of Barbados, Sir, then we would lose out on a golden opportunity in converting those tourists into long-staying visitors.

Sir, the Minister of Tourism instead of bragging about the number of people who are being moved from the airport to the seaport must put a proposal to the necessary officials to make sure that there is some interaction between the tourists and the people of Barbados. We would just be shifting people and we would have to regard them as what the old people would call rolling stones and we would not be able to gather

any moss from off their backs. The moss in this case would have to be some money in the pockets of the masses.

That is why I prefer, Sir, to ask the officials at the BTA to recognize that they have a role to play in this particular matter.

12:35 p.m.

Tuesday, November 07, 2000

Continuation of Mr. D. St.E. KELLMAN:

They should come up with a marketing tool to make sure that when those people come from the airport there is some package that they could buy into to let them know what Barbados is all about.

I understand, Sir, that there is a possibility that the two ports will be privatised. We were told in this House that it would never be. Corporatised and then privatised was what I was told.

Asides.

Mr. D. St.E. KELLMAN: Mr. Speaker, when we asked about that we were told that there was no way it could happen. All of a sudden, a new Minister is in place and what was said by the Deputy Prime Minister is not important anymore. It is said by the Minister of Tourism which tells me that the Minister is the real Minister and it seems to me that the Minister is so powerful now that he can also

deal with what is important in the Ministry of Finance and also tell people in the Ministry of Housing what to do. He is now a policy maker not only for tourism but for the Ministry of Finance and also for the Ministry of Housing. All of a sudden, the new super minister. I wonder, Sir, when he will take his rightful role and accept the advice given to him and not be only a Minister but also be Chairman.

As I have said in this House, Sir, the warning has been given already that certain people recognise that it is time to leave and all of a sudden there is a bunching at the gate. Everybody is running towards the gate and finally we have had a situation where the new Minister has thrown his hat in the ring.

Asides.

Mr. D. St.E. KELLMAN: I am to be PM II too. There is nothing wrong with that. From the time I knew him he was always ambitious like that. He always felt that he was the best athlete that Barbados ever produced now he feels he is the best Minister and I have no problem with that. I compliment him on it.

We also are, Mr. Speaker, at a particular junction where we have a golden opportunity to deal with the traffic situation in Barbados. It does not make sense having the amount of tourists that we are talking about and putting them on one highway or on two roads out from the airport. We have an opportunity now to sit down and think of a new traffic plan. Instead of having all the traffic going in one direction we can have the traffic coming in two directions from our airport which will relieve some of the problems on our highway.

I am hoping, Sir, that the Cabinet of Barbados would recognise that this is not only a matter for the Minister of Tourism but it is also a problem for the Minister of Public Works and Transport. I do not know if this would engage him because I know that he is caught up in his new Black Rock Road but if we get the Ministers coming together the two might be able to recognise now that with 15 000 tourists leaving the airport, there is the possibility that it might be two per family in about 1000 vehicles moving at any one hour and that there is a need to change that flow of traffic and divide it up.

It does not necessarily mean that the new airport in the North must be an airport to accommodate all the large planes but it could accommodate the small planes. We might be able to introduce the use of helicopters in a larger way considering that shortly there must be significant investment at the Naval Base.

Aside.

Mr. D. St.E. KELLMAN: Mr. Speaker, we must recognise that in our traffic flow management that we must not only look at the number of cars being used by Barbadians on a whole to go to work but we must also look at the number of vehicles coming out of the airport and filtering on to our highway. It is a serious matter that we must consider because if we are going to be asking our tourism players to bring more people to Barbados and we have large numbers coming out of the airport and large numbers coming from the seaport, which are not too far away from each other, we need to divert some of the traffic.

When you consider, Sir, that the majority of the major tourism plant is going to be between St. James

and St. Lucy not too far from now...

Asides.

Mr. D. St.E. KELLMAN: Mr. Speaker, in employing any traffic plan...

Aside.

Mr. D. St.E. KELLMAN: ... Of course, the Naval Base must have a significant hotel not too shortly from now. That is why I am backing the CDC plan and that is why I figure that instead of negotiations going on that we should be hearing something more concrete and substantial about that particular project at the Naval Base. The Minister mentioned today about the number of home-porting ships but I would like to know if we are going to have all of these home-porting ships, which port would they be staying at. He did not mention that.

Already we have a problem with the daily call ships where they are complaining that they do not have enough space and that the cargo ships are also complaining that when there are large numbers of tourist ships in the port that they cannot offload their cargo. I want to know, Sir, when the Naval Base project will come into play to relieve the deep water harbour of the particular problem that they are having at this particular time.

As you will know, Sir, if you are looking at the Naval Base you also have to look at North Point. If you look at North Point and those types of projects then you also have to look at the airport. It is no sense delaying the progress of Barbados. If you want to talk about true rural development in Barbados this is exactly what I am talking about.

The Honourable Member for St. Philip South when he reflects on this particular matter, after he leaves here, would recognise what I am saying is true and he would have to seek the necessary advice from me.

Sir, I am saying that if we really want to develop Barbados we cannot continue to spend substantial sums of money on one airport when there is a dire need for us to have the second airport. I do not know what it takes to convince the Cabinet of Barbados but the whole of Barbados already recognises that there is a need for the country to go forward and the only way Barbados can go forward is by having a second airport, a second hospital and the facilities for the cruise ships in St. Lucy.

Mr. Speaker, all along we have been saying to Barbadians that what belongs to Government belongs to them. We have been telling Barbadians that whatever belongs to the Government is theirs, all of a sudden I am now hearing that we are privatising certain things, including the people of Barbados.

I want an explanation on that. They tell me that the Barbados National Bank belongs to Barbadians and they tell me that ICB belongs to Barbadians and now I am hearing proposals to give it to Barbados again. What they should say is that they need to get the balance of the money that Barbadians have in their pockets and their banks. Now that I want to hear what is the proposal on the airport and the Deep Water Harbour, I am hearing about privatising.

Aside.

Mr. D. St.E. KELLMAN: You corporatise and then you privatise. The senior people in this Party seem not to understand what is going on. The new boy on the block seems to have the knowledge. If you want to know the Government policies check with the Honourable Member for St. Michael South, that is where Prime Ministers come from.

When you beat a Prime Minister there is a possibility that you could be a Prime Minister too.

Aside.

Mr. D. St.E. KELLMAN: ... It is a very foolish person to come to politics and want to be a Backbencher all their life. Anytime I am in a Cabinet and nobody shows ambition it is time for me to get out of the Cabinet. I do not see why the Backbenchers of this Parliament want to remain there all the days of their lives. Do you think you can keep Reverend Atherley on the Backbench acting all the time?

12:45 p.m.

Tuesday, November 7, 2000

Continuation of Mr. D. St.E. KELLMAN:

Mr. Speaker, I am hoping that we will recognise that in any new tourism policy that our major ports, the present ones and the ones to come, will be taken into account. You cannot have a tourism policy without first recognising that there is a need to increase the number of ports in Barbados. Any time you have a tourism policy and you do not recognise that point, Sir, then it cannot be a tourism policy for modern Barbados, it has to be a tourism policy for Barbados in the 1960s.

Sir, we have to recognise that if the tourism sector needs to go forward that we must look at it in an expansive way and not put all of our egg in one basket.

I am calling on the Government to recognise that it is not too late, that the foreign exchange markets of Barbados are very important. It is okay to have foreign exchange but we also have to learn how to keep foreign exchange. If we do not borrow properly, all the foreign exchange gains over the last few years will go in one day and we will be back in the hands of the IMF and wondering why we are there. I am calling on the Minister of Finance and the Honourable Member for St. Philip South because it seems to me that he now has someone in his Cabinet that he can rely on when it comes to finance.

Mr. Speaker, it also tells me that any future Prime Minister of Barbados must recognise that he cannot continue to function in a day to day Ministry. Any future Prime Minister must recognise that managing a Cabinet in this age of globalisation is so important that he must see himself as the super Minister dealing with all the Ministers and not necessarily dealing with the day to day managing of people within a Ministry. A word to 'the Owen' is enough.

Hon. D.A.C. SIMMONS: Mr. Speaker, I beg to move that further consideration of this Resolution be deferred until after lunch.

Hon. R.C. EASTMOND: I beg to second that.

SUSPENSION

Hon. D.A.C. SIMMONS: Mr. Speaker, Sir, I beg to move that this House be suspended until 200 p.m.

Hon. R.C. EASTMOND: I beg to second that.

The question that the House be suspended until 2:00 p.m. was put and resolved in the affirmative without division and Mr. Speaker suspended the House accordingly.

RESUMPTION

Mr. SPEAKER: This Honourable House is now resumed.

Hon. Sir HAROLD ST. JOHN: Mr. Speaker, I welcome this opportunity to participate in a debate relating to what I regard as one of the most important infrastructural development that is taking place in Barbados at the present moment.

This Party has a proud record in introducing far-reaching infrastructural projects in Barbados. The seaport and the airport are among the pioneering projects that a significance contribution towards their realisation was made by this Party. The airport, of course, is to some extent a shared project in that over the course of its history, from its acquisition in the early 50s right up to the present day, contribution to its improvement has been made by both political parties.

I have been fortunate to have been present in the House at the time of the building of the existing terminal building in 1979. It is remarkable that the planners of that terminal building were farsighted enough to conceive of a plan which would have lasted for the period of time that the existing terminal lasted. When I was the Minister of Civil Aviation in 1976 the signing of the project had already taken place and our contribution was the finalisation of the plan, the finances, the extension of the runways and most significantly, the integration of the airport into the greater development of St. Philip and Christ Church.

I am very pleased to see that continuing in the same vein we are looking at expansion now of the terminal but we are looking at the expansion in the context of an overall development plan including St. Philip and Christ Church.

I know that the Honourable Member for St. Lucy would like to make a comment on that but the good sense of the planners in bringing St. Philip and Christ Church and integrating the airport development with the holistic development in that area is something that the Honourable Member for St. Lucy would not comment on.

Sir, I would like, for the benefit of everybody in Barbados for a very detailed master plan of the overall impact of this new development to be published. When one looks at the road from Six Roads to the rising sun, swinging left at the roundabout at St. Patricks and also at the Searles/Lowlands junction together with the building of the ABC Highway one would understand the integrated nature of those road developments.

Sir, there is also something else that I would like to say. The removal of people in the Fairy Valley area, the finalisation of the last sixty houses is something that is an integral part, for twenty five years at least, of the further development of the airport area.

As a matter of fact, since 1970 there has been debate after debate in the Ministry of Civil Aviation and Town Planning as to what is the correct demarcation of the zone required by the International Civil Authority. As long ago as the 1970 there was the view that there should be no building in Scarborough, Thornbury Hill, Parish Land or Fairy Valley, that the zone of safety had to go as far down as the Scarborough area.

2:10 p.m.

Tuesday, November 7, 2000

Continuation of Hon. Sir HAROLD ST. JOHN:

Asides

Sir HAROLD St. JOHN: At long last I wish to note that modern opinion has confirmed to you that was an exaggerated and extra precautionary demarcation, that which was not strictly required. You are talking about a small area on the left of Providence and Fairy Valley.

The first acquisition took place in the 1960s and 1970s. Now that we are left with 69 houses, I trust that with great dispatch and humanity the relevant Ministries would get about their business of relieving the people in that area of the uncertainty which had surrounded their lives for over 25 years, to my knowledge.

I also want to appeal to some of the people living in that area that they must have an understanding that it is the national interest and not any partisan or political invective against them, that dictates that some have to move. I am very glad to see that a lot of the bitterness and confusion that arose out of the publication of the preliminary acquisition notices seemed to have been removed. The best way, I want to caution the Minister of ensuring that the project proceeds with swiftness and dispatch, is that the relevant authorities who are responsible for the removing, get about their business with dispatch and humanity.

I understand that the Ministry of Housing has been delegated that responsibility. I trust that they execute that responsibility with great dispatch as they would execute that responsibility of moving a single house at the bottom of Silver Sands. For several years they have not been able to be relocated yet. We must say these things because there must be a level of seriousness and competence in relation to the execution of important public duties and that the prevarication that seems to accompany some Ministries in the execution of the projects must not relate to this project.

The second point I want to make, Sir, is that when you look at the Fairy Valley site, the area on the seaward side of the runway, there are still a few decisions that have to be taken in the overall context, the planning. There is an old field on the way to the Light Airplane Club, in the area of the Police Training School all of that is an integral part of the development. There are still, probably, 20 or 30 houses on that side of the road, opposite the sea, they had to postpone the removal of those houses because it was not a matter of urgency in those days. I hope, that this phase of our plan is executed. In truth and in fact, Charnock, Four Roads, Fairy Valley and those areas are all part of the present airport development project.

With respect to the provision of an alternate site for the playing field, I am very happy that the Government has seen the wisdom in providing that alternate site. I was a Minister when the decision was taken that we knock down the old terminal building. All of the mould that came from the excavation should be used for the purpose of leveling the whole of that area and creating a public playing field. It has made a significant contribution to the development of football in Barbados because as soon as that was done, year-round football in Christ Church, the Christ Church Football League was

created. There was a cricket ground, football ground, tennis court- the tennis court was not as successful as we had hoped - and things of that kind.

I have not heard, Sir, what are our plans are in respect of an airport police station. This has always been a debatable matter. Once again I trust that public information would be given as to whether that temporary station, which is still in existence and it has been temporary since 1982, would be replaced by a permanent modern police station because they are those who held the view that there is no need for a police station because Oistins and St. Philip were within, what is called, a stone's throw away.

The third point that I would like to raise is the fact that the industrial estate around the airport is likely to change drastically. I am told that the airport area is linked into the new telecommunication network with a fibre optic cable which goes as far down as the Cable and Wireless at the junction of the highway. That means that industry will also be sited at the airport, not the manufacturing of goods but the provision of services.

I will appeal, also, to the Minister that a second look should be had at removing the last tenant that needs to be removed on the second airport road, the old road going down Fairy Valley at the junction of Flash Inn. That is a small job and the Minister and the Ministry of Transport and Works could make sure that it is done because everybody does not use the airport ABC Highway. People going to St. Philip would use the road that was built in 1985, going through Four Roads. If you are going to Bridgetown, in the north, you use the ABC Highway but if you are going to Christ Church, using the coast, you use that old road going through Fairy Valley. When you get to the Flash Inn corner, opposite the ADC, there is just one bad bend that needs cutting down so that you can see around the corner. We cannot abandon that road.

2.20 p.m.

Tuesday, November 07, 2000

Continuation of Hon. Sir H. St. JOHN: We would like to see that, Sir.

There are a couple of technical matters that we have to deal with. The Government has spent a lot of money on the part of Consultants and there is no question about it.

I am not satisfied, in my own mind, that some of the reports on the implementation of the reform were well thought out. The transition from a public department to corporatisation and future privatization, in my opinion, was not properly thought out because we find ourselves in a position that after a feasibility study was done by the British Airport Authorities, consultants were brought in on what you call an implementation basis. That, in turn, led to a further study on the potential duty-free contributions to the overall economics.

Recommendations were made that an airport authority, as private company would or should be

created. That has been created but to this day nobody knows whether the land around the airport, or how much of it, would be vested as part of the assets: the runway, the terminal building, but how much additional land will be going because the capital base of the Barbados Airport Authority is part of the existing infrastructure.

The Government is going to buy into that corporation, that is, the Government is going to be the sole shareholder, that is what has to take place. I have not seen any documentation that has been worked out, unless the Government is going to retain that and then lease it for an annual fee to the Airport Authority.

These things are very important and I will tell you why they are. Foreign airlines and others must not feel that Barbados Airport should be different from any other airport in the world. One of the phenomena of this time is that every country that has an airport insists that the users of the airport pay enough so as to be able to keep it up-to-date and to keep the runway in the same condition and to provide some contribution to the future.

If one studies what is happening all over Canada, the United States of America, Australia, in the United Kingdom, airports are now run either by municipalities, or leased to operators, or there are separate public companies which are shareholder financed.

I have been a Minister of Civil Aviation and I know there is a general feeling among airlines that they can push around small countries, threatening them that they are not going to pay reasonable airport rates. Let me say this, no Minister of Civil Aviation, I know, has ever succumbed to that pressure. As a matter of fact, at one stage in Barbados, when they threatened not to pay the fees, the Government passed a law saying that the Government can arrest an airline if it did not pay fees.

I know, in my time, that we used to have a very strong unit to fish out comparative airport charges all over the world. When they said that our rates are too high, we said if they thought the rates are too high, we would charge the same as Heathrow or Gatwick and that was the end of the matter. In other words, you do not run airports unless you have a sophisticated group of people who understand that this is a highly specialised business and they must be as up-to-date as any airport management in the world. Take it from me, that is a very important point.

The second point, Sir, I feel that we have to make clear is under the existing Civil Aviation Legislation there are some services that are not performed by Government departments which, in my opinion, will have to be performed in the future by the Government, for the simple reason, that those are services which are our international obligations under the International Civil Aviation Treaty, and under the Safety Regulations provide.

Now, this is a big problem. In the United Kingdom, there has been a great debate as to whether what is called the airside of an airport, should be privatized. There was a big debate as to whether the Air Traffic Control is to be privatized. I believe compromises are taking place according to the latest information that we have although they have agreed to privatise the manning of the National Air Traffic Control in England and in Europe. The likely figures are either the equipment manufacturers or air rights provisions or both. It is an integral part of the safety arrangement and your commitments under the International Civil Aviation obligations.

Again, I am not sure as to whether all of the consultants reports that we have had so far have been analysed that in depth. It is a very important point and I draw it to the attention of the Minister, it should be pursued to the fullest.

As far as the legal and regulatory regime is concerned with respect to oversight and things of that kind, we have reached the stage where we have gone full-circle. Years ago, it was recognised that in the Caribbean, because of our small size, the need for objectivity and the need to be practical, what we really need is a Caribbean Civil Aviation Authority to look after oversights.

Each of these island can attract people who would have the flying competence who can become supervisors. In fact, the air traffic controller is probably one which you can have. We used to have a Caribbean Training Service for pilots on aircrafts, that, unfortunately has lapsed because of the usual Caribbean situation where people, other than from Barbados, would not pay their contributions, but we are back in the position in which some thought has to be given in respect of oversights. At least there should be harmonised laws and interchanging of personnel if you are going to attract people of such caliber.

What we really need to preserve here is our experienced people; some have retired, some have been made redundant and such like. They must have the requisite flying or supervisory experience.

It is obvious that we have to bring our Civil Aviation Legislation up-to-date. The last major revision was in 1982. The regulation was published in 1984 and there has been a change in the world in oversight in many areas. In my opinion, that is an area in which the Government must have an overriding interest in ensuring that should they decide to delegate it to the Airport Authority, or to anybody, the Government must have sufficient reserved power to ensure that the obligations to the International Civil Aviation are maintained.

Lastly, Sir, I want to say that although the airport is regarded in some quarters as very efficiently run. I must say that I am disappointed over the course of the last two or three years with the fact that the management has not been strong enough to deal with the scheduling of arrivals at the airport.

2:30 p.m.

0Tuesday, November 07th, 2000

Continuation of Hon. Sir HAROLD St. JOHN:

There is absolute no reason why we will allow, on Mondays and one or two other days, all of the European Airlines coming here to come the same time. We went through that exercise and we used to tell them that we are sorry if they did not want to come to Barbados at the time when we told them to come. We were trying to space them out. There is no point bringing everybody in between 1:00 and 400 p.m. because the immigration just cannot handle it, the baggage cannot handle it so it is a question of scheduling.

There was a special committee which consisted of the Airlines Association, the Airport Manager and somebody from the Ministry and it used to be tough. There used to be a fight, particularly with the charter carriers because they wanted to come in at the same time as the scheduled airlines. They wanted to dictate to us when they wanted to come but they could not go to Heathrow and dictate to anybody.

Asides.

Hon. Sir HAROLD St. JOHN: I want to say this, it is going to take to two to three years from now to build the airport. Some temporary solution can be had. There are days when there are long gaps up there. You have to decide it is going to stop and you are going to tell them that they have to phase the arrivals. This year, you must give the charters a period of time. Next year, you will give it to them for two years and allocate it on that basis.

If you do not do it, you will have to make special arrangements for the immigration and customs to be in operation. There is a matter that has to be dealt with and that is the bottleneck and that is why we are written up in the European journals as having among the worst arrival procedures that they have encountered.

This is not done in America. It is a difficulty you would not want in America because they have planes that come out of the peak hours and that is the most amazing thing. In North America, the Americans and the Canadians have times when planes come out of the peak hours.

When planes come in here early in the morning at 4:00, 500 or 600, o'clock, the people get the best going through, at any airport you will find, because there is no congestion, the baggage can handle it and the people take them and they go. It is from Europe that everybody wants to come...

Asides.

Hon. Sir HAROLD St. JOHN: Correct, so it is a point that you have to deal with and Ministry has to deal with. You have to get everybody. There is an Airlines Association at the Airport. There is very little that you can do about the baggage because the baggage handling capacity is just not big enough.

There have been some great improvements in the seating for the departures, that has done a lot to relieve some of the congestion going out but it is the arrival point that we have to deal with. I ask that special attention, in the interim, be paid to that and let them understand that if they are going to run that aspect of it then they have to deal with the airlines. Airlines all over the world like to try and threaten you in these areas. Sir, I look forward to the development of the airport in its fullest extent. The Bill is necessary.

Sir, I must say a little about the borrowing of the money. You could have billions of dollars on the banks in Barbados but the banks in Barbados are not interested in lending money except they have a bank guarantee and have the highest rate of interest. The truth of the matter is, banks in Barbados have been spoiled by the fact that they can lend money on consumer loans at highly profitable rates so that you have to take a risk.

Everybody who borrows money in a currency other than the US, since Barbados has kind its currency to the US, has an exchange control risk, whether it is the Japanese Yen, whether it is the British Pound, whether it is Euro there is an exchange control risk.

Government borrowing, sugar production, everything is a risk but you either hedge against that risk by borrowing or buying Euro dollars at the amortisation times or introduce a fine arising from and financed by, the difference between the rate of interest of 3 per cent and what would be a normal commercial rate.

A normal commercial rate could be 9 per cent. If you could buy at 2 or 3 per cent and assume that the loan is 3 per cent and every year you could provide a fund of 3 per cent on the loan on an exchange risk - I believe the Honourable Member for St. Lucy would regard that as being some element of hedging - you can do that. There is nothing to stop the internal books of the company and internal allocations from taking into account the fact that you had an exchange risk. There is no doubt you have an exchange risk but you can hedge against it or you can provide a fund for dealing with it so I do not regard that myself, as such a big problem.

The Central Bank, obviously with the Japanese experience, will have more experience now. If the Government advisors, given the Japanese experience, do not have some understanding of the implications of this, I will be very surprised. I do not believe it and I am sure that there are going to be advisors but you either hedge or you are going to provide a fund. Those are the problems.

Sir, we are entitled, as ACP countries, to get the subsidised interest rate and it is three and a quarter per cent. Honourable Members will forget that both administrations have come in here for guarantees for the Light and Power Company Limited and other people to take advantage of this money but you must regard it, not as a 3 per cent but call it a 6 per cent loan and put aside some in some way to deal with it.

Thank you, Sir.

Mr. SPEAKER: The Honourable Member for St. John.

Mr. D.J.H. THOMPSON: Mr. Speaker, I have some questions in relation to this Resolution. I want

to follow on, in respect of some of them from the points made by the Honourable Member for Christ Church South but in particular, I want to ask the Minister if he could tell us how the \$50 million that had been provided in previous Estimates for capital works at the Grantley Adams International Airport have been spent. What was it spent on and how those sums had been allocated because we had previously asked about provision being made in the Estimates in a sum which equated to about \$50 million, whether that was a phase of the project.

Sir, I would like the Minister to tell us what this loan will cover, how many phases the project will have and what is in each component phase of the overall airport upgrade project. What portion of it relates exclusively to traditional airport facilities and what portion of it would relate to ancillary expenditure, either on the provision of the sports facilities or provision of alternative housing accommodation and other infrastructural accommodation that does not relate specifically to the airport.

Mr. Speaker, Sir, this House, prior to today, had never been told to the best of my recollection that there is a company known as Barbados Airport Incorporated so that this Resolution would have taken me by surprise because I do not know who owns Barbados Airport Incorporated.

The House does not know who owns it. No details have been given to Parliament, either in the past or in any significant way in the presentation of the Minister. I think it would be perfectly within the purview of Members in here to request information: When was the company incorporated? How is it going to be capitalised? Who are the Directors? What is the management structure? What is the functioning of the Company going to be related to? What aspects of the Airport operations are going to come under this new company?

Sir, I think one has to make a distinction. The Government has played around for a long time with the two words corporatise and privatise.

2:40 p.m.

Tuesday, November 07, 2000

Continuation of Mr. D. J. H. THOMPSON:

By international standards, the word privatize includes corporatization. Now, obviously Government

itself does not necessarily understand this because they used the two words as if they are exclusive but corporatization of a statutory corporation is viewed as a form of privatization.

Therefore, when you use the phrase corporatize and then privatize, which is what the Minister said that we are corporatizing it and then privatizing it, I want to know if he means by that, that they have corporatized it already and Barbados Airport Incorporated is the privatized version of the original corporatization or whether they are moving straight from the present operation or configuration of the Airport into a private company and how that transition will be taking place. That is very important.

Is it going to be a company incorporated under the Companies Act of Barbados? Is it going to be a publicly listed company to be listed under the Stock Exchange of Barbados? How are you going to actually be moving from here? This is very important because the ability of us to analyse how the investment is going to take place and the flexibility which the Honourable Member for Christ Church South speaks about, what operations are going to be privatized and put before the private sector, let us say for bidding, and these kinds of things are very, very important .

I still feel that Parliament is being given very limited information. It comes in dribs, drabs and drips in relation to the establishment of these new private companies. Will it be under a management contract with professional airport managers or will it simply be a company established under the Companies Act but will simply have the same managers who presently operate it? Is the privatization of it a condition of the loan from the European Investment Bank, because that is not unheard of?

The Honourable Member for Christ Church South can tell you that BTIC was formed not because the Government was at that time persuaded that a private company incorporated under the Companies Act was the best way to go but it was a condition - I have heard him say this in here - of some financing arrangement for the World Bank. I heard him say that many years ago and I remember it. So is this part of it.

I remember reading the last article for consultation from the International Monetary Fund in which they listed all of the statutory entities or all of Government operations which would be privatized. It is strange that they knew that the airport and the seaport among other entities were going to be, not corporatized but privatized, and yet this Parliament would have known for the first time by way of today's Resolution that privatization whether partial or to be completed at a later date has to be undertaken.

We need to know if it is a condition of some loan?. Is it an edict from somewhere? Does the Government conceive that this is the best way to go and why? What are going to be the functions of the new company and how would it be managed?

I think the Honourable Member for St. Michael South and all Honourable Members on that side know our position on these companies. I am not going to reiterate it here today because there is a rule against repetition and I think we have said it often enough and today is not the day for that.

The details on the current financial state of Barbados Airport Incorporated have not been put before this House. The details of what the company has done so far have not been made available to this Chamber at all. The details of any liabilities the company may have, of any asset that the company

would own, land, buildings, or any other equipment, none of that has been put before this House. No business plan has been put before the House and yet we are required to agree to a guarantee of \$BDS28.8 million on the strength of the Minister's introduction.

We have been through this before, time and time again, in here and all the Government does is give commitments that it will lay the information on which we can make this kind of judgement before Parliament. Not a single statement has been made about the viability, business plan, management structure, assets, liabilities or who the directors are in relation to Barbados Airport Incorporated.

I believe that new Ministers or anybody - I do not wish to be too harsh on the Honourable Member for St. Michael South because it is a culture that his own party has perpetuated and he could fall very quickly into that - coming into Parliament in circumstances where a guarantee is being sought and in which this Parliament is saying that should the entity not be able to pay back those funds, the taxpayers of Barbados will be called upon to honour that debt, that the courtesy and the right of every parliamentarian should be to know and to see the state of the company to which that guarantee is being offered.

You have to make a distinction. The last time we raise this, somebody in a moment of nonsense and absurdity got up and said that you do not see financials from the Barbados Light and Power Company Limited when you give them a guarantee but the Barbados Light and Power Company Limited is a publicly listed company in Barbados whose accounts are made available. They circulate them to all parliamentarians and all ministers.

When you give a guarantee to the Barbados Telephone Company Limited, again, that is a publicly listed company which must have audited financial statements and it may provide a prospectus from time to time. But here we are back in Parliament again guaranteeing a loan to a company that I did not know existed, has no track record and no background information and it is to be done not against a background of the Minister giving that information but on a wing and on a prayer, to use an aeronautical phrase.

I do not think that is what the Minister intended and I believe that he needs to rectify the gross omission in his presentation in failing to provide that information. It is not for me and it is not a partisan issue. The Parliament as a whole is entitled to know because there is not a single Backbencher, sleeping or awake, who knows what the state of Barbados Airport Incorporated is - not a single one - and I speak on their behalf as well as on my own behalf in respect of this particular matter.

The Minister of Tourism gave a presentation which sets out the reason for the loan and apart from a difference in emphasis, which is important, about whether we need to invest more in the existing airport or we need to consider constructing another airport, there are some points on which there is no divide.

2:50 p.m.

Tuesday, November 07, 2000

Continuation of Mr. D.J.H. THOMPSON:

The fact that we need more capacity, the fact that we need to upgrade the facilities of the existing airport is true, these are not points on which we are quibbling. What we are saying is that you need to have a higher standard and level of accountability to Parliament in circumstances such as this. I expressed the gravest of concerns about it because it is a trend that we have seen emerging constantly in this Parliament where we are asked to guarantee loans for companies formed under the Companies Act which have no track record, for which no financials are provided and against a background of company ignorance.

If you do not have a track record then the Minister has an obligation to bring before the House a business plan. How did the European Investment Bank lend you the money? On the strength of what, just the Government guarantee? There must have been something that was put before them. Where is the model of the new airport facilities on display that the taxpayers of Barbados can see? Where are the plans on display? They might very well be. I do not know. Where is the model? Before I left the Cabinet there was a model for Pelican Development. Models are not unusual. There was a model for the Central Bank when I was at school. The Honourable Member for Christ Church South would probably remember they used to take the model around and show school children and talk about the development. It is the people's property.

We cannot be cavalier about this. I do not encourage any Minister to be cavalier. Privatisation is a serious business. Giving a large guarantee like this is a serious business. The Minister gave the background to the airport expansion, that is fine, I am not arguing with him on that. As I said, we have a different view on where some of those resources should be put but at the end of the day not a word about the new corporate structure and the track record or the potential of the new company to whom the money is going to be granted.

What about the tenders in respect of the work that has been undertaken in the airport? To whom were they awarded? What has been the value of those tenders?

I asked already what are the phases. What is the completion date for each phase of the airport project? When will the House be given the actual details of the physical development in respect of the airport? Perhaps the Minister can also tell us when the Cabinet formally agreed to the privatisation of the airport because that would be at indirect variance with assurances given to us by the Honourable

Member for St. Michael North - I do not remember the date - who said it would only be corporatised, that he was a firm believer that security at the airport and other concerns would ensure that the airport always remains in the full control of the Government of Barbados. He was very passionate about that, and rightly so. Of course he was doing all the work in that Ministry and therefore one could sense the passion that could be coming forth from him.

The Honourable Member for the City, his substantive Minister, also denied that there was going to be any privatisation of the Bridgetown Port and the airport. So if the Government has changed its policy positions on privatisation of the airport and the seaport the House is entitled to hear the exact details of the change of policy and what propelled that change and what the future corporate structure and configuration will be, consequent on the implementation of the privatisation policy.

I believe we have given the Minister a comprehensive list of questions. It is alleged that in his previous incarnation he was a very efficient individual when he was in charge of the Tourism Association. I assume that the Minister will bring that usual efficiency and attention to detail in answering these questions and that Parliament will not have to hear that in due course that information will be made available or after he consults with officials because at the heart of what is before the House, to my mind, would be the question of the future prospects of the airport under new corporate arrangements and what is the proposed viability. I think Parliament is entitled to this information.

We are developing a new trend in Barbados where the Government is undertaking a lot of this investment through private companies. It started with the BTIC and moved into BAMC, BACT. We all accept that this is a trend but with it Parliament needs to regain its right to have the details of government investment objectives. I am not going to succumb to any board of directors appointed by virtue of the Companies Act and having control over millions of dollars of investment to any Minister who tells me that it is a private company in which Government has shares and that information, therefore, does not have to be made available to Parliament. That may be good enough when you are sitting over there but one of these good days you will be right over here and if you open the floodgate and permit this nonsense to continue in Barbados, Parliament will lose all control over the expenditure of capital funds on major projects. We will lose all control over understanding how companies get into debt and why taxpayers have to wipe off that debt.

Years ago, Government was giving out Letters of Comfort and in 1991 one of the key problems we had in Barbados when the IMF came here was to clear off horrendous arrears in the BADCO, Caricargo, Arawak and that in itself was a major programme. In Trinidad, they devoted one Minister to doing that alone, Mr. Ken Vallee, travelling throughout the Caribbean trying to clean up all kinds of debts where the Trinidad Government had set up joint venture companies with other Caribbean countries and the taxpayers never knew the true indebtedness of those companies.

We cannot continue with this trend and I am sensing that in fact the situation is getting worse. As I say, I cannot accuse the Government at this stage of hiding anything because Barbados Airport Inc. is a new company. I assume it has not undertaken any new investment but if the Government does not tell us what the business plan is and the projections are then yes, I can say that the Government is hiding something. The Minister should come in here with a document, that is my firm belief. Members of Parliament should be given a document which sets out every time he comes for these guarantees just as we have Estimates of Revenue and Expenditure and we have statutory corporations supposedly filing

financial statements, when you come for a guarantee that information should be brought here and made available to Parliament.

We hear all the fancy talk about the Barbados Labour Party's dream in this regard and so on but none of that will come to fruition if Parliament surrenders to a Board of Directors of a company incorporated under the Companies Act and none of us know what is happening. Those are my concerns, Mr. Speaker, Sir.

3:00 p.m.

Tuesday, November 7, 2000

Hon. A.P. WOOD: Mr. Speaker, I rise to give my support to this Resolution which I think is very timely even though some would say, Mr. Speaker, based on the figures presented by the Honourable Member for St. Michael South that the expansion plans are coming a little late. Mr. Speaker, I say that against the background of the Honourable Member for St. Michael South stating that the Grantley Adams International Airport has outlived its capacity.

If one reflects on the figures presented by the Honourable Member for St. Michael South - that in 1979 on average about 400 passengers per hour passed through the airport and that by the time the project had finished in 1979, 600 passengers per hour had passed through the airport - the expectation at that time was that by 1989, the airport could have usefully accommodated 800 passenger per hour but by 1982, Mr. Speaker, the traffic flow had already exceeded what was anticipated in 1979. Therefore, Mr. Speaker, one gets an idea of the value of this level of expansion that is being planned.

The Honourable Member for St. Michael South went on to say that the current situation is such that on average 1 000 passengers pass through the airport, going in one direction, per hour and at peak hours there were between 1 200 and 1 400 persons. Mr. Speaker, we are in no doubt about the value of what is planned here in this Resolution.

Mr. Speaker, all of us in here agree, as the Honourable Member for St. John said, that the expansion to the airport is vital so there is no divide on that issue. I would want to focus on some of the issues and

I do not want to get too caught up on whether there is a need for a second airport. My focus at this time which is similar to the Honourable Member for St. Michael South, is to get the existing airport improved to accommodate the traffic flow, that is my concentration.

Mention was made earlier that in the immediate future we will be seeking to effect a corporation at the Grantley Adams International Airport. Mr. Speaker, I would like to focus on the importance of managing that corporatisation exercise. We need to ensure that as soon as the exercise is completed that not only emphasis is placed on the physical plant at the airport but enough funds should be earmarked to lead to the requisite improvements to the physical state.

Mr. Speaker, I would want to encourage those who are responsible for managing the airport to also pay some attention to the human resources development aspect. Mr. Speaker, the project will not be completed unless the human resources development issues are addressed along the improvement to the physical plant.

Mr. Speaker, we know that a lot of effort has been placed on this area, the Ministry of Home Affairs with the Immigration Department, the Ministry of Finance and Economic Affairs with respect to the customs officers, the Ministry of Agriculture and Rural Development with respect to the Plant Quarantine Department, etcetera. Efforts of this type must be ongoing. As we seek to bring improvements to the physical plant, I would also want to encourage that a proper maintenance programme be put in place on a continuous basis to keep revisiting the human resources development aspects.

Mr. Speaker, the Honourable Member for Christ Church South was correct when he said that in the shortest possible time the airport with its new authority should be run as a self-financing entity. He made mention of the fact that this situation obtains at other international airports in the world. We would want to ensure that the cost structure of the Airport Authority is such that it is manageable in relation to the revenue generating capability of the airport.

Mr. Speaker, we need to pay close attention to this corporatisation exercise. I do not want to get involved in the discussion about the semantics of the Honourable Member for St. John whether there is a new definition of corporatisation which includes privatisation or not. What I would want to focus on is for us to get the corporatisation exercise right.

As I said earlier, we need to get this entity operating as a true corporatised entity and that it becomes self-financing in the shortest possible time. We do not want to burden it with unnecessary cost so we need to get proper systems in place to ensure that the highest level of efficiency is achieved.

Another issue that was mentioned earlier and I support this fully, Mr. Speaker, is that we need to pay close attention to Barbados' ability to become the cargo hub for the Caribbean. This is another issue that I would want those responsible for managing the airport to prepare the airport for. There are tremendous business opportunities in this and, notwithstanding the fact that there will competition coming from elsewhere in the Caribbean like from Trinidad and Tobago who are busy preparing themselves to become the cargo hub in the Caribbean, I sincerely hope that we respond in a positive manner, having invested large sums of money and rightfully so to improve things at the airport, that we benefit in the best possible way from the cargo handling opportunities which will be created.

Mr. Speaker, I want to issue a word of caution to those who plan for the expansion of the airport. I have been reliably informed that the work which is being undertaken is to facilitate the Grantley Adams International Airport in handling the increased demand expect for the period 2050. I sincerely hope that at this stage - notwithstanding the fact that the funds that are being sought might not be to deal with increased business beyond 2050 - that at the back of the minds of the planners that 2050 is not a terribly long way off and just as from our experience when the planning was done in 1979, we realise that by 1982 we had surpassed the expectation for 1989 that careful and considered planning has gone on so that we would involve the experience of the early 80s.

3:10 p.m.

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Continuation of Hon. A.P. Wood: We need to go beyond that. Even if we had in our planning process where there is a lack of facilities, so to speak, which will allow us, based on our expansion plan to deal with any eventuality between now and the period 2015, we have to recognise that when we get closer to 2015, Mr. Speaker, that we might have to go through the planning for future expansion. I hope, Mr. Speaker, that what the planners were able to do in 2000 is to secure enough land around the existing airport to facilitate future expansion beyond the year and 2015.

Asides

Hon. A.P. WOOD: Mr. Speaker, I can answer that question in part. I have been told, and I respect the decision of the Town and Country Planning authorities, that there is an area in my constituency which I had identified and I thought that it was a very suitable area for low cost housing development, an area near Gemswick. I was preparing to move into Gemswick and I was reliably informed by those who know best that I will have to shift to another area because those planning for the expansion of the airport are looking beyond the current planning horizon and would need to have that area kept as a safe zone.

I respect their decision and I also appreciate that the planners of the airport, notwithstanding the fact that it is a lot of land around there, that they have considered future expansion beyond 2015 at this present time.

Asides

Hon. A.P. WOOD: Mr. Speaker, let me turn my attention to some of the resiting issues because it would be remiss of me not to make mention of these issues. The first one has to do with the movement to the other side of the street for the playing field.

Asides

Hon. A.P. WOOD: It is no secret that some folks who live in my constituency have been over to the airport because of the lack of facilities in the Gemswick, Rock Hall, St. Martins area and participated in productive activity. My folks from St. Martin and Gemswick football teams had to go over there to play competitive football. Some of our cricketers have joined the Airfield Cavaliers and they all use that ground at the airport.

That playing field at the airport is one of the heavily used playing areas in this country. I welcome the opportunity when the playing field on the other side of the street becomes fully operational. I had the benefit of touring the proposed site with the representative for Christ Church East, when he was wearing two hats. The acting Minister of Tourism and International Transport will certainly look after my interest in that section of my constituency which I just mentioned. What I saw there I was very impressed with.

What the Government will be doing is not just replacing a playing field. The present playing field serves the cricketers, footballers at its present location. Speaker, the plans for that area - we have a project which has to be done on a phase basis and this project will include a very spacious cricket field but larger than the current one. They will have a separate football field and be a spacious pavilion. The plan also includes hard courts

What is more important, Mr. Speaker, while they are trying to build up the area in that respect, further opportunities will be created for small business persons in the area. I look forward to progress of the playing field, hard court and the pavilion and you can rest assured that sporting complex will be heavily utilised.

There is another area I will like to address, Mr. Speaker, at this time and this is the negotiated loan. The Honourable Member for St. Lucy would want to give the impression that the only Member of this Honourable House who knows anything about the operation of foreign exchange market is he and he tries to trivialise these points.

Mr. D. St.E. KELLMAN: Mr. Speaker, the Honourable Member is misleading the House, Sir. I gave him some credit and now he is refusing the credit, Sir.

Hon. A.P. WOOD: Mr. Speaker, he wants to trivialise these issues by giving us the impression that this loan which was negotiated some time ago should not have been taken from a market in which the currency is the Euro, that we should not seek to take advantage of facilities that will enable us as a member of the APC states under this LOME Convention.

3.20 p.m.

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Continuation of Hon. A. P. WOOD: The Honourable Member for Christ Church South said we can get these loans at rates of 3¼ per cent per annum, but the Honourable Member for Christ Church South has given a fairly adequate response to the concerns raised by the Honourable Member for St. Lucy, because all of us in here would know that when we go to the international market to borrow, there are two issues to consider. One issue is the interest rate at which you get the loan and

the second issue is how do you deal with the foreign exchange rate.

There is no magic to what he is saying, Mr. Deputy Speaker. We have taken loans, Mr. Deputy Speaker, at a rate of 3 1/4 per cent. Had we gone, as the Honourable Member for St. Lucy is saying... the loan might have had to be taken at a significantly higher rate, notwithstanding Barbados' good credit rating but this is a separate facility and one on which you should not tarry.

Dealing with the foreign exchange rate issue, this is the risk that you set yourself against when you are borrowing from an international currency market, so what is the big deal about it, you hedge...

Asides.

Hon. A.P. WOOD: You do not understand what is going on, keep your mouth shut.

If we are able to gain on the interest rate because it is down to 3 1/4 per cent, as opposed to if we borrow at 5 or 8 per cent, as was the case, that is a significant aid. All that we are doing is exercising an option which is provided for us as a member of the ACP States under the LOME' Agreement.

But you can hedge, Mr. Speaker. There is something called "buying currency on a foreign market" and that is an instrument of hedging. So, I do not want him to give the impression that there are other ways in which you can reduce your foreign exchange risk.

The second thing, Mr. Speaker, let me reiterate a point that was made by the Honourable Member for Christ Church South. He took a more simplistic approach to the issue raised by the Honourable Member for St. Lucy and this is how he went about it.

The Honourable Member for Christ Church South said, that if by recognising we get these loans at 3 1/4 per cent, we are obviously benefitting readily. He said one way of dealing with your foreign exchange exposure is to create a special fund and treat the loan mark as a loan given at 3 1/2 per cent, for discussion sake, but treat it as a loan gauged at 7 per cent. That is a way of setting aside some funds, in the event, Mr. Deputy Speaker - but, this man is no expert in the operation of foreign currency market.

Asides.

Hon. A.P. WOOD: The Honourable Member for St. Lucy.

So, it would be some sort of insurance against the Euro relative to the improvement of the US dollar. It is so simple.

Mr. D. ST.E. KELLMAN: Mr. Deputy Speaker, the Honourable Member is misleading the House again and giving the impression that you only have to make provisions about interest rate. The truth is Sir, that we can borrow when the Euro is 1.92 per cent, but we can find ourselves, Sir, in a situation where the Euro can go as high as 3.84 per cent, Mr. Deputy Speaker, therefore, making interest provisions will not counteract the doubling of a currency. That is what I am protecting this country regime from.

The Honourable Member for St. Philip South understands quite well about what I am speaking because he has shown, by way of example, in 1994 the sugar industry borrowed money when the Yen was .004 per cent and found themselves in a situation where they had to repay the loan when it was .016 per cent - four times as much. I want to know what type of hedging could have protected the sugar industry from that bad borrowing. Now the Government is about to commit the same error, even though they have been given the evidence and already have the example in this House.

MR. DEPUTY SPEAKER: Proceed.

Hon. A. P. WOOD: Mr. Deputy Speaker, all I was outlining by making use of the Honourable Member for Christ Church South's example, is that is an example of how you can deal with an issue of that type.

I am not going to stand here and try to predict the movement of the Euro against the US dollar, ten or fifteen years from now. All I am saying is that this is an example of a way in which you can do that.

Mr. Deputy Speaker, I am going to tell the Honourable Member of St. Lucy a way in which it can be done, but he obviously does not know how foreign markets work, so let me tell him.

Asides.

Mr. D. ST.E. KELLMAN: Mr. Deputy Speaker, on point of Order. The Honourable Member is misleading the House again. I have just given this House an example of how foreign markets work and the Honourable Member, understanding how it works, were to ask the Honourable Member for Christ Church South what happened to the Japanese loans, he would not proceed along that road that he is going, because he is about to mislead the House by making the assumption that I do not know of what I speak.

Aside.

Hon. A.P. WOOD: Mr. Deputy Speaker, these are very simple issues. Simple because it was not that the Central Bank at the time did not hedge, but I was about to tell him about hedging instruments.

Asides.

Hon. A.P. WOOD: Mr. Deputy Speaker, there is no law that says if you borrow now you must use the hedging instrument immediately.

Mr. Deputy Speaker, there is such a thing called a foreign market or a foreign contract. There are stock markets, there are foreign markets, and what we can do now, Mr. Speaker, despite what the Honourable Member for St. Lucy is saying, the Central Bank can go into a foreign exchange market and buy forward, at a specified rate, for a specified time, so that by the end of X time, this Government can benefit from the Central Bank's involvements of securing X quantum of Euros, at a specified rate, that can be done today.

3:30 p.m.

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Mr. D. St.E. KELLMAN: Mr. Deputy Speaker, on a point of order, the Honourable Member is misleading the House.

Asides.

Mr. D. St.E. KELLMAN: You know, the next two Honourable Members would do well if they would listen because this is an educational programme in high finance that they do not understand.

The Honourable Member is giving the House the impression that a Government would borrow money and look down the road and see that something is wrong and then go and hedge.

Asides.

Mr. D. St.E. KELLMAN: This is what you call high finance madness for the simple reason, Sir,

that you only engage in that type of finance if you went on a market and borrowed when the Euro was at its highest level and then after you have borrowed the money when the Euro was at its highest level, something happened within the economy of the world to push the Euro higher than expected. But you do not borrow, Mr. Deputy Speaker, when the Euro is low and then turn around and hedge because what people would call that is financial madness.

Asides.

Mr. DEPUTY SPEAKER: Proceed please.

Hon. A. P. WOOD: Mr. Deputy Speaker, I think what we will have to do with the Honourable Member for St. Lucy, is when Professor Webster is having his international financial classes at the campus, right here, we would not spend any money to send him to St. Augustine, we are going to send him up there and let him take some lessons in International Finance and how the foreign exchange market works.

Mr. Deputy Speaker, I hope that the next few statements I make would leave it in doubt, to him and all the others in here that he needs some training in this area.

Mr. Deputy Speaker, he said earlier that we should not go into the market at this time when the rate is low because in all likelihood, based on what he is saying, when repayment time comes, the movement in the Euro relative to the US dollars would be favourable to the Euro. Therefore, we would have to give up more Barbadian dollars in order to make our repayment. That is what he has said.

Now, all I am saying, Mr. Deputy Speaker, if they are going to buy in a foreign market, that is, they are going to use a foreign contract...

Asides.

Hon. A. P. WOOD: ...but this is a normal thing when people take trips across national borders involving the use of the national currency.

Asides.

Hon. A. P. WOOD: Mr. Deputy Speaker, all I am saying...

Asides.

Hon. A. P. WOOD: ...is to educate him a bit. If that is the likely result that the movement in currency would be like this, all you need to do...

Asides.

Hon. A. P. WOOD: Mr. Deputy Speaker, all I am saying, if that is the case, you could use the hedging instrument in such a way that you purchase a quantum of Euros at a particular rate, for delivery some time down the road and you roll over that facility. The rate at which the Government of Barbados

will purchase the Euro, could be at a rate of the 1.92 per cent now or even less. That is your way of dealing with the foreign exchange exposure or the foreign exchange risk. He does not understand that what you do now is done at a predetermined rate and that rate would be mutually agreed upon by the purchaser's income.

Asides.

Hon. A. P. WOOD: So it does not have to be a case that we find ourselves having to give up so many Barbadian dollars, if we use the right type of heading instrument, today.

Mr. Deputy Speaker, let me move on.

Mr. DEPUTY SPEAKER: You have another minute.

Hon. A. P. WOOD: Mr. Deputy Speaker, let me in closing state that I support this Resolution totally. As I said earlier, some would say that it should have been negotiated earlier, given the significant increase in the traffic flow through the Grantley Adams International Airport.

Mr. Deputy Speaker, I said earlier that while the physical plant is being looked after, I sincerely hope that a lot of attention would be paid to the human resources development aspect. The two should go hand in hand for the project to be seen as a successful project.

Mr. Deputy Speaker, I am also encouraging the Minister of Tourism and International Transport to explore all the possibilities of Barbados becoming the cargo handling hub in the Caribbean.

Mr. Deputy Speaker, I want to register my pleasure with the plans I have seen for the sporting complex which will be built on the other side of the street.

Asides.

Hon. A. P. WOOD: All in all, Mr. Deputy Speaker, I think it is a project well conceived. I hope that when the Honourable Member for St. Michael South is wrapping up, he will bring us up to date with some of the outstanding work that has gone on at the airport, the work particularly related to the parking area.

With those few words, Mr. Deputy Speaker, I thank you.

Mr. DEPUTY SPEAKER: The Honourable Member for St. Michael South.

Mr. N. A. LYNCH: Mr. Deputy Speaker, in wrapping up the debate on this Resolution let me state first of all, Sir, that the focus of the debate was on the loan as I said in my introduction. However, it had more serious implications for a lot of issues relating to the development of our country and particularly those issues relating not only to our overall development but specifically in the area of tourism.

We focussed on tourism and tourism expansion and I continue to say that this debate is more than just

about strictly refurbishing the airport. When we came into office, we found an airport that was grossly neglected. No preventive maintenance programme had ever been in place to really shore up the airport and to put it on its right track. Elevators were not working in the tower for the air traffic control and roofs were leaking. There were a number of issues relating to that airport and the airport had never been dealt with even though the issues were expanding.

Sir, I said before that the pavement works were done and substantially completed on September 13th. In the initial scope of works, four new 747 parking positions were supposed to be installed. The scope of work was changed and now there are three new parking positions.

There were some complications regarding the cargo handlers but we have made a commitment that all the cargo handlers at the airport would be included in the new work to build the new cargo facility. Everyone will be involved in building a cargo facility that can be expanded and, therefore, will encourage people to want to come to Barbados.

Barbados is already the hub for cargo going into the Eastern Caribbean and we intend to expand that facility for Barbados to truly become the hub, not only in the region but into South American as well.

3:40 p.m.

Tuesday, November 07, 2000

Continuation of Hon. N. A. LYNCH:

In terms of the pavement works at the airport, the car park was one of the areas that had substantial problems. The car park used to flood when there were 'two drops of rain' and when there was heavy rain in the south, the water coming down from the Charnocks area would flood the car park but in recent times, as a matter of fact on Sunday afternoon, when there was substantial rain at the airport, the car park did not flood. New wells were sunk, the pavement was redone and there is no ponding now at the airport on either side and the road side is even better than before.

The regional pavement works in some areas needed to be revamped and the contractor has been able to clean up the works and now we have more...

Hon. D. A. C. SIMMONS: On a point of order, Mr. Deputy Speaker. No Airport for St. Lucy is mentioned in the Democratic Labour Party's Manifesto for the last general election. For years, the Honourable Member for St. Lucy has been advocating and indeed agitating, but he has such weight within his party, Sir, that he did not make it to the Manifesto.

Mr. DEPUTY SPEAKER: Proceed, Honourable Member.

Asides

Hon. N. A. LYNCH: Mr. Deputy Speaker, there are a number of questions that were asked in relation to the airport facility and the actual functioning of the airport. First, let me address the concerns of the Honourable Member for Christ Church South who spoke about aircrafts coming from England and North America and the difference between the two.

The issue is, there is still a Facilitation Committee at the airport which deals with scheduling in which all the airlines, immigration and customs are involved, but the issue is this. For leisure travel, people want to come into Barbados on Monday afternoons at the beginning of their work week. The second issue is - that all of airlines - and we have always had a strong position on this in terms of trying to get them to change their slots - is that the slots out of Heathrow and Gatwick are already very much closed, although they must be slots available over the Atlantic.

We cannot have too many aircrafts over the airspace because we will stand a chance of losing aircrafts coming into Barbados. Virgin Atlantic has already threatened on more than one occasion that if they cannot get a slot that is comparable and one that can compete head to head with British Airways that they would reconsider coming into Barbados and going somewhere else.

The issue, I agree, is easier said than done. The Facilitation Committee has been working with the airlines to try to create the best base possible. The issue is that the aircrafts which we use also serves the Mediterranean and they must come into Heathrow and Gatwick, they must get slots and then they must come in here and we have continued to deal with it.

Sir, the Honourable Member for St. John asked about the money that was voted in the Estimates. That money, Sir, does not include the project but it is for the actual operations of the Grantley Adams International Airport, for its maintenance and development unit, professional services and for the other operations of the airport.

In terms of the money that have been spent already, \$44 million which was the money drawn from the Caribbean Development Bank has already been put into the project at the airport in terms of the pavement works. Of the \$163 million for the project, it is estimated that \$44 million is for the pavement works, \$69.6 million is for the terminal and ancillary facilities, \$2.7 million is for project management, \$13.2 million is for engineering fees, \$14.7 million is for physical contingency, \$ 11.8 million is for price contingency and \$5.4 million is for interest on the commitment fees. That adds up, Sir, to the \$163 million in terms of the project.

In terms of the actual Grantley Adams International Airport Incorporated, phase II of the feasibility study which was carried out on the airport, spoke to the issue of placing Government in a better position to determine the framework within which an Airport Authority can be efficiently and effectively established and operated without being a burden on central Government.

Cabinet, at its meeting of September 24, 1998 agreed to the establishment of an Airport Authority and also agreed that a holding company, a subsidiary of the new Airport Authority should be established under the Companies Act to carry out the commercial transactions on the behalf of the Authority. At its meeting of October 01, 1998, it agreed to the appointment of an interim board.

At its meeting of August 1999, Cabinet accepted the additional study, phase III, and the Revised Final Report from British Aerospace. It was noted in that Report that the Airport Company, Barbados Airport Authority, as it was called at the time, had been incorporated on the October 13, 1998, and agreed that the name should be changed to Barbados Airport, Inc. We agreed to the appointment of a legal advisor.

They also agreed that the new company would be responsible for all commercial transactions of the Airport. They also agreed and instructed the Chief Parliamentary Counsel to initiate the preparation of requisite legislation which will govern the establishment and operations of the new Airport Company and the regulatory body.

They also agreed that all legal and regulatory functions governing civil aviation in Barbados, including monitoring of the future operations of the new airport, would be administered by a regulatory body, a division of civil aviation, within a restructured Ministry of International Transport. They agreed that all existing revenue currently collected at the Grantley Adams International Airport by the Ministry of International Transport should be allocated to the new company when it becomes operational.

They agreed that the existing assets at the Grantley Adams International Airport, excluding the lands, should be transferred to the new company in exchange for shares to be held by the Government and that all adjoining lands should be leased to the new Airport Company. They agreed to the proposed funding and capital structure for the investment programme for Grantley Adams International Airport Incorporated and agreed on a transition programme to be prepared for the company and the Ministry for consideration of the approval of Cabinet. They also agreed on all of the staffing issues relating to the Grantley Adams International Airport.

The Barbados Airport Incorporated Board was appointed on July 17, 2000. For the Honourable Member for St. John information, Mr. Colin Brewer is the Chairman of the Board of the Barbados Airport Incorporated. Mr. Ed Bushell, Mr. David Edwards, Miss Joyce Dear, Mr. Samuel Waithe, Miss Allison Watson-Deane and Mr. Roger Forde are the directors of Barbados Airport Incorporated.

The legislation for Barbados Airport Incorporated will be brought to Parliament before the Christmas recess. It is already with the Chief Parliamentary Counsel. Funding for the Barbados Airport Incorporated is actively being considered by the Ministry of Finance. Government is the only shareholder in the company and it is proposed that it will be funded by Government money.

All the data regarding the staff of the Ministry of International Transport, has been collected and each one of them will be treated with a very humane face, as I said before in the debate. All of those who are to be transferred will be transferred and those that the new company can absorb will be absorbed. I believe that will answer adequately all of the questions asked by the Honourable Member for St. John.

In terms of the privatization as a condition for the loan, one of the conditions of the EIB loan is that a commercial entity be established at the Grantley Adams International Airport to handle the commercial side of the operations while the regulatory side would be kept within the Ministry...

Rt. Hon. O. S. ARTHUR: On a point of order. Mr. Deputy Speaker, Sir. It is the policy of the Government of Barbados that the airport should be made into a commercial enterprise and cease being

a government department. The fact that it is incorporated into the European Investment Bank (EIB) loan does not make the initiative an initiative of the EIB, Sir.

It is not just a condition of the EIB, Sir. It is the policy of the Government of Barbados that we will transform the airport from being a Government department into a commercial enterprise. This is accepted by the EIB but it is not a condition as such, Sir. It is acceded to by the EIB.

Hon. N. A. LYNCH: The Honourable Member for St. John asked if it is a condition for privatization. No, it is not.

Asides

Hon. N. A. LYNCH: He seems too to mix up the issue of corporatization and privatization. The airport is not a statutory corporation, it is a government department at this time.

Sir, with those few words and explanations, I beg to move that this Resolution do now pass.

Hon. D. A. C. SIMMONS: I beg to second that.

The question was put and resolved in the affirmative without division.

3:50 p.m.

Tuesday, November 07, 2000.

Continuation of:

GOVERNMENT NOTICES

Hon. D. A. C. SIMMONS: Mr. Deputy Speaker, I beg to give notice of a Resolution to approve the vesting in the National Housing Corporation of land at Hoytes Village, St. James for the purpose of housing development.

Hon. G. A. CLARKE: I beg to second that, Sir.

ORAL REPLIES TO QUESTIONS

Mr. DEPUTY SPEAKER: Question No. 1, Honourable Member for St. John.

Mr. D. J. H. THOMPSON: To ask the Minister of Finance and Economic Affairs

1. Will the Minister state the principal features of any business plan in existence or planned by Government for the Gems of Barbados Project, the

expenditure to date on construction and building works, consultants fees, travel, promotional and entertainment costs, salaries and office expenses

disbursed, and all sources of funding for the project, the revenue projections for the project

and prospective dates for opening of any of the

hotels?

2. Will the Minister also state:

(A) any proposed business ownership or other

corporate relationship of which the Minister is

aware between the Gems of Barbados Project and

the hotels previously indebted to the Barbados

Development Bank;

(B) any actual or proposed write-off or other

accommodation in respect of the debts of those

hotels to the Barbados Development Bank;

(C) any tax concessions offered or granted

by Government on any aspect of the capital

expenditure or operations of the project;

(D) the number of rooms presently operating

under Gems of Barbados project and

(E) the anticipated profitability of the

project?

Rt. Hon. O. S. ARTHUR: Mr. Deputy Speaker, Sir, the reply to Parliamentary Question No. 1 is set out in a document running fully seven pages and I am at the discretion of the Member for St. John as regards to whether it should be laid. I beg to move that this question be laid.

Mr. DEPUTY SPEAKER: Question No. 5.

Mr. D. J. H. THOMPSON: Question No. 5 - to ask the Leader of the House

Will the Minister state if a ministerial investigation has been taken into the sale and distribution of drugs supplied through the Barbados Drug Service and, if so, the results of the investigation?

Hon. D. A. C. SIMMONS: No, Sir.

Mr. DEPUTY SPEAKER: Question No. 6, the Honourable Member for St. John.

Mr. D. J. H. THOMPSON: Question No. 6 - to ask the Leader of the House

Will the Minister state what plans, if any, Government has for the creation of additional posts at the Queen Elizabeth Hospital to accommodate interns over the next five years?

Hon. D. A. C. SIMMONS: To answer Question No. 6, Sir, the number of interns at the QEH has been increased from 3 to 41. The number reflects the carrying capacity of the QEH as a teaching hospital given the number of beds, consultants, supervisory staff and facilities available. There is no plan since the maximum capacity has been reached.

Asides.

Hon. D. A. C. SIMMONS: Let me check it. They have three.

Rt. Hon. O. S. ARTHUR: Sir, can the Honourable Member confirm in speaking to the need for persons interested in training doctors to be fully trained that the Government of Barbados is interested in exploring with regional institutions given that the QEH has reached its capacity?

Will the Minister confirm that, Sir?

Hon. D. A. C. SIMMONS: Yes, Sir.

Rt. Hon. O. S. ARTHUR: Will the Minister also confirm, Mr. Deputy Speaker, that the Government of Barbados has required that a project be initiated to study the feasibility of expanding and upgrading the capacity of the Queen Elizabeth Hospital both to improve its service as well as to expand the number of interns that it is capable of training?

Hon. D. A. C. SIMMONS: Mr. Deputy Speaker, I am aware that Government had under active consideration for sometime now an expansion of the Queen Elizabeth Hospital not only to modernize it

but to improve the capacity of the Queen Elizabeth Hospital to serve the needs of Barbadians and persons from the region. That has gone beyond active consideration to an actual study being done for the improvement and modernization of the QEH.

Mr. Deputy Speaker: Question No. 7.

Mr. D. J. H. THOMPSON: To ask the Leader of the House

Will the Minister state what plans, if any, Government has for the creation of additional posts at the Queen Elizabeth Hospital to accommodate interns over the next five years?

Hon. D. A. C. SIMMONS: The facility is open, Sir.

Rt. Hon. O. S. ARTHUR: The decision to create the Lions Eye Care Centre in the first instance was not informed by any scientific feasibility study nor any other document nor appraisal generally used for the purposes of making informed investment decisions.

Hon. D. A. C. SIMMONS: Mr. Deputy Speaker, as far as I am aware, there was no sufficient feasibility study that preceded the decision to create a Lions Eye Care Centre at the QEH.

Rt. Hon. O. S. ARTHUR: Will the Minister also further confirm, Mr. Deputy Speaker, that no provision nor plans were drawn to provide for the recurring expenditures of the Lions Eye Care Centre after the initial capital expenditure had been prepared.

Hon. D. A. C. SIMMONS: That is absolutely true, Sir.

Rt. Hon. O. S. ARTHUR: Will the Minister in addition confirm that the Lions Eye Care Centre, as conceived, would not have been feasible if only intended to serve the Barbados market alone.

Hon. D. A. C. SIMMONS: Sir, I confirm that.

Mr. DEPUTY SPEAKER: Question No. 9.

Mr. D. J. H. THOMPSON: Question No. 9 - to ask the Leader of the House

Will the Minister state whether Government has accepted the recommendation of the Task Force on Nursing made on July 12, 1996, that the St. John's Polyclinic should be completed as a priority and, if so, will the Minister state on what date construction of the Polyclinic will resume?

Hon. D. A. C. SIMMONS: No further construction work will be undertaken at the site of the St. John's Polyclinic until it is determined that the site is suitable for the location of such a facility.

Rt. Hon. O. S. ARTHUR: Will the Minister confirm that the DLP Plan did not anticipate any expenditures on the St. John's Polyclinic in the period between 1994 and 1997?

4:00 p.m.

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Hon. D.A.C. SIMMONS: Mr. Speaker, I am not in a position to confirm that, but I believe that if the Development Plan 1993-2000, as is laid in this House is researched, one would probably find that the answer to the question is yes but I am not prepared to give it not looking at the document and I would prefer to say, as a former Prime Minister said, the answer to that question can be found in the public documents laid in this House.

Rt. Hon. O.S. ARTHUR: Is the Minister aware that at page 265 of the Development Plan 1993-2000 at Table 23-14, No. 8 Polyclinic Development Programme planned expenditure for fiscal year for 1994/95 - zero; planned expenditure for 1995/96 - zero; planned expenditure for 1996/97 - zero?

Will the Minister, now that this matter has been drawn to his attention, confirm that there was no intention for expenditure on this or any other polyclinic between 1994 and 1997?

Hon. D.A.C. SIMMONS: Mr. Deputy Speaker, I cannot 'fly in the face' of the printed word. It is clear that there was no plan under the Democratic Labour Party for the development plan 1993-2000 to make any provision to spend any money whatever on the St. John Polyclinic.

Mr. DEPUTY SPEAKER: The Honourable Member for St. John, Question No. 18.

Mr. D.J.H. THOMPSON: To ask the Minister of Information

Will the Minister state the amount, if any, owing by the Caribbean Broadcasting Corporation (CBC) to the Insurance Corporation of Barbados for any CBC staff pension fund or any other purpose as at 1st August, 1999?

Hon D.A.C. SIMMONS: Mr. Deputy Speaker, the reply to Parliamentary Question No. 18 is as follows-

As of August 1, 1999 the amount owed by the Caribbean Broadcasting Corporation to the Insurance Corporation of Barbados were:

\$1 284 442.06 in respect of the staff pension fund;

\$93 567.06 in respect of the general insurance liability; and

\$1 154 875 in respect of the statutory corporation pension fund.

Rt. Hon. O.S. ARTHUR: Will the Minister please state whether the Caribbean Broadcasting Corporation has a pension plan with Life of Barbados Insurance Company and will he, please, if the answer is yes, disclose the main elements of that plan?

Hon. D.A.C. SIMMONS: Mr. Deputy Speaker, Sir, the Caribbean Broadcasting Corporation did have a pension plan with the Life of Barbados Insurance Company. That pension plan was a voluntary one in which the Corporation and the employees contributed. On August 19, 1993 the then Prime Minister's Office, at the time, gave an instruction that CBC should join the Insurance Corporation of Barbados' pension plan and I quote, Sir- "Without further delay".

It, therefore, meant that it ceased being one in which there were voluntary contributions on both sides, to one in which CBC itself had to make all the contributions.

Rt. Hon. O.S. ARTHUR: Will the Minister please indicate whether that decision was based on any actuarial studies or any investment analysis or any other appraisal that could cause a reasonable verdict to be formed that it was a sound financial decision?

Hon. D.A.C. SIMMONS: Mr. Deputy Speaker, it could not be a sound financial decision. It is one which has lumbered the Caribbean Broadcasting Corporation and almost broken its back financially. The directive had serious cost implications because CBC was required to do a number of things. First, to fund past service for 163 employees who had an average tenure of 14 years at a contribution rate of 7.67% of their salaries. Secondly to fund future service contributions at a rate of 6.10 per cent and thirdly, they had to pay into the fund an amount to cover gratuity and several months pensions or fund the capitalised value of pension and gratuity since the past service had not been fully funded for employees who were then at the age of retirement.

Mr. DEPUTY SPEAKER: The Honourable Member for St. John, Question No. 4.

Mr. D.J.H. THOMPSON: To ask the Minister of Public Works and Transport Will the Minister state

The number of public service vehicles which, at March 1, 1994 and September 6, 1994 respectively were licensed as route taxis, limousines, tour buses and minibuses;

The number of public service vehicle licences which have been issued in each category in (1) above since September 6, 1994?

Hon. R.D. MARSHALL: Mr. Deputy Speaker, the reply to Parliamentary Question No. 4 is as follows-

The number of public service vehicles which at March 1, 1994 were licensed as route taxis, limousines, tour buses and minibuses were: 263 route taxis, 3 limousines, 45 tour buses and 194 minibuses.

The number of public service vehicles which at September 6, 1994 were licensed as route taxis, limousines, tour buses and minibuses were: 271 route taxis, 7 limousines, 47 tour buses and 211 minibuses.

Since September 6, 1994 the number of public service vehicle permits issued in each category were: 1 route taxi, 43 limousines, 22 tour buses and 34 minibuses.

Mr. DEPUTY SPEAKER: The Honourable Member for St. John, Question No. 21.

Mr. D.J.H. THOMPSON: To ask the Minister of Public Works and Transport

Is the Minister aware of the condition of the road leading from Foster Hall to Bath in St. John?

Is the Minister aware of the number of accidents which have occurred on this road?

Will the Minister state whether there is a programme in place to effect repairs to this road?

Will the Minister further state when such a programme is likely to be effected?

Hon. R.D. MARSHALL: Mr. Deputy Speaker, the reply to Parliamentary Question No. 21 is as follows-

The answer to Question 1) is yes, Sir.

The answer to Question 2) is no, Sir.

The answer to Question 3) is yes, Sir.

The answer to Question 4) is as follows:

The Ministry of Public Works and Transport will be undertaking the roadworks to the Bath road area during this current financial year.

Rt. Hon. O.S. ARTHUR: Could the Minister please enlighten the House as to the amounts that were voted and spent on fixing residential roads in Barbados and fixing highways in Barbados for the fiscal year 1993-94 and 1994-95 and within those amounts how much was allocated for St. John and how much was spent in St. John in those fiscal years?

Hon. R.D. MARSHALL: Mr. Speaker, the monies allocated in approved Estimates of Revenue and Expenditure, 1993-94 on roads and highways were as follows

Highway construction and maintenance - \$34 737 888

Residential roads - \$447 500.

The funds were allocated by the Ministry of Finance to the Ministry of Public Works and Transport

for fixing roads in Barbados and no specific amount was allocated to any one parish. Specific information is not available at this time.

Rt. Hon. O.S. ARTHUR: Will the Minister agree that a very great strain has been put on his Ministry by the large number of roads in the parish of St. John that have not been fixed and will the Minister agree that it is a disgraceful thing that the constituency of St. John was particularly discriminated against in the fiscal years 1993-94 where no attempt was made to earmark funds for the building of roads in St. John?

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Hon. R.D. MARSHALL: Mr. Speaker, to answer that Question, I would say that during that period it has been known that the roads in that area were left unattended. Since coming into this Ministry, the Ministry has been bombarded by calls from people all over St. John to have the roads fixed. I would also say that this Ministry has taken on the mantle this time, that we are doing a tremendous amount of work in the village of Glenburnie and that we will be paving that road by the end of the year. Also, we are working on the gabion in the area of the upper road in Glenburnie. Some time in the new year the gabion will be completed and we will be able to go in there and resurface the whole road.

Rt. Hon. O.S. ARTHUR: Mr. Deputy Speaker, will the Minister confirm that the road between Foster Hall and Bath is a road that has been repaired on a number of occasions in the course of the last fifteen years. Could the Minister please indicate the approximate number of times the road has been repaired and the state as of now.

Hon. R.D. MARSHALL: Mr. Deputy Speaker, the answer to that supplemental is that the road has been fixed on several occasions. We had to go in there and do some substantial work because the road does a lot of moving. The specific information is not available at this time on the number of times it has been fixed but it has been fixed on numerous occasions.

Question 19

Hon. D.A.C. SIMMONS: Sir, based on the sewerage and soil waste project unit, the cost of construction of the landfill including consultant fees and all capital expenditure is \$22,457,528.45 as at November, 1999. The cost of maintaining the Greenland Landfill as at November 1, 1999 is BDS\$738,061.55.

Question No. 26

Mr. D.J.H. THOMPSON: To ask the Minister of Finance and Economic Affairs

Will the Minister state the name of the Companies incorporated under the companies Act since September 6th, 1994, in which the Crown owns more than 25 percent of the shares?

Will the Minister also state:

(a) the dates on which those companies were incorporated, the purposes for why they were formed and their management structure;

(b) the rate of return of any investments by and in those companies;

The Directors of those companies and the compensation package of the Chief Executive or other principal officer of each and every Company?

Question No. 27

Mr. D.J.H. THOMPSON: To ask the Minister of Finance and Economic Affairs

Will the Minister state whether Government has given the commitment that the status of all employees at all statutory corporations would equate to those of public officers?

If the commitment has already been given will the Minister state the date on which the status will be conferred.

Question NO. 28

Mr. D.J.H. THOMPSON: To ask the Minister of Finance and Economic Affairs

Will the Minister state whether CARICOM single market and economy will be fully operational by the year 2002 and what steps have been taken, if any, to make this a reality.

Will the Minister also state what specific decisions, if any, have been taken by the CARICOM Heads of Government in relation to the OECD's threat to blacklist CARICOM Member countries from harmful tax policies?

Question No. 29

Mr. D.J.H. THOMPSON: To ask the Minister of Finance and Economic Affairs

Will the Minister state the items of furniture, lighting fixtures, drapes and accessories purchased for hotel rooms refurbished by Hotel Resorts Limited for the Gems of Barbados Project and the value of the items purchased?

Will the Minister also state the country from which the items were purchased and the name of the purchasing company or individual?

Question No. 30

Mr. D.J.H. THOMPSON: To ask the Minister of Finance and Economic Affairs

Will the Minister state whether the money allocated by the Government in Estimates of Expenditure or successive Financial Statements and Budgetary Proposals, to assist in providing consultancy services for (a) the preparation of legislation, and for the establishment of (b) a software development training facility, was spent?

Will the Minister also state the outcome of the consultancies?

Will the Minister also state the progress of the development facility?

Question No. 31

Mr. D.J.H. THOMPSON: To ask the Minister of Finance and Economic Affairs

Will the Minister state the full cost of any renovations undertaken at Ilaro Court since January 21st, 1999?

Question No. 32

Mr. D.J.H. THOMPSON: To ask the Minister of Finance and Economic Affairs

Will the Minister state whether the Government will introduce legislation covering the award of pensions and other retiring benefits for soldiers in the Barbados Defence Force?

Will the Minister also state the proposed time frame for the introduction of such legislation?

Question No.33

Mr. D.J.H. THOMPSON: To ask the Minister of Finance and Economic Affairs

Will the Minister state how much money, if any, has been allocated and actually spent by the Government on the Girl Guides and Boy Scouts respectively for the years 1995 to present?

Question No. 34

Mr. D.J.H. THOMPSON: To ask the Minister of Foreign Affairs

Will the Minister state the full cost of the establishment of a Barbadian Mission and related trade or foreign policy offices in Geneva?

Question No. 35

Mr. D.J.H. THOMPSON: To ask the Minister of Labour and Sports

Will the Minister state whether the Government will construct Mini Stadiums in communities throughout Barbados?

Will the Minister also state where and at what cost each stadium will be constructed?

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Continuation of MR. D.J.H. THOMPSON:

Question No. 36

MR. D.J.H. THOMPSON : To ask the Minister of Tourism

Will the Minister state whether the Government proposes to rebuild a hotel on the site of the former Hilton Hotel?

(2) If so, will the Minister also state:

whether any contract or other commitment exist for the financing, ownership and construction of any new hotel;

the projected and/or estimated costs of the proposed hotel and

the date when construction will begin?

Question No.37

MR. D.J.H. THOMPSON: To ask the Minister of Housing

(1)Will the Minister state the Government's policy in relation to the selection of tenants for government's multi-storey housing?

Question No. 38

Mr. D. St.E. KELLMAN: To ask the Minister of Agriculture

(1)Will the Minister state the Government's policy in relation to the poultry industry and, in particular, how does the Government propose to deal with the effects of the removal of trade barriers?

Question No. 39

Mr. D. St.E. KELLMAN: To ask the Minister of Public Works and Transport

Will the Minister state the Government's policy on compensation of businesses for disruption or interference caused through road works or road construction?

Will the Minister also state what is the Government's policy on the compensation of householders affected by road works or road construction?

Question No. 40

MR. D.J.H. THOMPSON : To ask the Minister of Energy

(1)Will the Minister state whether the Government or the National Petroleum Corporation has undertaken a project called, " Gas Works ?"

If so, will the Minister also state:

Whether there was a tender system for the goods, equipment and services used in this project;

the date on which the tenders for any kind of pipe or pipe laying were published;

the specification in respect of the pipe and pipe laying;

the name of the persons who tendered and the amounts;

the closing date for the tenders;

the person to whom the tender was awarded;

if there were any instructions and were they complied with and

whether a review of audit has been undertaken in respect of the compliance with the tender requirements by the awardee of the tender?

ORDER NO. 10

TO MOVE THE FIRST READING OF THE BROADCASTING (AMENDMENT) BILL, 2000

Hon. D.A.C. SIMMONS: Mr. Deputy Speaker, this is a very short Bill. The purpose of this, Sir, is to allow for an increase in the membership of the Broadcasting Authority. Because of the march of technology and the convergence of technology and broadcasting, I think it is a council of prudence that we should have on the Broadcasting Authority a person or persons with skills and competence in telecommunication. Because of the limited way in which the existing legislation is framed, I have no scope in getting any benefit of such persons expertise and experience unless I expand the Board from the present limited number, I think that it is five, Sir.

I am asking the House for its approval to allow the Act to be amended to say that:

“ The Board comprises the Chief Information Officer, ex officio, and such number of persons as the Minister may determine.”

That creates the flexibility that is needed to ensure that the Broadcasting Authority is composed in such a way as to be able to have on it wide range of skills of a multi-disciplinary nature.

This is a fairly urgent piece of legislation because the life of the Broadcasting Authority is going to expire this week, Sir, and we need to make the appointments to the Authority because the Government has prepared new Broadcasting Regulation and a new form of broadcast licence and they are going to be significant, Sir.

I am not going to go into them now because I do not think that it is proper to discuss the terms of the regulations and licence until the regulations are made.

Asides

The regulations cannot be made , when I say made I am using the technical legal language.

They do not take effect until the Chairman of the Broadcasting Authority and the Minister sign and they are laid in here. We need to amend the Act so that the regulations which have been prepared, have passed Cabinet, can be signed by the Chairman of the Broadcasting Authority and the Minister and then have effect. This is urgent, Sir, because there are applications for radio stations, which have been pending for some time.

Since having the responsibility for the Ministry,

I learnt that the reason applications were not approved or granted, even though the Board may have approved them, was that they were waiting for the regulations to be done. Some of those applicants should be hearing from the Government within a matter of weeks once this Bills passes and we reconstitute the Broadcasting Authority.

I plan at a future date, Sir, to make a number of statements in connection with broadcasting. I will not do it today, Sir. I will wait until after the regulations have been made, to discuss in the House, broadcasting in a fuller way, Sir.

I am also holding a Report from a special committee that was set up to look at the implications of establishing a public broadcasting channel such as would allow for debates of the Parliament to be carried and for a continuous dissemination for public information on a channel that is dedicated to public service broadcasting. That Report was on my desk last week, so I read it and I am waiting for the Chairman of that Committee to return from leave before I have a meeting with him to go through the document, page by page, to make sure that I have a clear understanding before the matter goes to Cabinet.

The question of public service broadcasting is moving along since we have had a study done, the reports are in and we now have to meet as a group to go through it. It then goes to Cabinet and after that I will be able to tell the country what is the Government's position on public broadcasting network, Sir.

I beg to move, Sir, that this Bill be read a second time.

Hon. R.C. EASTMOND: I beg to second that, Sir.

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Continuation of Hon. D. A. C. SIMMONS: I beg to move that your Honour do now leave the Chair and that the House now go into Committee on this Bill.

MR. SPEAKER: The question is that I now leave the

Chair so that the House can resolve itself a Committee. On the Motion of Hon. D.A.C. SIMMONS seconded by Hon.

R.N. GREENIDGE the House resolved itself into Committee, Mr. D. Carter in the Chair.

COMMITTEE

Mr. CHAIRMAN: The House is now in Committee.

Clauses 1 to 3 were called and passed.

On the motion of Hon. D.A.C. SIMMONS seconded by Hon. R.N. GREENIDGE, Mr. CHAIRMAN reported to His Honour, the SPEAKER, the passing of one Bill in Committee and Mr. SPEAKER resumed the Chair and reported accordingly.

On the separate motions of Hon. D.A.C. SIMMONS, seconded by Hon. R.N. GREENIDGE, the Bill was read a third time and passed and cited as The Broadcast Amendment Act, 2000.

ADJOURNMENT

Hon. D.A.C. SIMMONS:That concludes Government' business for the day. I beg to move that this House do now adjourned until Tuesday, November 14, 2000 at 1100 a.m.

The question that this Honourable House do now adjourn until Tuesday, November 14, 2000, at 11:00 a.m. was put and resolved in the affirmative without division and Mr. SPEAKER adjourned the House accordingly.

4:35 p.m.