
THE

House of Assembly Debates

(OFFICIAL REPORT)

FIRST SESSION 1999 – 2004

HOUSE OF ASSEMBLY

Tuesday, May 14, 2002

Pursuant to the adjournment, the House of Assembly met at 11.20 a.m. on Tuesday, 14th May, 2002.

PRESENT

His Honour I. A. ROETT, G.C.M., B.A., Dip. Ed. (Speaker)

His Honour J. M. EDGHILL, J.P. (Deputy Speaker)

Hon. Miss M. A. MOTTLEY, LL.B. (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. G. W. PAYNE, LL.B.

Hon. R. C. EASTMOND, J.P., B.A. (Hons.), Dip. Ed., LL.B. (Hons.), L.E.C. (Minister of Labour and Social Security)

Mr. D. CARTER (Chairman of Committees)

Hon. R. N. GREENIDGE, B.A., LL.B. (Minister of Education, Youth Affairs and Sports)

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. R. St. C. TOPPIN, LL.B. (Minister of Commerce, Consumer Affairs and Business Development)

Mr. D. St. E. KELLMAN

Hon. Miss H. E. THOMPSON, LL.B. (Minister of Physical Development and Environment)

Hon. Miss C. Y. FORDE, J.P. (Minister of State, Ministry of Education, Youth Affairs and Sports)

Mr. M. Z. WILLIAMS

Mr. T. A. PRESCOD, B.A.

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, J.P., B.Sc., M.Sc., M.Phil. (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, 7th May, 2002.

Hon. Miss M. A. MOTTLEY: Mr. Speaker, I beg to move that the Minutes for the Honourable the House of Assembly for its meeting of Tuesday, 7th May, 2002, which Minutes have been circulated, be taken as read.

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

Mr. SPEAKER: If there are no corrections or observations, then let these Minutes stand confirmed.

PAPERS

On the motion of Hon. Miss M. A. MOTTLEY the following reports were laid:

1. Sugar Industry (Sugar Workers' Provident Fund) Order, 2002.
2. Half-yearly Report on the Revenue Collecting Departments for the period April 1, 2001 to September 30, 2001.

On the motion of Hon. A. P. WOOD the following report was laid:

Eighth Annual Report and Accounts of the Barbados Agricultural Management Company Limited for the year ended 30th June, 2001.

GOVERNMENT NOTICES

Hon. Miss M. A. MOTTLEY: Mr. Speaker, I beg to lay:

The Anti-Terrorism Bill, 2002.

FIRST READING OF BILLS

On the motion of Hon. Miss M. A. MOTTLEY, seconded by Hon. R. C. EASTMOND, the Anti-Terrorism Bill was read a first time.

SUSPENSION OF STANDING ORDERS

Hon. Miss M. A. MOTTLEY: Mr. Speaker, I beg to move that Standing Orders Nos. 6, 16, 18, 20, 42(5), 43 and 44 be suspended for the rest of the day's Sitting.

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

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

GOVERNMENT BUSINESS

ORDER NO. 10 – TO MOVE THE SECOND READING OF THE TOURISM DEVELOPMENT BILL, 2002

Hon. N. A. LYNCH: Mr. Speaker, I am most pleased to be able to stand here this morning to pilot what has been a long anticipated Bill, the Tourism Development Bill of Barbados. It gives us, on the Government's Side, a sense of pride as we pilot this legislation. I believe I have been afforded an opportunity that has not been afforded to many Members of Government to be able to speak in this Honourable Chamber to what Government considers to be a very revolutionary piece of legislation that is much more than just a Bill.

This piece of legislation creates, and is a very powerful and potent tool to the empowerment of the people of Barbados. Sir, this piece of legislation comes at a time when all small economies all over the world are found in a state of re-organisation. The fact is, Sir, that the demand for small economies like ours that have the ability to locate themselves within the framework of a very changed global economy, must come with distinct planning, must be done and led by planned strategies to allow them to take their rightful place in the global economy.

Sir, it is well said and has been articulated by many; tourism is our best bet where our future is concerned. Sir, if we look outwardly at the global economy and what it is serving up, the best bet would be to focus on where one positions oneself within that global economy in order to take the best advantages. Sir, in that regard, the future of any small nation within the next decade, would be to focus on its ability to be able to create programmes and strategies that allow it to take its place within a regional, hemispheric and global framework. Also to be able to focus on the areas within that framework that allow it the best comparative and absolute advantage for its survival. In this case, because of our nature, our geography, the natural attributes of the Barbadian society and the geographic makeup, tourism, at this time, offers us the best ability to take our place to be able to achieve optimum benefits from it for the people of Barbados. Sir, to be able to do that, Barbados must look for new, focal and better planned approaches for its tourism sector.

Sir, this piece of legislation fits squarely in with the focus and direction of the Government of Barbados and has been well articulated on many occasions by the Minister of Finance, the Honourable Prime Minister, in the transformation of the Barbados economy, lead to becoming an exporter of high-quality, high-value services.

Sir, many of the tools of economic management that we have been using in the past: import licenses; exchange control and price control, are becoming obsolete, therefore, there is need for radical and far-reaching changes in the way in which we do business, both in the public and private sector. There is a need for us to be able to earn our way in the world in this new world economic order. Sir, fundamental to that must be the repositioning of the Barbados economy at the regional, hemispheric and global levels. Therefore, Sir, in that context, there will be a new legislative environment, a new institutional and policy arrangement, by which a new competitive Barbadian economy, fully equipped to survive and prosper in this new global order, can be constructed and sustained.

In that context, the centrepiece of these futuristic actions are before us today in the form of the new Tourism Development Bill, 2002. This Bill cannot be taken out of context. It fits with other pieces of legislation to lay the groundwork for the construction of that new economy. Therefore, in that vein, pieces of legislation like the International Financial Services Act; the Fair Trading Commission Bill; Intellectual Property Act; the whole liberalisation of the telecommunication sector; Small Business Development Act; the new Insolvency Act for the reorganisation of businesses; all these things, along with the construction of this new economy will have some bearing and relevance upon how we continue to develop our tourism industry.

Sir, the future of tourism and what we do best certainly points us in that direction but new approaches to tourism development must emerge with an understanding that the future of tourism in Barbados is not confined by the geography of Barbados. The creation of the new tourism concept and enterprises which can operate any where in the world must be merged. In that regard, the concept of being able, as Barbadians, to be able to export our skills, must be a fundamental plank upon which this new tourism thinking and direction is constructed.

Sir, much has been said about the recent performance of the tourism industry. I believe there has been a short lapse in the economy and in the tourism sector but, Sir, we will get out of this. There are new programmes for getting us out of this economic downturn. Sir, today I intend, not only to focus upon the issues of tourism development as exemplified in the Bill but also to set the context as to how we intend to correct the economy in the short-term and to look at long-term prospects towards the development of the tourism industry.

Sir, the piloting of this Bill opens for us the opportunity for comprehensive, detailed discourse of tourism development in Barbados. I have no doubt that many Honourable Members will speak to the issue as defined in the Bill but also to the industry in a broad way.

Sir, the fact that maybe tourism is the most WTO compliant of all the other industries in which we are involved, it has always traded on its own global competitiveness. It has not been a sector that had been aided by much licenses and all the other tools of economic development that we have had. Every time that Barbados has had to market its tourism sector, we have had to compete globally against all the other countries in the world that are involved in tourism. Sir, what is even more fundamental is that in recent time, there has been competition emerging that we have never seen in the past. The non-traditional players and non-traditional countries are now entering the tourism fray. Non-traditional countries are entering the tourism sector to our detriment and also to the detriment of other islands in the Caribbean because these are countries that have always been regarded as source markets for us in terms of supplying visitors to our islands.

11.25 p.m.

Sir, we are literally at the crossroads and a new tourism thinking must come, a new legislative framework must emerge, new policies to govern the development of tourism must emerge and this must be in tandem with the development of the minds of Barbadians that each and every one of us is part and parcel of the tourism industry. Sir, the tourism sector can only thrive if every Barbadian is on board in every aspect of our tourism development.

Sir, tourism development has taken place in Barbados over the last 40 years by the emergence of many small enterprises as far back as the 1950s but much of that development had been basically unplanned. Even within the context of not being well planned, to date it has served us well.

When the Barbados Tourist Board was established in 1958 most of the visitors came from the United States of America with small amounts coming from Canada and the United Kingdom. The board was charged with developing tourism through charter services out of these major markets but particularly out of the United States of America market. This was in the early 1950s, when Eastern Airlines and Pan American Airlines pioneered jet travel and Barbados started to see small amounts of tourists coming to Barbados.

The 1950s was also the first time that the private sector organised themselves in a structured way for development of the tourism industry.

In 1957 we saw for the first time the establishment of the Barbados Hotel and Tourism Association but it was not until the late 1960s and early 1970s when air travel actually took off that we started to see what we know now as the construction of our tourism industry. We also saw for the first time arrivals out of Canada and Canada became our primary market and eclipsed the United States of America in terms of the delivery of tourists to Barbados by the end of the 1970s.

Sir, at that time we started to expand Seawell Airport and the first major expansion was done to the airport in 1979.

Sir, tourist arrivals in the 1980s reached the level of 175 000 tourists with Canada being the most dominant market. It is important to note that with the demise of the two major airlines, Eastern Airlines and Pan American Airlines we realised that other markets had to emerge to take us forward in the industry. At the end of the 1980s tourism from the United States of America reached an all-time high of 180 000. We have never got these high receipts again out of the United States of America market even though it is literally at our doorsteps and has the highest spending power in the world but as the United States of America market was falling off there was the building up of the United Kingdom market and in the year 2001 we recorded the highest tourists figures ever of 226 000 people from that market which is more than we have recorded from any market at any time in the history of tourism development in Barbados.

Sir, Government established the Barbados Development Bank in 1969 and this opened up the opportunity for the hotel sector to grow and we saw the

emergence of hotels and guest houses on the South Coast of Barbados which were aided by the Barbados Development Bank.

Sir, many hotels sprung up on the South Coast unplanned, as there was no technical assistance available and, therefore, people were not competent to carry on business in the hotel sector. We not only saw the inappropriate location of businesses as they developed but their management and marketing. Sir, we saw a demise of many of the properties on the South Coast of Barbados. 11.35 a.m.

Sir, what has emerged is the concept to bringing many of these South Coast hotels under one umbrella in order to save them and for them to continue their development as a sector that contributes significantly to the tourism sector in Barbados.

In addition, we are now seeing activity in the accommodation sector which was not traditional. A market had started to emerge as a part of the principal plan of our tourism development. Sir, what is now labeled as non registered accommodation is starting to emerge, for the first time, as a community-based accommodation. This has allowed people who have had non-traditional relationships with the tourism sector to emerge and to play their part. More Barbadians now have the opportunity to play their part and this is the fundamental plank on which this new tourism thinking is built.

Sir, the introduction of the internet and the way people are now able to source accommodation and to book their accommodation online has changed the thinking of where we should go in the tourism sector.

Issues have emerged in the tourism sector and the economy which have caused us to pause and think of how we can reconstruct this industry. The issues relating to the new global trading environment and how they relate to services which are going to be fundamental as we plan for the future. The incident of September 11 has changed the tourism industry forever. I do not think that some experts in the industry are aware of how much the events of September 11 have changed this industry but it has also exacerbated a situation where we have been seeing a downturn in the global tourism makeup.

In addition to some of the developments in tourism, one of the issues that emerged during the early days of tourism development was the institutional arrangement. This saw the emergence of other tourism organisations, such as the Caribbean Tourism Organisation and the Tourism Development Corporation of Barbados, which introduced

concepts of not only organising and managing our tourism product but funding, in order for us to have reached this stage.

The process of planning has brought us to the stage of being able to develop a cohesive tourism development Bill for Barbados which has come about as a result of much consultation over the years and the reliance of the existing Act of Parliament, The Hotel Aids Act, which was tabled in 1956 and revamped, in some measure, in 1967.

The Barbados Tourism Authority Act, has served us well over the years but the Hotel Aids Act emerged because the center piece on which many people in tourism relied has always been the accommodation sector. Everything else came out of a relationship with the accommodation sector. Not only do they have the highest inputs in terms of their initial investment over time but most of the marketing that is done by the private sector comes out of the accommodation sector.

There are other pieces of tourism-related legislation that emerged outside of the Hotel Aids Act and the Barbados Tourism Authority Act. For example legislation like the Shipping Incentives Act, Value Added Tax Act and the Special Development Areas Act have also contributed in great measure to the industry over the years.

In terms of many of the aspects of tourism development, much has been done under Ministerial discretion that has given benefits to the industry participants. We are seeking to capture and to make it transparent under the law, many of the discretionary provisions that were given under the various Acts in the past.

It is interesting to note, that not all of the development initiatives captured in law are captured in a single Act. This Bill seeks to bring those arrangements under one legislation so as to be more transparent and to allow the investor, for the first time, to be able to go to one Act and to capture sensibly what he or she needs to do in terms of investment in Barbados.

Sir, the legislation that is before us today came out of a number of initiatives over time through Government. There has been a comprehensive national consultation at all levels on this piece of legislation. We started with a consultative study, the hiring of an expert and having an independent study done on the sector and there has been private and public consultation through a number of Town Hall Meetings. These actions informed the development of the Tourism Green Paper which was laid in this Parliament.

In addition, coming out of the Green Paper was the development of this piece of legislation, the Tourism

Development Bill. There are many actions which came out of the Green Paper and the policy framework for the development of tourism that cannot all be captured in the law. Sir, we cannot legislate attitude towards tourists. Therefore, there has been national consultation for the framework for tourism development. What emerged at that gathering are actions that are needed to be put in place if Barbados is to continue to have the type of tourism section that all of us can be proud of and reap optimum benefit and to participate effectively. This has led to allowing a broad section of Barbadians to participate in the tourism sector.

I am proud to say that this Bill is presented today with full endorsement of the private sector. The people who participate in the sector on a daily basis have given this Bill their support. We have brought a piece of legislation to Parliament that is industry compliant. Many people have analysed and have played a part in developing this Bill. Therefore, this Bill comes with full private sector endorsement.

I want to speak to the broad policy that is supposed to create a plan for tourism development. Comments coming out of the Green Paper on tourism development also created a broad policy framework for the development of the tourism sector and this Green Paper was laid in this Parliament in 2001.
11.45 a.m.

I speak to the issue of broad policy as opposed to the issue of being able to create a plan for tourism development to make it abundantly clear from some comments that actually came out of some discussions that it was a broad policy framework for the development of the tourism sector and it was not a plan for the development of the industry. What it offered were broad guidelines for the furtherance of the industry. When the action plan has been put in place what we will then see is specific activities to be conducted within that policy framework. I want to make it clear that the issue of the Green Paper focuses on broad policy framework.

There was wide public discussion and consultation and all of the stakeholders were involved in being able to create that broad policy framework for Barbados' tourism. I speak, Sir, to the issue of the broad concepts of sustainability, recognising that many of the existing practices that we carry out in Barbados are not sustainable for the industry neither on an economic, social or environmental basis. Many of the practices on which we now are embarking on in Barbados in the tourism industry do not ensure sustainability of the industry. That was one of the centre planks of the concept of developing this Green Paper. These practices must be altered if we are to have a real and sustained future in the development of the tourism industry. Sir, this as well fits in with the wider vision of Government in terms of building

this high-quality export sector service economy with tourism as the centrepiece.

Also coming out of the Green Paper is a greater emphasis or awareness of the role that the industry plays and continues to play in the development of the economy in Barbados. What it offers is a full oversight of tourism development at both the local level and regional perspectives for the industry. It also introduces some issues and areas which are important in terms of being able to deal specifically if we are to improve our tourism sector.

These are issues which must not only be dealt with and discussed by the policy-makers but at a level at which each and every Barbadian can have the opportunity to participate fully. It introduces the concept of the very dynamic nature of the tourism industry, an industry that is changing before our eyes every day, introducing the concept of responsible tourism, the issue of new technological advancements in tourism. It introduces and pushes forward the concept of partnership among the stakeholders in the tourism sector which is fundamental for its progress.

It speaks, Sir, to the issue of general awareness of the tourism sector for all Barbadians and specific awareness for some frontline players. It speaks to the issue of environmental conservation and protection as a fundamental plank on which this industry is built. I think many times, Sir, that we do not focus on some of the fundamental issues relating to the environment, the actual natural, physical and even cultural and historical environment upon which tourism is built.

Sir, unless we take this on board and understand the issue of the destruction of the natural environment, we are looking to go a wrong road in terms of tourism development. Sir, it also introduces the concept of research in the industry as a fundamental plank. The Green Paper also speaks to the repositioning of Barbados as a high-quality provider of tourism hospitality services. Sir, this has been an area of deep discussion for some time in terms of the repositioning of the Barbadian tourism sector. There are many people who would want to tell us, and I have heard it put forward by many, that Barbados should not be positioned as a high-quality destination.

It is a totally different concept from being able to establish it in the stratosphere where other people cannot reach. It does not mean that if Barbados is pitched at a high level that it eliminates the budget level or the bottom of the ladder in terms of tourism development. What it does is to speak to a concept of being able to offer the highest quality of service and, therefore, what it speaks to is that if you position your tourism high which is where all the research has led us and where all the people that participate in the tourism sector in Barbados have led us.

If we speak to the issue of being able to create for Barbados some of the best hotels in the world which is what our very discerning customers need within the sector it does not eliminate the people at the budget level in tourism in terms of playing a very integral role in its development. What it does is offer a standard of excellence which everyone should attempt to meet. Government must facilitate the meeting to be able to position our tourism at the level in which we would be accepted by the very discerning customer that comes to Barbados.

Sir, it also pushes us into an issue in relation to being able to offer that quality service that is able to cover some of the input costs to this industry. Some development factors have pushed us into a level where Barbados has now been described as a high cost jurisdiction. They include the quality of education in Barbados, the quality of the infrastructure in Barbados. Because we are at that level, it means that if we are a high cost destination and have some high input costs in relation to our neighbours, that we must be pushed into offering excellent products and services in the tourism sector and in all other sectors. It does not eliminate some sectors of our economy but what it does is to focus on being able to bring them up to standard so that if you run a guest house or an apartment complex it may not be a five-star or six-star apartment but what it must be is the best apartment possible that we can offer to our visitors to Barbados.

Sir, I have heard in some circles the issue related to whether positioning Barbados high eliminates people at the budget or the lower end. What it does mean is that it offers the opportunity for Barbadians at that lower end to be able to be pushed up. In addition to that, what I think is important in terms of this repositioning of Barbados as a high quality provider of tourism and hospitality services is that in a small tourism destination the concept of having two tourisms can no longer exist and, therefore, it is fundamentally important that we understand that we need to narrow the gap between what has always been presented as a very affluent West Coast and a budget type South Coast in Barbados. That gap must be narrowed. How do you narrow that gap, Sir? By being able to reposition that South Coast lower budget element to come up to being more like that affluent West Coast in terms of the services and products offered.

Sir, it also helps in terms of the whole generic and general marketing of Barbados and where it is positioned in that marketing framework. This positioning allows us to be able to compete effectively in the tourism sector overall and reposition Barbados where we can compete most effectively as an island nation in a mass of global tourism service offerings and tourism product offerings all over the globe.

The Tourism Green Paper also spoke to the branding of Barbados which is an issue that has also been discussed widely in Barbados, the concept of what is the Barbados

brand. There are many people who would want to tell you what the Barbados brand is and what it does and says about Barbados but it cannot only come from Barbadians but it has to come from the people who actually utilise the products and services offered in Barbados about what Barbados is to them and where Barbados needs to be positioned.

In our own research, what we have done over the years, what we have been told about Barbados and what we are branded and known for, three elements have emerged and been spoken to in the Green Paper. The issue of the friendly nature of the Barbadian as a plank for tourism development. What we need is to continue being the most friendly people on earth. The issue relating to the environment that what we need is a clean environment. 11.55 a.m.

Sir, many of these discerning customers are those who also invest in Barbados. They do business in Barbados and they have been telling us that we are not meeting the standards that have been set, in terms of being able to provide the best and 'most clean' environment for our customers. Sir, those of us who have to go to work every day in the tourism sector, heard complaints about that particular bad element in Barbados, which is, that Barbados must be friendly but must be clean.

The other element that has emerged in much of our research from our customers, investors and the local populace, has been the issue of safety and security. This makes up the three-prong plank of our branding for Barbados. This is what Barbados has come to be known for and these are the three elements that Barbados must continue to push ahead, if we intend to build a sustainable economic future, based upon the tourism sector – friendliness, cleanliness, safety and security.

Sir, the Green Paper also introduces the concept of some guiding principles for tourism development, and some critical success factors that we must focus on, to take us into the future. In addition, the Green Paper also states very clearly, Barbados' national tourism policy statement which speaks to the sustainability of the industry, overall. It then sets out specific objectives, outlined in a policy focus on issues which stakeholders have identified as critical to the sustained development of the tourism sector in Barbados.

Sir, policies have been formulated from these guidelines for all of these areas, which our stakeholders, as participants in tourism consultation process, have indicated are important for the development of the tourism sector. Sir, time only permits me to outline very generally, some of the areas in that Paper. They are: awareness, human resource development, organisational structure, standards for the industry, economic contributions of the

industry, investment, marketing, community involvement which would sweeten the heart of the Honourable Member for St. Lucy, services, accommodation, built and natural environment, cultural heritage, land use and land use policies for tourism, inter-sectoral linkages, safety and security, airlift and cruise tourism development. These are specific objective areas which have been identified by the stakeholders and policy formulated guidelines have been set out for each one of these areas.

Sir, in addition to the above, throughout the entire document, the concepts of participation and collaboration are constantly stressed. We cannot develop the tourism industry and move it to the levels that can derive optimum benefit for all Barbadians, unless there is a commitment to participation and collaboration, by all the people in Barbados. The issue of community involvement and being able to bring a holistic approach to the development of the tourism industry, is fundamental to its development.

Sir, the policy formulation process that the Tourism Advisory Council studied and submitted is the first framework for the development of the tourism policy in Barbados. There were many consultations conducted after that, coupled with public meetings and Town Hall meetings which were held, where people came and gave their views on tourism development. These are channels which we continue to keep open. As well, Sir, there have been a certain number of assumptions, in terms of where Barbados needs to go, so that tourism will continue to be the centrepiece of our economy and our social economic makeup. A number of these assumptions were taken and, within that framework, we devised a vision statement for the industry:

- C That the industry will continue to be the main catalyst for economic development for the future.
- C That we will focus on tourism in the next decade for our development.

Sir, it also offered some global and regional perspectives, in terms of the size of the industry that we are playing in and the size of our industry. It also focused on a number of challenges for the industry, which led us to understand that we need to plan regional and national policies, if we are to continue to compete effectively within the industry.

In addition, the Green Paper speaks to the levels of increased competition that we have seen emerging within the industry, and in the traditional areas of development. Sir, there are some areas of the world, like Asia Pacific, which have now been able, for the very first time, to offer high quality goods and services in the tourism sector at a cheaper cost than any of us in this part of the world can actually

effectively compete against. This means that the issue of how we plan, and we are very discerning, but also, Sir, how we go after potential investors and tourists is fundamental and should be at the centre of our planning as we move forward. It also speaks, Sir, to the issue of product enhancement, new types of tourism emerging as we go along, and the concept of the development of many niche markets in the tourism development. It also speaks to the resource requirements needed for tourism to develop.

Sir, there is obviously a need to have more rooms than we now have in Barbados. If we intend to create the basis for that sustained development and realise optimum receipts from the industry, one of the issues that we must focus on is a resource requirement for the industry. The competition of investment is fierce in the region, and even globally. The issue is that we can no longer continue in an environment where we have lost rooms, while other jurisdictions are actually gaining rooms. In the last five to eight years, Barbados actually lost rooms. Barbados went down in terms of room stock at the beginning of the 1990s.

Sir, I think that particular issue should send a strong message to many of the tourism observers and commentators that Barbados, is one of the few jurisdictions in the Caribbean where there has not been a new hotel built since the beginning of the 1990s. The issue is, what are all of the reasons? The fact of the matter is that Barbados is, maybe, the only tourism jurisdiction in the Caribbean in which there has not been a new hotel built, from scratch, since the beginning of the 1990s. The last hotel that was built, in my recollection is Kings Beach. All the other hotels have either been refurbished or knocked down and built back on the same site. Sir, in terms of having a new piece of land and building a new hotel, that has not happened in Barbados for over a decade and, I think, that should send a strong message which, of course, I will speak on later.

The issue of resource and conservation also emerged as a fundamental issue and within this, the conservation of the national cultural environment and the indigenusness of the Barbadian product. Sir, many times we seek to create better opportunities for ourselves within the tourism sector and other sectors.

12.05 p.m.

Sir, in order to attract more complementary tourists to Barbados that will complement our overall socioeconomic environment, we must 'Barbadianise' the industry by showing the potential unique product mix that we have which does not exist anywhere else in the world.

Sir, on many occasions the focus is not on projecting the cultural aspect of the development of tourism in Barbados but on the unique experiences Barbados offers as

a destination as opposed to all of the other destinations in the Caribbean even though our general characteristics are the same.

Sir, the saddest areas to the development of the tourism industry have been the neglect to indigenise tourism in Barbados, being able to deal with cultural development as a fundamental plank of tourism development, the concept of identifying who we are as Barbadians, our space and place in the world and how we play a part in the development of our number one industry. These are issues that have emerged in the Green Paper which this Government is seeking to put right.

Sir, what would distinguish us in the future in the development of tourism is not how many times we are able to organise at the economic level or dealing with the distribution channels but being able to offer a unique type of product mix or products and services which is unique only in Barbados and which cannot be sourced anywhere else in the world. That is what is going to create these absolute advantages for Barbados in repositioning the sector.

In addition to that, the issue of technological advancement, information technology, lowering the cost of doing business in Barbados, meeting demands, the distribution channels and revamping in Barbados are the areas that are going to emerge as challenges and opportunities for the development of tourism in Barbados.

The issue of globalisation and trade liberalisation through a number of rulings by the World Trade Organisation have exemplified what has literally become a World Trade Organisation world specifically with the General Agreement on Trade and Tariff (GATT) arrangement which is built upon four planks; cross border supply, consumption abroad, establishment of a commercial presence and the movement of the natural person which is related to the tourism sector. The issue of consumption abroad and how we deal with that is most important to the tourism sector and becomes fundamentally important to how we reposition the industry for the future. Once the Organisation for Economic Cooperation and Development (OECD) deals with the issue of international business and once we deal with the issue under these new trading arrangements of actual goods, we can then start to turn to the services sector.

The issue of whether the incentives that we offer can be considered to be subsidies or not becomes a very critical component of how we deal with the development of the tourism sector in the future. Many of these arrangements are now being dealt with as we go along.

Sir, I now turn to the performance of the tourism sector over the years. Sir, tourism performance has always been

measured by the concept of absolute arrival figures on the island. Sir, we in the industry do not believe that the absolute arrival figures are the best basis or should be the only basis on which to judge tourism performance in Barbados or anywhere else. There are a number of other measures which can give us a better fix on what we are doing within the tourism sector outside of absolute arrivals.

Sir, although I may agree with some of the commentators on the issue of absolute arrivals being the base that is mainly used, being able to look at other measures in terms of our tourism performance becomes fundamental to this new tourism thinking and new tourism development. The issue of measurements relating to the concept of bed nights, hotel occupancies, the average daily rates visitors spend in the hotels, the foreign reserves particularly in an environment where three-quarters of our foreign reserves comes from the tourism sector and investment within the sector are fundamental measures as well to know how well we are doing in tourism. Over the years we created an environment in which we seem to think that the arrival figures alone can give us a good measure of where we are at and how we are performing within the sector.

Sir, although arrivals dropped last year, there has been a resurgence of some high quality tourism products coming on board particularly on the West Coast of Barbados and the average daily spend went up in many of those hotels because the people who were coming were spending more.

Sir, over the years, the tourism sector has recorded some very interesting figures. Sir, although we are seeking to change the concepts of where we are in terms of the tourism figures and the way in which they are judged, it should be important to note as well that even with last year's performance...

Sir, September 11 redefined tourism globally and Barbados is not left out of that mix. Our tourism figures declined by 6.9 per cent last year but when you compare that to the rest of the Caribbean you will see that Barbados has not done badly at all. As a matter of fact, the Caribbean Tourism Organisation (CTO) referred to Barbados as having done extremely well when compared to the rest of the region. During the last quarter of last year, our tourism figures fell by 12.5 per cent which pulled down the national average but the average figure in the Caribbean was 21.7 per cent. So this tells a story about the management of the tourism sector in Barbados during one of the worst times that has ever been recorded in history in terms of tourism development globally.

Sir, September 11 did not start the slide in the tourism sector. Prior to September 11, there had already been a slide that was established in terms of where we were

going in the tourism sector which was based upon a number of issues. The global economy was in much turmoil and there was a recession in the United States of America economy which triggered an effect throughout the entire globe. The United States of America is a fundamental plank upon which we build our business statistics, so one can imagine what will happen then when they are in deep recession.

In addition to that, there was much volatility in the airlines situation. There was an issue relating to oil and fuel particularly on the other side of the Atlantic and on the European side and there were currency fluctuations that hurt many of the currencies on that side of the Atlantic as well. 12.15 p.m.

Mr. Speaker, that already has created a ripple effect in terms of what we were receiving in tourism. Then came September 11. That came and started to accelerate the downside for many Caribbean destinations. What it then did was to create a much more discerning traveler but to Barbados advantage what it did was to continue giving high-quality goods and being able to receive tourists from the other side of Europe, including Great Britain. Sir, in the midst of airline turmoil and security issues, Barbados was able to attract new airlines in a way that we have never been able to before. We were able to attract CONDOR, CONCORDE, LOUD-AIR and US AIR. A number of these initiatives were designed to focus on an industry being in turmoil, one dealing with the serious issues of safety and security while, at the same time, being able to create a discerning customer to many of the islands in the region.

Sir, what we ended the year on was a simple issue of 6.9 per cent decline in the tourism sector. Sir, when we look at last year's statistics of some of the other players in the tourism sector who displayed a similar profile to Barbados, Barbados had a 6.9 per cent decline. Antigua and Barbuda, 8.6 per cent; Bahamas, 9.8 per cent; Bermuda, 15.1 per cent; Dominica, 13 per cent; Martinique, 12.5 per cent; St. Maarten, 6.9 per cent; St. Lucia, 7.6 per cent. Sir, this says something about the quality of the management we have been able to put in place because while other countries lost much more market share than us, we were able to hold our heads above water. Sir, I believe this speaks volumes as to what we have been able to do in the sector. In addition to that, I am pleased to report that when we combine the arrival figures coming from the cruise sector with those of the land based sector, this was the only time in the history of Barbados that we have been able to attract over one million passengers. The only year that we have been able to surpass these figures is in the year 2001.

Sir, there are those who would want to speak to the performance of the sector in a very negative way. Sir, those of us who understand the development of the industry and

are cognizant of what has been happening in tourism over the years will recognise that this, like any other industry, is dependent upon the developed country for the supply of visitors to Barbados and, in spite of that downturn that came out of the recession, the issue of September 11, actually worsened our position.

Sir, with regards to performance for the first quarter of the year, it is fair to say that the September 11 issue had a much longer tail on them than many of us had actually projected or had originally focused on and for the first quarter of the year we were still very much in decline.

For the first quarter of the year we recorded 129,703 passengers to Barbados. There was a decline of 8.5 per cent for the same period 2001. Sir, at the same time, we will see there has been the decline in other jurisdictions: Aruba declined 8.3 per cent; Bermuda declined 8.9 per cent; Cayman Island, 11.6 per cent; Jamaica, 11.7 per cent; St. Lucia, 14.6 per cent. Again this tells the story that, not only was Barbados suffering throughout this period but also the wider Caribbean. Sir, when looking at this issue, not only do we look at the figures as recorded for the first quarter of last year but we must focus that with the concept of where we were and what had been projected for Barbados tourism at that time. Sir, experts were talking about 30 per cent decline but what Barbados actually recorded was 12.5 per cent.

Sir, the focus as to where we are today and the fact that we can have a 1.4 per cent decline for the month of March, 2002, shows us how we have been able to manage the economy and to bring it back to a level in our tourism development. Sir, I expect to be able to outline how we will be able to move the industry forward. Sir, according to statistics compiled by the Caribbean Tourism Organisation, the only country in the Caribbean which showed that level of one per cent decline is Barbados; everybody else had around 5.9 per cent, *et cetera*, where Barbados is now starting to come out of the spiral in which we were.

Sir, one of the issues that was triggered in our minds by these performance indicators is the signal for better planning and better organisation. There must be a more cohesive approach to the issue of public and private sector management, public and private sector marketing within tourism development. Sir, one of the issues is the concept, not only of the Barbados approach but we are part of a regional pool which must start to project more effectively the regional and Caribbean brand as a basis for Caribbean development. Sir, one of the things with which we had much success in the early 1990s is the concept of being able to push this whole regional strategy, framework and planning potential, as the way forward for Barbados and regional tourism. What has happened in the recent past is that we have swayed away from that. Sir, during the period of time when the regional brands and others were projected,

Barbados, more than all the other countries in the Caribbean, actually did much better in tourism than they had been doing in the recent past.

Sir, I am pleased to say that, in recent times, under initiatives coming out of the Tourism Summit last year December, we have been able to recreate the concept of regional repositioning for the Caribbean tourism sector and that Barbados has been at the centre of being able to push forward the concept of creating with the region a better regional brand.

Sir, I believe that if we are able to project a better regional presence globally for Caribbean tourism and are able to market it as well, then those countries who have organised themselves better within that regional framework are apt to get better performance out of their individual industry but it must be based on the concept of being able to move towards having your local brand and to take advantage of what that has been serving up for the region.
12.25 p.m.

If we look at the future of tourism development there is a lot that must happen in the short, medium and long-term if we are to make things better for all the people of the region because more players are entering the industry globally than ever before and many of those who have traditionally been our source markets are now in direct competition with us. Therefore, we need a well-planned, academic, research-driven approach to deal with the development of tourism in the region.

The issue of product diversity and uniqueness become the key to the development of the tourism industry. There also has to be product quality improvement and that is why research and development have become critical to our development.

Also, a fundamental issue is that there must be changed institutional relationship and arrangements within the tourism sector and new tourism organisations must emerge. Existing organisations in Barbados must be reshaped and revamped to be able to deal with the repositioning of Barbados and to manage concepts relating to issues such as the new legislative framework for the industry.

Sir, it is important that we understand that the tourism industry has changed so much globally and that the inventory that we used to control as part and parcel of the development of the tourism industry has been literally ripped from our hands by other players in the industry.

The most critical issue in terms of the development of tourism as we seek to create this new framework must be how we deal with these new altered institutional arrangements as well as how we deal with horizontal and

vertical integration in the industry. Sir, there are now central players controlling much of the inventory that we used to control. In Europe and in the United States of America to a lesser degree where we previously had a tour operator or travel agent, everything is now owned by the same hotel or player and they are now sending tourists to the hotel and destination that they own. We have to seek serious responses to deal with these changes in the industry.

Sir, there is a practice emerging in Barbados where a few players are also seeking to control the entire tourism sector in Barbados to have control over the inventory and this is a troubling situation. I know that the Fair Trading Commission will speak to this but it must be said that what is emerging in some aspects of our tourism development is that some players are seeking to monopolise the industry by controlling many of the components in the distribution of the industry and the tourism policy planners cannot turn a blind eye to this. It is important that we seek to create the best environment for all the people of Barbados so that they can take advantage of this industry.

Sir, if companies working at the Barbados Port Authority have their own transportation to take cruise passengers to attractions on the island then the taximen at the Port will not have any tourists to carry on island tours and this is an issue that we need to look at urgently. We have said that if cruise passengers do not get off the ship on a structured packaged tour, the first option to carry those passengers on an island tour must be given to the taximen at the Port. If there is any component of the tourism industry that is disadvantaged by any development within the industry, we as a Government must put it right and we are seeking to correct the problem.

Sir, we are also seeking to create a better framework for these minor players to have dialogue with the people who send tourists to Barbados so that a level playing field is created for all on which to negotiate. The Barbados Port Authority has on more than one occasion taken representatives of the two taxi associations at the Port overseas to negotiate with the suppliers of tourists and tour operators in terms of the cruise sector.

Sir, inventory control is not only an international issue, it has been worrying us here in Barbados and as a Government we will pay more attention to this. Barbadians who have control of the inventory must realise that other Barbadians in this country need to get a cut of the pie as well.

Sir, we have sought to look at all of the pillars of tourism development that are important to the sector. Tourism development is built fundamentally upon certain pillars:

- Product and institutional development.
- Human Resource development.
- Marketing.
- Research and information.
- Sectoral linkages – linkages to other sectors that naturally compliment the tourism industry like agriculture and manufacturing.
- Other nontraditional areas as well that compliment tourism which we have not focused on in any great measure. One of those is the issue of cultural development as a fundamental pillar of tourism development.

It is important that we recognise that all of these areas are important to tourism development. We need to do a kind of regression analysis in which we look at all the variables that go into tourism and see the areas in which we are deficient in terms of the development of the industry.

12.35 p.m.

Over time, a lot of our efforts were spent on the tourism sector focusing on the marketing of tourism but we have not spent sufficient time on the areas that we should have. I know that we have spent some time on product and institutional development. There are some areas which I think that could have been better managed. One of those areas is the area of human resources development.

We speak to the issues of the Barbados Community College and the Hospitality Institute and being able to create tourism as part of our social science curriculum in schools. The issue of human resource development going beyond the broad educational base is also fundamental. The partners that we have in terms of human resource development must also come into the mix and play their part.

We have recognised and accepted the role that workers in tourism play. I must also make the point that in addition to that, there are issues like aspects of human resources which we have not paid enough attention to. There is the issue of the service quality and the way we treat tourists. They are many people in the industry who do not think that black people can be tourists as well. I think that people working in the sector have to be educated that they have to look beyond the colour of the skin of tourists.

Sir, this is an appeal to the representatives of the workers in hotels to speak to the issues of productivity in the industry. A lot has been said in recent times of how productive Barbadian workers are, *vis à vis*, workers in the region. It is important as well for us to continue to see these

workers in the industry, not only in the sense of their general education but also in their attitude and the concepts of productivity that must be engraved from an overall societal standpoint that makes the difference of understanding their space and place but making them treat all tourist better. This is an appeal as well to their representatives to focus on the issues of productivity which seem to be waning in the tourism sector.

Sir, every person that I have ever met is a tourism marketing expert and everyone knows, especially the Honourable Member for St. Lucy, how to market Barbados better than the people who have been trained to market Barbados, who have been working in the sector for a long time and have had good successes in terms of marketing Barbados over many years.

Sir, the marketing concept is very clear. I feel that marketing people should be licenced in the same way that doctors and lawyers are licenced. They are a lot of masqueraders out there, mostly from the northern section of the country, who are masquerading as marketing people all over the country and do not know a lot about marketing. The marketing concept outlines clearly that the consumer is at the center of all the issues that we deal with in marketing. Sir, you need to study the consumer's needs and wants; how they change over time and how you can cater to these needs and wants of the consumer. That is the fundamental plan.

We have been engaged in a dangerous philosophy in Barbados, in recent times, in which we have reverted to what is called the 'bedding concept', because we think that we are going to sell what we have. Destination marketing is a very unique proposition for a marketeer. Not only that you study what the consumer is saying and telling you what he or she wants, in terms of destination marketing, because they live and work in a society, they work every day and they know what they want as consumers but they must also have to fit in with what we have to offer because we cannot easily alter to suit their needs and wants.

Sir, from one day to another you can change the mode of a car easily depending upon what you think in terms of the variables that you are dealing with. In this society it is more difficult to do that. Sir, the pioneer of the Ford car said that you can buy any model car once it is a black car and he nearly bankrupt a whole country and a whole economy.

Sir, I like to play golf but I am not a good golfer. I believe that golf should be a major blend of our tourism marketing strategy but at the same time I have to listen to the consumer. I have to be able to say how best we can prepare a framework if we are going to make that a niche market in our development. How do we prepare ourselves for that and what is the consumer saying?

Sir, many times what we are hearing is that there is a number of people who want us to send tourists down to St. Lucy at night, simply because they want them to come down there but not necessary focusing on what the consumer is saying to us about what we have to offer.

Mr. D. St. E. KELLMAN: On a point of order. The Honourable Member is misleading the House, Sir. Sir, he is giving the impression that they are people in St. Lucy who are requesting that he sends people to St. Lucy. I think that he should withdraw those remarks because the tourism players in St. Lucy would not beg the Honourable Member to send people to St. Lucy because they know their marketing better than that, Sir.

Mr. SPEAKER: That is not a point of order.

Hon. N. A. LYNCH: Sir, that gave me chance to refresh myself and I am thankful for that, Sir.

Asides.

Hon. N. A. LYNCH: Sir, we want to focus on consumer research in terms of its future marketing.

We need to continue to look at the needs of the consumer over time and see what the consumer is telling us and understand how it fits in with what we have. Many times, the uniqueness of our destination is really the marketing point. Once it fits in with what the consumer is telling us we can meet him halfway in terms of what we are doing.

I want to focus on the destination and the society in which we live, because that is the basis on which we create our marketing plan.

There are many people who believe that if we were able to create casino gambling, it would substantially increase our visitors, particularly out of the United States market. The people of Barbados have said that is not an activity that is desirable within the confines of this society and what we want if we want to build a wholesome society, and that is important. Sir, it creates uniqueness and destination marketing should mesh with the two. I hear people saying all the time "create a demand", but there is no such thing. You create awareness. What you are today is a collective mode of all of your experiences and therefore the demand is within you in terms of consumer behaviour. What we do is to present to you specific goods, or service that you can capture.

12.45 p.m.

I want to make the point that there are many niche marketing areas that can become concepts of central marketing for Barbados but, in the meantime, we have to manage the existing product that we have and the existing

business that we do on the ground in Barbados. That is what is going to make the difference. Even if we move towards creating in the future some of these niche market planks as the centrepiece of our tourism in the future it is still going to be the sun, sand, sea and surf. Therefore, when I hear people with all these great pie in the sky ideas about how you can make all these other niche markets the centrepiece of the tourism sector in Barbados let me say that the centre of Barbados' tourism in the near future is going to be how we are able to create niche market opportunities that mesh and complement and bolster our core business which is still the effect of sun, sea and sand which is our weather and the natural attributes and characteristics that God has given us as a country. That is how we begin and we build everything else on that.

Sir, be careful of those who are coming like wolves in sheep's clothing and wolves in their own clothing particularly from the North, who are coming to tell us what we need to do in terms of being able to revamp our tourism to be able to push it into areas that we will not get overall receipts.

I want to say that the bread and butter of our tourism would continue to be these issues of sun, sea, sand and surf as the base of our tourism development. We will continue to build on these, whether or not we develop inland tourism, other niche markets, real estate and villa-like tourism like the Royal Westmoreland and the like, whether we develop marinas, educational tourism, therapeutic tourism or health tourism the base of our industry in the future because what we have here few people have. All the other things other people have they can create them easily, but what we have in Barbados and the region in terms of those physical characteristics cannot be easily copied and recreated in other places and it will continue to be so.

Sir, marketing leads us as well to an issue that has been talked about in many areas, that of the Barbados Tourism Authority and its functioning, management and makeup. Almost every time that I come to this Honourable Chamber, the Honourable Leader of the Opposition, the real one, the Honourable Member for St. John, has focussed in other debates when tourism has been introduced on whether or not the present institutional arrangements at the Barbados Tourism Authority actually fit in terms of where we need to take the tourism sector in the future. He has made remarks in relation to my saying in other fora that I am not at all satisfied with the present institutional arrangements at the Barbados Tourism Authority.

Let me say, Sir, that I believe that the existing BTA arrangement has served us well to date. However, if Barbados is to go where it wants to go the present institutional arrangement at the Barbados Tourism

Authority must change. Sir, there is a lot of duplication of effort in the existing arrangement which does not allow the Barbados Tourism Authority to function for the best for Barbados in terms of its tourism development.

Let me explain, Sir. The Barbados Tourism Authority as structured today is involved with the generic selling or generic marketing of Barbados but over the years there are many players in the private sector who seem to think that the Barbados Tourism Authority is supposed to put people in their beds in hotels and put people in their transportation in taxis or vans. That is not the role of the Barbados Tourism Authority. The Barbados Tourism Authority has to sell Barbados generically to potential visitors. That involves an overall framework for how you market Barbados.

The generic selling of Barbados is their responsibility. A lot of people over the years seem to think that that is not what they do. For example, the Barbados Tourism Authority does not control any of the inventory that seals the deal in terms of sending people to the destination. They do not control the airline seats, the cabins on cruise ships, beds on Barbados, visitor attractions and the restaurants. That is not their purview. They do not have it under their control.

What has to emerge is a new institutional arrangement which allows Barbados to be sold generically. When I hear people tying BTA sales people to some targets that are set you cannot tie a man or woman's work in the Barbados Tourism Authority as a sales person to any specific target for Barbados because he or she does not control all of the elements that cause people to come to Barbados or cause people to stay in Barbados for any time. It means that what must emerge is a new arrangement in which both the public and private sector are working together in one consortium to be able to produce for Barbados the best receipts out of the marketing effort.

This has been talked about and bandied by a lot of people who do not understand all the aspects of destination marketing and do not understand marketing – period. Many times what we need to focus on is being able in a type of product club concept – I want to label it the product club emergence in Barbados. What is going to happen is that a number of people in the Barbados Tourism Authority are going to put their efforts in a product club pooled with people in the private sector to be able to deliver for Barbados the best marketing receipts out of their efforts.

Sir, you cannot have a situation where the Barbados Tourism Authority is doing the best that it can, for example, on the West Coast of the United States, and then an individual hotelier contracts his or her rooms to a tour operator on the East Coast of the United States. It means that even if the Barbados Tourism Authority has people gung-ho

and very much interested in coming to Barbados, they cannot take advantage of it because the actual pump stop is being given to somebody else.

I know this will bewilder the Honourable Member for St. Lucy because he does not understand the concept and that is why I will explain it for his education again. The issue is that you must have meshed within one group the concept of the creation of the product club where both the private sector and public sector will be able to pool resources not necessarily only financial resources for the development of the marketing issues within tourism so that we get optimal receipt from it.

Sir, under the existing arrangements, we are not now seeing that emerge in Barbados and that is why we are where we are. There were a lot of people who were the overseers of the Barbados Tourism Authority and for many years many aspects of where we needed to push the Barbados Tourism Authority have not been developed to their maximum.
12.55 p.m.

Sir, there has been development in the areas of human resource and research at the BTA. The Honourable Member for St. John asked me about the arrangement at the BTA. I cannot understand – for the life of me – how it has been possible that this administration was able, for the first time, to put a structured concept of human resource development and management in place at the Barbados Tourism Authority. Sir, for years, there was nobody to manage the human resource component of the Barbados Tourism Authority in any structured way, which is at the base of what happens at the BTA.

The other issue is, Sir, again, the research component was literally non existent. As I said before, all you do, is study the consumer's needs and wants and how they change over time, find a man or woman from the North, who is 'gung-ho' about coming to Barbados, and has been here thirty times and examine the demographic and psychographic profile and how much that particular visitor likes Barbados. Then, you take those same characteristics and you seek to find out where people with similar characteristics are located, in most of the source markets. For Example, if the Honourable Member for St. Lucy wants to visit St. Lucia and he is 40 years old, earns \$1 million a year and drives a BMW or whatever, it is likely that people with a similar profile would want to be part and parcel of doing the same types of activities, and that is the issue. Sir, this framework cannot be used unless you have structured research methods. Therefore, it is important that we recognise and understand that fundamental to this, must be the issue of being able to create a new arrangement at the BTA.

Sir, there are many people in the BTA's marketing division, who are not doing local marketing. It is about time that these people become part and parcel of the product and work with the private sector to develop tourism and better marketing for tourism. They should also be able to play a part in some of the other areas of tourism development, such as communication and feed back, the actual management of the product and the consumer. A lot of these people have to get out of the confines of the Harbour Road facility, and start to interact with the private sector in a much bigger way and in a much more effective way than they have been in the past. This will set a framework for us to get optimum benefit from the tourism industry, at the marketing level.

Sir, marketing is more than just having the man and woman visit Barbados. There has to be the concept of managing him or her at that generic level when he or she is on the island. It has to go further in terms of being able to create a better framework for us to get feedback from that particular individual.

Sir, the emergence of the Product Club must be fundamental to the issue of being able to create for Barbados, a new marketing framework at the Barbados Tourism Authority. Many of the officers who are involved in tourism development and marketing, must become more than just marketeers and sellers. The Authority must be true to its name, of being able to create for Barbados, a new tourism authority with a new institutional arrangement.

SUSPENSION

Hon. R. C. EASTMOND: Mr. Speaker, I beg to move that this Sitting be suspended until 2.00 p.m. today.

Hon. R. N. GREENIDGE: I beg to second that, Sir.

The question that the Sitting be suspended until 2.00 p.m. today was put and resolved in the affirmative without division and Mr. SPEAKER suspended the Sitting accordingly.
1.00 p.m.

RESUMPTION

Mr. SPEAKER: This Sitting is resumed.

Hon. N. A. LYNCH: Mr. Speaker, when we suspended, I was on the point of the Barbados Tourism Authority, and the new institutional arrangement that must be made at the BTA to really bring it into the 21st Century. This will allow the BTA to operate, giving full benefit to all Barbadians, in terms of new marketing arrangements, allowing us to take advantage of the new legislation, and the new policy arrangements that must be put in place, to derive optimum benefit, from the industry.

Therefore, in that regard, the Barbados Tourism Authority must be true to the concept of being a tourism authority. Therefore, new institutional arrangements at the Barbados Tourism Authority will include an investment facilitation function for the Barbados Tourism Authority. Right now, having Government legislation is being able to market that legislation outside of Barbados, within and outside of Barbados to attract potential investors. This must be the plank of how the legislative initiatives develop.

Therefore, Sir, the Barbados Tourism Authority has never formally had any arrangement where they facilitated the concept of investment or had any overseeing function for investment. This would become a reality in the new Barbados Tourism Authority that must be created.

In addition, there must be more niche marketing facilitation at the Barbados Tourism Authority. Right now, none of the real issues in terms of the development of tourism in Barbados, the national characteristics that make us what we are, and really create the base for tourism marketing and investment, are actually portrayed as effectively as they should, in terms of our tourism marketing. Therefore, there are some fundamental issues in relation to our educational base. The fact that we have a highly educated populace, which sets up a platform for the better treatment of tourist and investors, does not come through in our marketing and presentation. The issue of specific niche marketing and the concept of the level of development, the fact that everything works in Barbados, the fact that our infrastructure is superior to many other countries in the Caribbean, none of this is portrayed as effectively as it should, in our marketing framework at this time.

Therefore, Sir, it is important that under this new institutional arrangement at the Barbados Tourism Authority, the issue of investment facilitation, the issue of niche marketing and being able to portray another aspect of Barbados' development comes through in terms of our tourism marketing.

In addition, there must be greater emphasis and a division to deal with the local marketing function. This includes awareness, and people say that word of mouth is the best means of advertising. Not only word of mouth in the sense that we must appeal to our visitors, in terms of being able to get them to tell others about Barbados, but what we do not do, is a lot of internal marketing to our people in Barbados and that becomes critical as well.

Finally, the BTA must also have a private sector collaboration function, which includes the better facilitation of the private sector and public sector mix in tourism marketing. Once we are able to do that, Sir, I believe that

you will see a renewed and energised Barbados Tourism Authority in terms of where we go from here.

I turn my attention now to the actual Bill. The Tourism Development Bill, 2002 is divided into five parts, 45 clauses and five schedules. Sir, there are two fundamental issues driving this legislation. They are participation and collaboration and this is what has been the centrepiece of creating the Bill.

We have now started to approach the matter of tourism development through the legislation in a much more holistic way than we have ever done in the past.
2.05 p.m.

This Bill attaches itself to all aspects of tourism development and allows them, for the first time ever in the history of Barbados, to have opportunities for concessions and benefits. It brings a more transparent approach to the development of tourism by putting all of the institutional arrangements that existed before under one legislative umbrella.

In addition to that, the Bill will help to reduce the cost of doing business in Barbados in what has been labelled by some as an industry that is not as profitable as it should be when compared to our neighbours in the Caribbean.

Sir, we are having for the first time a more holistic and transparent approach to tourism development. Sir, what is revolutionary about this Tourism Development Bill is that it will go beyond the concept of the hotel sector. The existing Hotel Aids Act speaks only to the concept of hotel development in Barbados and does not deal with the other aspects of tourism development like the ancillary sector, restaurants, *et cetera*.

Sir, this Tourism Development Bill has approached the issue of tourism development in a holistic way that will allow all of these sectors to be involved in tourism development for the first time. It also introduces the concept of a tourism project becoming a tourism product. Sir, a potential investor can apply as a tourism project and once he or she meets all of the requirements that are necessary under the law and as analysed by the new concept of creating a registrar of tourism services, the investor would be licenced as a tourism product to operate in Barbados. Sir, these incentives will be given by the Ministry of Tourism to the individual once he or she meets all the criteria set out for becoming this tourism product.

Sir, Clause 2 of the Bill speaks to the definitions such as "attraction", "inland", "restaurant", "villa" and the "Registrar". In relation to their definition, a monetary value has been placed on hotels and villas and the quality of services in restaurants has been prescribed. This action has been taken in the context of being able to provide Barbados

with high quality services and products in terms of repositioning Barbados as a quality destination. This action is consistent with the declared intention of the policy in the Green Paper in order to reposition Barbados as a high quality provider of goods and services.

Sir, Clause 3 introduces the concept of an approved tourism project and approved tourism product and covers a number of areas such as:

- (a) the construction of a new hotel;
- (b) the alteration or renovation of an existing hotel;
- (c) the conversion of an existing building or buildings into an hotel...;
- (d) the furnishing and equipping of a building to be utilised as an hotel;
- (e) the provision of tourist recreational facilities and tourism related services;
- (f) the construction and equipping of a new restaurant;
- (g) the alteration or renovation of an existing restaurant;
- (h) the establishment, restoration, preservation and conservation of monuments, museums and other historical structures and sites;
- (i) the construction and furnishing of villas;
- (j) the construction and furnishing of timeshare properties.

Sir, what is powerful about this Bill is that it is bringing non-traditional players on board in the tourism sector for the first time. Also for the first time, the Minister of Tourism with the approval of Cabinet may also declare any other facility or any other service as an approved tourism project. This provision will allow Government to exploit opportunities for development that might arise in the future which has not been defined in Clause 3 of the Bill.

Sir, right now, under the Hotel Aids Act, we can only prescribe concessions and benefits and push the tourism sector to develop along the lines of the accommodation sector. That action has served us well. This action now will allow ancillary players for the first time to receive these specific concessions and benefits that are afforded to the hotel sector. In addition to that, the most powerful and major point is that any activity now that is seen to develop our tourism industry can be drawn into that net.

For the purposes of this Bill, any activity or any facility can be declared a tourism project. Sir, what would happen as a result of this is that you would see many entrepreneurs springing up in the industry and the concept

of being able to facilitate for the first time non-traditional activity in tourism. People would be encouraged to play in the tourism industry because they would see it as a distinct benefit to them. One does not have to be a hotel owner, one can now have any specific activity. Sir, any activity relating to tourism development will now be part and parcel of the tourism development strategy. Sir, this all embracing approach is a great departure from what we have now under the existing Hotel Aids Act.

Clause 4 speaks to the submission of further information to the benefit of the Minister. Clause 5 speaks to the interim and final approval in a three stage process. Sir, you would apply as a tourism project and once you meet all the requirements you would then be given a licence to operate in Barbados and you will then be able to import materials to start the construction of the facility or start up the operation.

Clause 6 introduces the concept of time lines. The Ministry must respond within 90 days to a potential investor. This brings us in line with many of our competitors. This also puts the onus upon the Government to respond to a potential investor thus giving him or her the opportunity to understand where the process is and all the requirements that are necessary.

In other jurisdictions, if you apply as a tourism project and the Government does not get back to you within the 90 days, your project is taken as approved. In Barbados, we are only driven to get back to the investor because part and parcel of the building of our society has been the integrity factor in our society which is one of the major planks of attracting investment. So we commit ourselves to get back to the investor in the 90 days to tell him or her where the potential project is, what are the additional requirements, if any, and where that project is going.

Clauses 7 and 8 deal with the granting of interim approvals and the revocation or suspension of the same. Clause 9 deals with the declaration of a tourism project as a tourism product and any other issues relating to the revocation of being a product. If a potential investor gives us information relating to the development of a tourism project but then alters what he or she is doing in relation to how it becomes a product, we have the right to withdraw the concessions and benefits that were given.

In Clause 10, the Registrar of tourism services will issue a licence for the product to operate. The functions of the Registrar of Tourism Services are described in detail in Clause 10 at section 4.
2.15 p.m.

Clause No. 11 speaks to an effective date for the product to operate as a business. The start date is important for the fixing of the date in relation to taxes, *et cetera*.

Clauses Nos. 12 to 19 deal with Customs Duty Concessions.

Clause No. 12 (1) gives permission to import building material duty free.

Clauses Nos. 13 to 14 form the terms and conditions of the permit and circumstances to revocation or suspension of the same.

Clause No. 15 (1) provides for tourism product or product owner exemption from items in the second schedule of the Bill which gives a list of items that can be imported duty-free.

Clause No. 16 deals with circumstances relating to refund of customs duty.

Clause No. 17 deals with penalties for the disposal of items bought with duty free exemption and not having been for that use but have been disposed of.

Clause No. 18 (1) deals with provisions relating to selling, renting, exchanging or giving away, exported or applied to any other purpose other than that for which they were imported except for those outlined in the Clauses 18(a) to 18(d).

Clauses Nos. 18(2) and 18(3) introduce penalties for the violation of these provisions.

Clause No. 19 introduces administrative arrangements and these speak to the condition under which persons may apply regarding record keeping and penalty for violation of the same.

Clauses Nos. 20 to 35 speak to income tax concessions.

Sir, I want to make the point that this is an important part of the Bill in terms of the clauses. This extends concessions to hotels, restaurants and many other tourism products for the many various activities under tourism.

Sir, for the first time, income tax concessions are being given on tourism products which deal with development of nature trails; linkages between the tourism sector and other economic sectors; community tourism; marketing and training; debt financing; specific environmental enhancement protection; acquiring Green Globe or similar certification; visitor exchange programmes and technological development.

Sir, what we have been able to do for income tax concession is, for the first time, to capture a raft of activities which will give credence to the fact that we have allowed the non-traditional activities to be included for concessions and benefits under this new Tourism Development Bill, 2002.

Clause 23(2) specifically encourages employee share ownership scheme to encourage greater sustainability and community participation.

Sir, in addition to that, there is a deduction of 150 per cent of training and marketing expenditure when calculating accessible income. Tourism products can now claim concessions and benefits of 150 per cent of marketing expenditure. For training, they can claim 150 per cent and claims of an additional 50 per cent of expenditure if the project has employed ownership scheme that meets with the Ministry's approval. In addition, there is an investment tax credit equal to 30 per cent of the initial capital expenditure incurred in respect of any plant and equipment purchased which will be used in the refurbishing, upgrading and construction of an attraction, or expenditure over \$100,000. Where the excess exceeds the tax payable, the excess shall be carried forward for a period of 15 years.

Sir, this captures a level of activities not already defined and is the major powerful point of the Bill; being able to have 150 per cent of expenditure being considered for tax purposes and for non-traditional activity being considered for activities outside of the hotel sector.

Sir, we have captured the issue of mega investment. In Clause 32, Capital Expenditure of up to \$200 million will be set out for a period of 15 years. If it exceeds \$200 million, it can be taken as an additional year for each \$20 million, up to a maximum of 20 years. This brings, under a legislative umbrella, the issue that we have been given in terms of ministerial discretion regarding approved capital expenditure in the tourism sector. In addition to that, we make provision for the refinancing of loan and use of interest rate subsidies for the first time.

Clause 33 (1) provides that:

"No more than 50 per cent of any loans for which interest rate subsidies have been provided shall be used to refinance existing loans."

Equity financing is also dealt with under the Bill in a serious way. For the first time we understand clearly that people do not only get capital investment for tourism product through debt but there must be a concept of being able to give concessions and benefits to equity invested in the industry.

In addition, the benefits in Clauses 21 to 33 can also be granted on a certificate by the registrar once that person is claiming benefits that are engaged upon in the tourism industry.

Clauses Nos. 36 to 45 deal with miscellaneous and transitional provisions.

Clause No. 39 provides that:

"where on the commencement of this Act an application for approval under the Hotel Aids Act is pending, that application shall be construed to be an application for an interim approval of a tourism project under Part 11 of this Act, and shall be dealt with in accordance with that Part."

Sir, the other pieces of legislation are dealt with in the transitional clauses. For example, if concessions are granted under this Act, then you are not eligible for concessions under the Shipping Incentives Act or the Special Development Areas Act. In addition to that, reference is made to the Fifth Schedule which contains amendments to the Barbados Hotel Association Act; VAT Act; Duties, Taxes and Other Payments (Exemption) Act.

In addition, there are new institutional arrangements that are coming to be able to effectively deal with the management of the legislation. As the Ministry of Tourism will oversee the Act, there are a number of agencies that will be involved. For example, Customs Department; Income Tax Department; Town and Country Planning Department; Ministry of Health and the Environment; Ministry of Public Works and Transport, along with a number of other agencies that need to come together for the proper administration of the Act.

The marketing of the Act will primarily be carried out through Barbados' overseas missions, as well as the Barbados Tourism Authority and the Barbados Tourism Investment Incorporation. There is also a facilitation for local awareness and education of the Act which will be done through the local media and the website of the Ministry of Tourism. There will be a facilitation desk set up at the Ministry of Tourism which deals with related enquiries and also the handling of the Act.

We will be seeking to appoint persons in certain specific departments to deal with the administration of the Act. There will also be an Internal Review Committee within the Ministry regarding transparency of the Act. We are also looking at getting potential investors who believe that they, in some way, have been aggrieved and to deal with these related issues. There will also be a Standing Committee which will have monthly meetings to monitor

the applications that are sent to the Ministry. There will be a Registrar of Tourism Services and also a Tribunal to deal with issues relating to that. As I said before, they will appoint persons in related agencies such as Customs and Excise Department; Inland Revenue Department; Coastal Zone Management Unit; the Environmental Engineering Division; Barbados Water Authority; Ministry of the Environment.

In addition to that, Sir, we expect to be able to move the Registration and Inspection Division for hotel and other services out of the BTA and into the Ministry of Tourism. There will also be some strengthening of the Ministry in terms of being able to deal with the development of this Bill and be able to carry the Bill through.

Sir, the most important thing is that, for the first time in this new legislative arrangement, we have been able to capture a number of non-traditional activities that have now become the centrepiece of being able to offer concessions and benefits. Sir, I believe that, through what we have been able to outline for the future of tourism development in Barbados, we will see a new paradigm in relation to how tourism is being dealt with in Barbados.
2.25 p.m.

Sir, the future of tourism in Barbados does not lie in dealing with traditional activities but in being able to develop for Barbadians and potential visitors new and unique experiences. Sir, this must be the center of how we deal with tourism in Barbados.

This piece of legislation facilitates us in being able to create for Barbados those new and unique experiences, to build a platform on which they can be constructed and then market them to the rest of the world.

Sir, throughout the Bill you will see increased investment and enhanced product development for Barbados. You will also see a redefinition of the place that we have in regional and global tourism. This Bill allows for new thinking and action in the tourism sector and permits us to be specific about what we want out of the tourism sector.

Sir, the non-traditional forms of tourism have taken us this far but the need to create a new level of entrepreneurship in tourism is important for our future development. In addition, this Bill allows for the experimentation of our tourism expertise, the brands and new business concepts that must be merged if Barbados is to move its tourism to another level.

Sir, it also creates a better platform for linkages at all levels of the sector. This sets up a platform for cultural

linkages as well as the traditional linkages to agriculture, manufacturing and the like. It also creates a base for partnership in the industry and strengthens that base for us to have better public and private sector collaboration. In addition, it sets a better basis for standardisation and regulation of the tourism industry in Barbados. It will also optimise receipts for all in the industry.

Sir, this Bill will create a culture of excellence in all aspects of tourism development in Barbados and this will move our tourism to the next level.

This legislation is revolutionary in that it empowers a class of Barbadians who never thought of being involved in the industry prior to this legislation being passed. This legislation is highly developmental in its nature, scope and intent and will be the empowerment that we need to take Barbados' tourism into the 21st century. Out of this legislation we will see renewed interest in terms of the development of tourism in Barbados.

I hope that this legislation serves all Barbadians for years to come, in the way in which it is intended.

With those words, I ask that this Bill be read a second time.

Mr. D. St. E. KELLMAN: Mr. Speaker, I rise to speak on this Bill on sustainable development of the tourism industry.

One would recognise that to fully develop our tourism industry one must first understand the economic requirement of this particular industry to the economy of Barbados. It is okay for a Minister to talk about wanting tourists at the higher level but any good Minister of Finance will recognise that, at the end of the day, it is the total revenue received from the particular industry that impacts on the lives of people in the particular country.

We must understand that in order for the economy to grow that we must cater to each market. We cannot continue to believe that Barbados is a place for five-star hotels and that community tourism is not important. Neither should we believe that one week before a debate like this that the Ministry of Tourism, through the Barbados Tourism Authority, should run and put a marketing strategy in place for Caribbean tourism and end up starting in the wrong island. Sir, if we want to paint a picture, we must not only look at the glossy side of it, we must also look at the sustainable side of it.

Sir, in order for us to develop the tourism industry we must start by building a base in our own region. If we look at the statistics, we will see that from 1977 to 2002 the Caribbean region always played a pivotal part in the

development of numbers as it relates to the tourism market. For some reason because we started to get an increased number of people from the United Kingdom, we forgot the Caribbean market and put all our efforts in the United Kingdom market and ignored the Caribbean markets.
2.35 p.m.

The Minister is now targeting Trinidad when he should be targeting Guyana. There is no doubt that the greatest number of people wanting to come to Barbados are from Guyana. If there is a natural desire for people to come to Barbados, one would assume that the Barbados Tourism Authority (BTA) would understand the economic value to be derived from welcoming visitors from Guyana. Sometimes I believe that we would seriously consider whether the Ministry of Tourism should continue to be under a separate Minister or whether that Ministry should be put under the Ministry of Finance and Economic Affairs, Sir. It seems to me that the Minister of Tourism sometimes does not understand the importance of the industry to the economy of Barbados. We might have to look at the composition of that Ministry as it relates to the development of Barbados and seriously consider who should be responsible for that Ministry.

Sir, the same way the Prime Minister recognised the importance of the Ministry of Culture to the development of Barbados, I believe that we should also look at the Ministry of Tourism in that same way.

Sir, it is difficult for me to understand how a Minister of Tourism can make the point that the BTA is marketing in one area and the hoteliers are sourcing in another area. If we have a marketing strategy where we are marketing, let us say to the north of America and the hoteliers are sourcing in the east, clearly there is a divide and the country cannot be getting maximum returns from the hoteliers and the BTA.

One must ask in whose interest is the BTA operating. It cannot be in the hoteliers interest. It means that we are wasting large sums of money in areas that the hoteliers are not sourcing. I would like the Minister to explain what is happening because it tells me that if the Minister is marketing through the BTA in one particular area, the airlift area would also have to be from the same area that the Minister is marketing. Sir, it also tells me that if the hoteliers are sourcing in a particular area, then the BTA is not providing the seating capacity in the area that they should be providing for the hoteliers.

I would like the Minister to explain this point because it is a very serious point. One can now understand why it is that we are having this problem with our USA market because we are marketing one area by the BTA, the hoteliers are sourcing one area and the planes are somewhere else. It

is total chaos, Sir. We need to bring all the parties involved in marketing together so that we can get the maximum return from our investment. Every year we put large sums of money to market Barbados and it is now clear to me that we are marketing Barbados in the wrong direction and we need to clean up our act, Sir.

We market cricket to the English. If we are serious about tackling the American market, we have to find a sport to be played in Barbados which the Americans relate to. I want the Minister to name a sport that American tourists can play when they leave their cold country and come to Barbados? They are not going to leave the US and come to Barbados for a hotel room, sun, sea and sand. It has to be something more than that because there are other countries in the world that can provide these things.

One of the reasons why our US market is so soft is because we do not have anything to offer them. In the 1970s, we had something to offer them but now in the 2000s we have nothing to offer them and we need to do something about it, Sir. Every area within the tourism market is important to the development of Barbados. Whenever there is a decline in a particular market, the masses in Barbados are the ones that are going to feel it. Even the fishermen that are out to sea feel it because they have to decide on the amount of fish that they are going to bring into the island in relation to the number of people on the island who would consume the fish they catch. The manufacturers are also going to feel it because they understand that their manufacturing capacity relates to the number of people to utilise their products.

Tourism can no longer be seen as an ordinary industry. It has to be seen as an integral part of the economy and we must fully maximise our tourism industry to the benefit of all. Tourism can no longer be seen as a top-down system but it must be seen from the bottom-up system. If we get our community tourism right, we would get everything else right. Do not believe that you can get the top right and everything settles there. You have to get your community base right and once that is right everything else would flow.

I hope that the Minister is listening. I notice that he is taking notes as usual. He would criticise me now and repeat what I have said three weeks later, as usual.

Asides.

Mr. D. St. E. KELLMAN: Mr. Speaker, I was told on many occasions that all-inclusive tourism was the salvation to Barbados. I am going to challenge the Minister, the BTA, the BHTA and all tourism players who have pushed that concept as the salvation to Barbados, to bring the statistics to prove to me that they are right about the all-inclusive concept.

I have always been against all-inclusive but the truth is, it seems to me that it is here to stay and the only thing that I can do is to try to educate the players to help make it better for the development of Barbados. That is why I have said that those all-inclusive players who believe that bringing people to Barbados and keeping them confined to the hotel properties are making a serious error.

Sir, what they need to do is to bring them to Barbados and get them out of the hotel properties to reduce their cost but they do not do this. They bring them to Barbados leave them within their properties and they even tell them to leave their wallets at home.

Sir, I can show you a brochure where a hotel once said to the all-inclusive players to leave their wallets at home. There is no need to carry a wallet when you go on an all-inclusive package.

Our concept on this Side is, bring along your wallet because they are thousands of good people in Barbados who have services outside of the hotels that can be offered to you but these services are now limited to the hoteliers and their friends.

It appears that tourism seems to be some class thing. I am saying that any Democratic Labour Party Government cannot allow tourism to continue to be a class issue because tourism must be seen as a product for all, from the bottom up to the top.

In other words, I am saying that this is foolishness where people believe they can form groups and get people into their hotels and tell them what places to visit. The tourists must be able to visit areas in Barbados that they want to frequent instead of us telling them that there are only certain areas in Barbados suitable for them to go. The decision must be made by the tourists and not by people who, out of selfish reasons, believe that the cake must only be shared by a select few. When the taxi drivers, are given the opportunity to transport tourists, they must understand what we, on this Side, are fighting to achieve. Therefore, we would expect the taxi drivers to do what the tourists do when they are driving Mini Mokes.

Sir, it is interesting to watch tourists when they are driving a Mini Moke and observe where they go. I think that the BTA should conduct a study on what happens when tourists have Mini Mokes. They would understand our tourism industry much better. The tourists do not limit themselves. They travel all over Barbados. They find themselves in the cart roads, small shops, large shops and every place is a place of interest to them, Sir. Yet, we want to limit them to particular areas. There is something called a

‘friendship club’ and tourism can no longer be a ‘friendship club’ thing. Tourism in Barbados must be a project for one and all.

Some of the most beautiful hills can be found in St. Joseph, St. Thomas, St. Lucy and St. John. The tourists must be able to traverse these areas and appreciate the beauty of them. This cannot be done while traveling in coaches while the tourists are sandwiched in coaches with the windows closed and the driver is blabbering over a microphone. The tourists do not want that sort of thing. They want to have a one on one contact with the taxi driver.

Asides.

2.45 p.m.

Mr. D. St. E. KELLMAN: When you sandwich tourists in a coach with the windows up and have them driving through they do not want that. They want the one-to-one contact. I monitor the ones in the mini mokes, unlike you who monitor the ones in the coaches who do not fully understand and appreciate Barbadians and the way they live.

Sir, we must understand that we have to do something about this type of tourism and we have to make sure that we get the maximum returns out of the tourism product. I am calling on the Minister involved in this particular planning to make sure that there is something for Americans to do when they come to Barbados. The same way that the English can play cricket, football and any other sport that we know that is common to them that we might have gotten from them the Americans want something when they are here too. They do not just want their hotel rooms. They want to be able to have the capacity to play baseball and that is why I made the call eight years ago that the naval base in St. Lucy to which they have a connection and that is the only real connection they have to Barbados – we talk about George Washington House and all of that but that is not as significant to the American tourist as the naval base in St. Lucy. The statistics are here to prove that when the naval base had a connection to Barbados large numbers of people used to come to Barbados to visit their families living on the naval base. That is why North Point was built in St. Lucy. After people were coming to visit their families they had to find a hotel but the Minister of Tourism might be too young to understand these facts.

We have to understand that tourism can also be a social good if we include sports as part of that package. The same way that we were able to put sports to attract the English visitor we must do it also for the American visitor. One of the saddest things happens to be Canadian tourism. No one would believe that up to 1979 we were getting 92 745 Canadians coming to this island and that in 2000 we were only getting 52 382. That has nothing to do with the Canadians but it has a lot to do with us because we have

forgotten that there is a natural trading linkage between the Canadians and ourselves. We have always seen that market from one end. Because a rumour was spread about the connections between the Canadians and the Barbadians, we allowed that rumour to continue and we have not exploited the rumour to make sure that the numbers increase instead of decrease.

Mr. Speaker, we also have to put a programme in place to get back those Canadians who are now going to Cuba and the Americans are joining the Canadians to go to Cuba. I want to know, Sir, why is it the Americans are now going through Canada to go to Cuba and the Canadians are going there and we do not have a marketing plan to stop them from doing such. There is a natural relationship between the Canadians and Barbadians.

I want to know from the BTA what they are doing to increase the number of Canadians coming back to Barbados. A rather interesting statistic that even during the crisis time there were more coming than now. The Minister needs to tell this House why everything went bad in the early 1990s and now everything is rosy we still cannot attract the same capacity and same numbers. We got the impression that the early 90s were the dark days and now the 2000s are the glorious days but what we are seeing is decline in the tourism sector.

Sir, in the British market we must admit that there has been some growth but we are still not getting the numbers that we should be getting. When one considers the amount of property that they are now buying up on the West Coast it means that we are only attracting a particular group of people. We need to move away from this top-down system and carry the bottom-up approach to the English market. We also must make sure that the infrastructure is there for community tourism to flourish to its true extent.

We are not allowing community tourism to get off the ground and there are people who believe they have self-interest to serve who are making sure they do everything to bad talk community tourism. This cannot be a world for bad talking because when you bad talk community tourism what you are doing is bad talking the development of the masses of people in Barbados and stopping the progress of the people in Barbados from occurring.

I am saying, Sir, that the necessary incentives must be put in place to encourage community tourism because it allows the masses to see a home as a business also. That is the way to go. Why should we continue to brag when we drive around and see a man building a mansion with ten rooms for a husband and wife when we can offer him the opportunity to see that ten bedroom home as a business also?

Sir, I will say to you that what we need right now is to better utilise the capital that we have in our country instead

of looking for newer capital at this point in time. What we need is a mindset change and this concept of building large homes just to say we have a large home must stop. We must build a home with the development of Barbados at heart and bring along our neighbours. When we build a home now we must recognise that once we build a home with the view that it can be a business we are automatically creating jobs too.

Sir, those of us who have been able to gain something from life must understand that we have to pull other people along with us, and tourism is the industry that will give us that opportunity. Sir, we talk a lot about crime but I would say to you that the crime levels in Barbados will decrease when we understand that we have to bring along one another. If we continue with the selfishness and the belief that we are more than others then it creates jealousy and out of a negative you get another negative.

Sir, this is Barbados, a small country. Why would we want to divide Barbados into groups? Why would we want to behave as if the next door neighbour is not our friend anymore? What we need to do is to develop that opportunity to bring him along. Now what I am seeing in Barbados is that there is no difference between the West Coast and inland Barbados because on the West Coast the rich are trying to get rid of the poor and in inner Barbados the middle class are ignoring the poor. Is that a country that we want, Sir? What we want is a united society and the progress of the country is progress for all.

Sir, I am hoping that through tourism and sports, manufacturing and agriculture that we can make that change. One of the most hurtful things is that I am observing is that the hoteliers do not even want to appreciate the people in farming. They want to be able to bring in everything from outside and at the same time get concessions not recognising that it is the farmers who have to generate the revenue to give them the concessions.
2.55 p.m.

Sir, I am saying that you cannot be depending on people when you want them and then ignoring them, conveniently. We have to understand that all industries play a part in Barbados and the agricultural industry is just as important or more important than the tourism industry. The day we do not have the tourism industry and we have the agricultural industry, at least we could survive because we have something to eat, and that point must be made.

Sir, if the tourism investors depart from Barbados and we have the farmers, we will still have something to eat. It might sound simplistic but we have to understand that when the world first started, it was food that was important and food will always be important. Tourism

is important, but at the same time we have to understand that we do not need the tourists to survive but we need to eat food to survive. Some people will say that we need the money, but if you are producing, it depends on your wants and your needs. I am hoping that we will see a better thinking coming out of the BTA. It is clear to me that if we remove the thinking of certain players in the tourism industry and allow the workers of BTA to continue using the good training they got when they were growing up, we will not be now confronted with this particular problem. I know most of the players and workers within the BTA understand the particular point I am making.

I also want to make this call, Sir, because the Minister said that the role of the BTA is to market the country. It is the job of the individual hoteliers to market their plants. If that is true, it is only fair for me to ask the Minister of Tourism to remove all the hoteliers from the Board, based on his logic. It does not necessarily mean that I arrive at the same conclusion he came to but, based on the Minister's argument, if the BTA is for marketing the whole country and not individual plants, then to put individuals on the BTA Board that have a hotel interest, you might be encouraging the particular members to look after their own interests.

Sir, I am saying that what you might need is a Board, independent of hoteliers who understand the national good. Not that the hoteliers do not understand the national good, but based on what the Minister is saying, it leads us to believe that there is a possibility that self-interest could be served. I am not saying that occurs right now and I will have to investigate to see if that is what the Minister is truly saying.

Sir, the Minister needs to call a meeting with the BTA, the Manufacturing industry, the fishing industry and the agricultural industry and ask the Prime Minister to come and explain the importance of those industries as one body, to Barbados. Sir, no one group should feel that they are more important than the other. The problem in Barbados is that all the groupings believe that they are important and they do not have to cooperate with each other. I am saying that these bodies need to come together for the national good.

Sir, we also have to understand that we need to find a system in Barbados that encourages people to operate at their maximum capacity. The systems that we have in Barbados right now do not encourage people to operate at their maximum capacity and they only frustrate the people. We as a country and operating in a globalised economy, must understand that we must get our maximum return from whatever we do, and we must not create stress in arriving at our maximum returns, for our workers are our investors, especially the local ones. This climate seems to be one where we encourage people from outside to come and operate within our economy, and we give them everything.

Sir, it is interesting that when we discussed the International Financial Services Bill, I made that point and nobody recognised it. Somebody from the ILO came and made the same point and it was a hot topic. Sir, can you imagine that we had to wait for somebody from the ILO to tell us that we are more inclined to look after the external portions, than the internal portions and that we need to build capital markets within our own society.

Sir, this is rather interesting because of what we are now observing, and I hope that, out of the debate going on in Barbados, that we can at least learn something. Even though I support localisation to its maximum, I understand that localisation must be seen in its totality. In other words, if you educate a man in Barbados and he has been able to excel at what he is doing, you cannot now come and do something to exclude that man. If you want local Barbadians to support you, you must also bring that man and his people on board.

I hope Parliament is following. I am saying I am a strong supporter of localisation and I can put a case for you because during the debate on the International Financial Services Bill, I said that the industry that Barbados must go forward with, is the insurance industry. I do not know how many people remember that, and it is quite interesting now that it is now the point of debate in the country. What I am saying, Sir, if you want to continue to support localisation, whereas you want to ignore some of the players within localisation, you must be able to blend all people together and get the best product.

Sir, I am not for globalisation in a small economy like this, until we are allowed to export at the same rate as those who want to export to us. We, as a small country cannot be seen as a dumping ground for people. We cannot be seen as some place, where we believe that just because they have capital, they could come and take away everything from us and have total control. We must have systems in place to encourage our local players to develop in the same light, but we must make sure that the 1961 implementation of free secondary education must also be allowed to operate and there must be no exclusions. Those who want total control must include all players, if you want my support. I say no more on that particular matter, Sir, but all those who have ears to hear, let them hear.

We also have to understand, Sir, that with the changes in the technological world, the old concept of marketing tourism cannot be the only concept used at this time, in marketing our tourism plant. Five years ago, I would not be advocating community tourism, because one of the things that I would first have to look at, is the cost of marketing a project like community tourism. Now that there are the Internet and e-mail, community tourism is the best suited tourism to be marketed in any particular country, regardless

of the size. A country like Barbados must understand the impact and the cost reduction of this particular product to the country and the benefits that the country can gain from this particular product.

Mr. Speaker, when villas were first introduced in Barbados, the hoteliers cried out. Now that community tourism is being introduced in Barbados, they are crying out again, but a country cannot ignore those development factors, that will lead to the development of itself, to satisfy the needs and wants of a select few.

Sir, tourism development must be for all 266 thousand people and it must not be for a minority group. The day that you get everybody in Barbados telling you that tourism is good, and they want to play their part, there will be no crime in the tourism sector. When you continue to believe that tourism is only for 5 000 people, you will then have a disgruntled 261 000 people. If we base our tourism planning on that alone, we would understand exactly where we are to take our tourism.

3.05 p.m.

Sir, there is nothing wrong with the agricultural workers believing that there is room within the tourism sector for them to play a major part. The same way that a hotelier can believe that if he builds a hotel, he has a role to play in tourism, any man anywhere in Barbados must believe that there is something they can get out of that sector for their benefit.

Sir, this belief we have that certain things are only for certain people will create jealousy, strife and stress which is the last thing we would want for our people. We want our people to continue to be the friendly people we knew them to be in the 60s' and 70s' and we want to see their faces looking like they used to, but as it stands now, Barbadians are carrying some of the most stressful faces in the world. The Prime Minister of Barbados once said that a healthy country is a wealthy country. But our country is not wealthy because we are not healthy because we are being put under severe stress by the various opportunities that we lack that we never had before. If community tourism is brought to the fore by everyone, we will see all smiling faces again. Sir, I hope you fully understand the point I am making.

Mr. Speaker, I made the point in this Assembly before that I do not want to own a beach and I am sure that no ordinary citizen of Barbados would want to own a beach either. What they want is to be able to use the beaches and for their clients to be able to use the beaches as well. If we have allocated beaches right across Barbados there will be no need for hoteliers to operate on the beaches of Barbados because they will be able to build a hotel anywhere in Barbados provided they can have access to the beaches.

Sir, many people do not know this but the maintenance cost of keeping a building on the seaside is very high. So any hotelier who is smart enough and can have access to the beach and have his property away from the beach would reduce his maintenance cost and will be able to offer better rates to his clients than those operating on the beach. I hope that Barbadians recognise that once there is beach access, they can make their homes into a business and maximise the earnings from those properties to help develop the country.

Sir, the more people that are employed would mean that the demands would not be as great as it is on the Government or on the politicians on that Side. If we develop a particular mentality, that mentality will come back to haunt us. I am saying that Government would have to put capacities in place for every Barbadian to have the right to become employable so as to be able to tap into that industry that can best deliver the goods to them.

Sir, there are people who said that the \$20 tourists are not important but I beg to differ. There are people who do not mind renting their properties for \$20 per night and as long as we have the capacity to hold those persons, we should do everything in our power to get them because at the end of the year when the Minister of Finance is reporting the revenue earned from tourism, he will not tell us how many people paid \$1 000 per night for a room, he will tell us the total amount earned from tourism. I am saying that once we are getting people coming and spending money in Barbados that we must cater to all groups.

The Minister said that we have some of the best hotels in the world but having the best hotels will not matter because no matter where you go in the world you will always find good hotels and some that will also be better than what we have in Barbados. We must ask ourselves why we might not have the best hotels in the world but some of the richest people come to Barbados. This means that it cannot be the hotels, the sea, the sun or the sand, it has to be something more important.

In my opinion, the most important factor would have to be the people of Barbados. I am prepared to make that comment because whenever I take up a 'Visitor' or a 'Sunseeker' magazine, I notice that one of the main reasons why people come to Barbados is because our people are friendly and we must understand that friendliness and cherish it but the only way we can keep our people friendly is by allowing them to share in the cake.

That call for an external brand name hotel to come to Barbados to attract tourists, in my personal opinion, is foolishness. When you have an international chain that is marketed all over the world, it means that the people could go anywhere but when you have places like Sandy Lane Hotel and Almond Beach Resort they are marketed for

Barbados alone. So if a tourist says he is going to Sandy Lane Hotel or Almond Beach Resort, you know where they are going but if someone is going to Marriotts or at some other brand name hotel you would not know where he is going. So to use the concept that they have this large marketing budget which we might gain from, we cannot live in hope and we have to create the capacity to develop our own local brand name hotel so that when it is seen on the international market, everyone will know where to go.

When you hear the names Sir Garfield Sobers, Wes Hall or Charlie Griffith and you want to see these former cricketers, you know you have to come to Barbados to see them. The same thing with the hotels and that is how we have to look at it. We have to understand what we have and develop what we have and stop believing that others must come and develop our country for us. It is foolishness for the people of the Caribbean to continue to think in that light.

We have to understand also that there are areas in Barbados that must be promoted. The area around Harrison's Cave is the most visited area, yet no Government has had the foresight to develop the area to capture its beauty or to develop a total package for the area and allowing the tourists to interact with the people in the area.

Government is saying that we are now getting the most tourists coming out of the United Kingdom. We have a large number of plantation houses that we can use to develop heritage tourism and that area of St. Thomas can be developed for that heritage and ecotourism that we long talk about but there are no plans by the Minister of Tourism to fully maximise the area. Every time a tourist comes to Barbados, he gets the same thing, Harrison's Cave.
3.15 p.m.

Mr. Speaker, what is interesting is that persons with money and are close to the Welchman Hall area are the ones included, while persons within the Welchman Hall area are not included. What we need to do is to understand that community tourism is not only about a house being converted into business but there are other infrastructures that can be put in place. For instance, the lady who has a ceramic business in Welchman Hall, that whole stretch can be developed so that persons can feel the full impact of the Harrison's Cave growth. What are we doing? We are only interested in the Harrison's Cave and not in the man who has all the breadfruit trees, fruit trees and vegetable plants or the lady who has the shop at Allen View. As long as they get the tourists to Harrison's Cave, that is the important thing.

Sir, we expect the people who own the coaches to do that for us. Why should they do that when they already know that whenever the tourist want something to eat or drink,

they know where to take them. The owners of these coaches have organised themselves and the Ministry of Tourism must organise themselves to include all. Those persons with capital will include those things but those with limited capital cannot do it.

Mr. Speaker, the Ministry of Tourism cannot only be about marketing Barbados but must also understand that there are certain infrastructures that can be put in place in order to help those individuals who want to play a role in the tourism industry but do not have the capacity to do it. The Ministry of Tourism must see themselves as the helping hand and must not allow the original players to do it, for they will not. It is like the big chicken farmers who will help the small farmers but when they see the profits, will then turn to tunnel ventilation and close out all the small chicken growers. That is the same thing that is now happening in the tourism industry. Now that they are seeing the profits, the taxi drivers are no longer important but the coaches are.

Sir, I am not saying that there is no longer a need for coaches but we also have to understand there are some small men who are involved in coaches and they also need to survive. We also need to understand the market might demand a particular type of service but the taxi drivers must also understand they have something to offer that is different from that of the coaches; that is the ability to be able to stop at more stops and introduce people to a better service. They must understand that they must also do the marketing whenever they pick up a tourist. They have to do the reverse marketing, for whenever taxi drivers take up tourist, the service they deliver must speak for them. They must make sure that the people who travel on the coaches would prefer travelling on taxis because they might feel they are lacking something.

Sir, we also have to understand that the sugar industry is an integral part of the tourism industry; the tourism industry is important to the agricultural industry and the agricultural industry is important to the tourism industry.

Asides.

Mr. D. St. E. KELLMAN: Of course, I would never say that about the Speaker. If I had made a statement like that, it could only be to the Honourable Member who is speaking and dressed in a yellow tie.

Asides.

Mr. SPEAKER: I take that as being a compliment?

Mr. D. St. E. KELLMAN: Of course, Sir. I do not travel that road. I believe it is always best to be positive and not negative.

Mr. Speaker, as a country, we need not worry about the fact that no hotel has been built since the 1990s. What we have to understand is what we want to get out of our housing stock. The main fact that we have now turned to villas and community tourism, we must maximize the usage of these two concepts to increase the capacity of our tourism plant. Sir, we must understand it is rather interesting that even though the Minister has made the point that there has been no new hotels since the 1990s, the point the Minister did not make was that there are a large number of villas and houses. Even though we have a large number of villas and homes available for the tourism product, we have not seen the increase to match the available space that has been provided by the players. Therefore, the Barbados Tourism Authority must ask itself how come the capacity is being generated for them and they are not doing the job that is required of them to put the tourist in the villas and houses.

Asides.

Mr. D. St. E. KELLMAN: Mr. Speaker, despite all the quarrel about having more airlifts and opportunities, we cannot find anywhere in this Bill that can show the number of tourists coming to Barbados will increase significantly within the next two or three years. Sir, the Minister must be able to tell this House...

Asides.

Mr. D. St. E. KELLMAN: We can say that because if the Minister is saying he is putting the infrastructure in place, at least the Minister should be able to put a projection on what is expected within the next two years.

Sir, I want to see the 10-year plan from the Minister of Tourism as it relates to arrivals and for this simple reason. It is alright to come and talk about what you will be doing but we also want to know the expectations because in order for the hoteliers to plan they must be able to know what capacity they will have within which to operate. Therefore, I am saying the Minister is very good at talking but never good at delivering.

Asides.

Mr. D. St. E. KELLMAN: No, even when you try to implement my ideas, you implement them wrong. I told you Guyana, you implemented Trinidad.

Mr. Speaker, we have to look at the currency and tourists arrivals. We have to understand that the foreign exchange and currency rates are very important. If the pound sterling is low, then the tendency of persons coming out of the United Kingdom decreases. When it is high, there is normally much more people travelling. We must be

prepared, not only to do our marketing strategy whenever we feel we want to but it must also be done as it relates to the currency flow and the exchange rates.

Asides.

Mr. D. St. E. KELLMAN: That is a good point. The Minister is telling me I did not know it. If that is true, then it means that the US market should never change or it should continue to increase because the relationship between Barbados and the United States of America is constant. Mr. Speaker, to only use the Canadian market as an example is not viable.

Asides.

Mr. D. St. E. KELLMAN: I am now hearing something else because the exchange rate has dropped but the United States dollar is still two-to-one and, therefore, I would like to know the excuse from the Minister for the decline on the United States' market.

3.25 p.m.

Hon. N. A. LYNCH: Mr. Speaker, on a point of order. There has been no decline this year in the US market.

Mr. D. St. E. KELLMAN: Mr. Speaker, I am being told there has been no decline in the US market this year but I cannot speak about this year because I do not have the available figures for this year. I can tell you that in the year 2000 there were 112 000 out of the US market and by 2001 it dropped to 106 000. I can only quote on what is available to me and these are the revised figures for January 2002.

Asides.

Mr. D. St. E. KELLMAN: Sir, let us use logic. If there was a decline after September 11 and the reason for the decline has now changed, one would expect a change from the 'worst position' because September 11 would have been the 'worst position' so any country could now expect growth. I do not understand what the Minister is saying because if we were at zero we could only now move to one or more than one.

Sir, we must have a system in Barbados to allow all citizens to come on board and in our tourism planning we must take our farmers, manufacturers and fishermen on board.

Sir, if we are fighting in this globalised world, we must learn to appreciate the concept of globalisation and the same way we are hoping to get into other markets, people will be looking to dump their goods on us. At the end of the day the ability to earn foreign exchange is going to be the most important thing. If we look at the Economic

and Financial Statistic Report we will recognise that we have the capacity of spending twice as much as we earn so we have to look at the industries that are capable of increasing our revenues to make sure that we are able to erase that particular deficit. It is okay to talk about the amount of foreign exchange that we now have but the most important question would be how we earn our foreign exchange reserves.

Sir, the call by the Governor of the Central Bank is a very important one because the Governor is saying that we are not able to export the goods we produce to compete with other people. This is a serious charge because if the ratio is 60 per cent labour and 40 per cent otherwise, we are saying that the product being produced in Barbados is too high, that the other costs cannot be reduced and, therefore, the labour cost must be reduced. This means that we are importing a lot and we do not have the capacity to export. Sir, the workers since 1994 made sacrifices and they will now be called on again to make more sacrifices to help develop the country.

Mr. SPEAKER: Honourable Member, please relate your comments to the Bill.

Mr. D. St. E. KELLMAN: Sir, this relates to the Bill because the tourism workers will also have to make sacrifices in developing the industry because the final cost is important from this particular industry.

Sir, when we look at the industry in its totality we will recognise that all the players must play their part. In terms of investment in tourism we must recognise that we cannot any longer hope for outside players to develop the industry for us and that we must develop the industry from inside. We have depended on the same source for 42 years and after 42 years we should be now developed enough to market a concept developed by ourselves but after 42 years in the tourism industry we are still looking for outsiders to guide us. We must be able to appreciate our players and encourage those seeking to develop a brand name for us in the tourism market because they have a connection to our island and those from outside can remove themselves easily and leave us wanting.

Sir, tourism is our business and we must play our part.

I thank you.

3.35 p.m.

Mr. D. J. H. THOMPSON: Mr. Speaker, I would not be too long because there is not anything that is contained in this particular Bill that would not have previously been in the purview of a Minister of Finance. Therefore, my own view, the Bill simply, for the most part, codifies what previously obtained by virtue of a very wide discretion which a Minister of Finance has in Barbados to waive taxes and dues under the Duties, Taxes and Other Payments

(Exemption) legislation or under the individual pieces of legislation, which impose taxes in Barbados and which usually provide for discretion to be exercised by the Minister to remove those taxes.

The items that you would see in the schedule to this Bill basically reflect the development of a list throughout the years, through consultations with the owners of hotels and other players in the tourism sector. When I was Minister of Finance, we offered waivers but on an individual basis in respect of these items. However, there are some sections of the Bill which offer new concessions and which, regrettably, the Minister did not spend enough time explaining how they are going to achieve his very emotive and lofty goal which is a revolutionary piece of legislation that will be the tool of development and a tool of empowerment.

Sir, we are close to General Elections and, therefore, one is always asked to ignore hyperboles and superlatives at this time because they are not used to enlighten people. They are usually used to confuse people and to obfuscate issues. In this particular instance, the Honourable Member for St. Michael South is normally given to hyperbole so I cannot accuse him of doing something that other politicians only do at election time.

If the Honourable Member was going to bring a revolutionary piece of legislation that was going to be a major tool of development, perhaps, there could have been some other creative things that he could have done. This is a financial Bill. This Bill essentially makes and codifies practices that have taken place down through the years and sends instructions to the Inland Revenue Department about how to treat certain kinds of expenditures, so as to give developers tax allowances that bring developments which previously would have had to have the individual sanction of a Minister of Finance, by way of tax concessions and which may vary for each development under a specific piece of legislation.

Sir, in essence, it does not give the Minister of Finance any major leverage. It gives him a marketing tool so that he can go out to the world and say, if you come to Barbados these are the things that we are going to offer you. In this regard Barbados is behind because there are other countries in the Caribbean that are in advance of this legislation. St. Lucia had this legislation on its statute books for the past two years and which, basically, offers more attractive concessions than those which we are seeking to offer in this particular piece of legislation.

The Minister needs to tell us how significant he believes this is going to be in terms of the marketing of Barbados, not in terms of tourists coming to Barbados but as a place of new investment. In other words, as a result of this Bill, can the Minister of Tourism tell Barbadians that

he would have placed on his desk next week, an application from one of those major brand-name hotel chains, which he said is so important to our tourism industry? If the Minister can say that all they were doing was waiting for this, or he can point to some other physical development that is about to take place in Barbados and that the Minister of Finance was constrained from offering similar concessions; therefore, this legislation was critical, then this legislation would be border-line revolutionary.

There is nothing that the Minister has said today that would indicate that as a result of the passage of this piece of legislation, there is going to be a flood of new applications which would surpass the halcyon days of tourism investment in the 1960s and 1970s, even if you look at the highest level of tourism investment that took place in 1994 when you had on stream a number of projects.

Three Budgets ago, the Prime Minister announced about eight or nine major tourism investments that were going to take place. Let me make my language precise. Check all the tourism investments and you would see where there are today. Where is the Pier Head Project? They were not waiting on this because the Government had already passed a law specially for them. Where is the Bushy Park Project in St. Philip? They were not waiting on this because, as I understand it, everything was being done to facilitate their investment. Where is the Hilton Hotel? Since last May, this time last year I heard the Honourable Member for St. Michael South say in this Chamber that by the end of the month, in another two weeks to be precise, that construction would have started on the Hilton Hotel. We are twelve months later, Mr. Speaker. They were not waiting on this legislation, to the best of my knowledge, information and belief.

Therefore, there is nothing revolutionary or earth-shattering because, I gave my friend, the Honourable Member for St. Michael South the benefit of the doubt, there is nothing significant about this piece of legislation that is being passed here today.

What is the difference between this and the Special Development Areas legislation? Many of the same concepts that are being outlined here and are being defined as tourism development projects have already been provided for under Special Development Areas legislation, and that legislation was supposed to cover those areas in Barbados in which tourism investment was likely to take place – Speightstown, Bathsheba, Bath, St. John and all those areas on the East Coast, St. Lawrence and the Garrison area and Baxters Road was tacked on for special effects purposes.

Asides.

Mr. D. J. H. THOMPSON: What is the difference in this legislation? Are the concessions more attractive? Is there some symbiosis between them? The Government has been very skillful in the way that it has sought to deal with this, to my mind. A particular section of the legislation aimed more at obfuscation than anything else. Any drafter, I would think, would have problems with this section. I am sorry to have to get so specific but to substantiate the point that I am making about the plethora of tracks on which your vehicle has to run, even to qualify or to be relevant to legislation of this sort.

You have a section in this legislation which says in clause 10. (1)

“Where a tourism product has been subjected to the scrutiny of all the relevant authorities.” The authorities is not defined in the Act.

“...and has met the standards and requirements of all the authorities, the Registrar shall issue to the owner or operator of the tourism product, a licence to operate the approved tourism product.”

Apart from what I consider this being very obscure drafting, what does this section mean? What rights would the Registrar have in terms of refusing to issue a licence? Who are the authorities to which a person must apply? It does not say authorities under this Act. It does not say authorities under another piece of legislation or series of enactments that equate to physical planning, environmental issue, tax issues and so on. It is a very loosely, broadly drawn piece of legislation which, as I say, creates a problem for somebody looking at a project that would crisscross a special development area but who is also seeking to bring the investment under the provisions of this legislation. You have to be clearer than that. We do not have a one-stop shop in Barbados. Very often, trying to go through a maze of legislation and procedures in this country is difficult enough as it is when Town Planning and various other agencies are required.

3.45 p.m.

On top of that, you give the Registrar a wide discretion to ensure that a person complies with all of the authorities. That is not a matter for the Registrar of Tourism Services to exercise a discretion on. The Act must say which approvals are necessary. When she or he has seen them, she or he is to issue the licence.

What you have done here is to broaden it again to create the kind of problem that has existed in Barbados in relation to investment agencies from time immemorial. Wide discretion is either being given to a Minister or to an authority, an individual acting under the Minister, and they hold up the process because they themselves either do not

building tourism development projects which would see Barbados through its toughest times.
3.55 p.m.

I heard all of that from the Minister of Tourism, so you cannot have it both ways. What the Minister can say is that despite the projections of the forecasters, it was never within his contemplation that Barbados would have done badly at all. The most that the Honourable Member for Tourism can say is that we are no worse off than his biggest fears.

Asides.

Mr. D. J. H. THOMPSON: He can write that down on paper and reflect on it and stop coming in here...

Asides.

Mr. D. J. H. THOMPSON: I mean the Honourable Member for St. Michael South, Sir, trying to take credit. If you go to Cayman Islands, a country that was almost shut down after September 11. Their tourism numbers are back up, because I was there recently and their hotels are by and large experiencing higher levels of occupancy. The Turks and Caicos islands say they are enjoying higher levels of occupancy. St. Lucia had problems and still continues to have problems because their experience was that a number of their properties had closed completely. Their problems are in a sense unique to St. Lucia, so it has not been the experience throughout the rest of the Caribbean that the effects of September 11 have been as dramatic, or as devastating as were originally projected, so that is not a big issue.

If it was, Sir, we would be up the creek without a paddle and that is because all of our eggs are in the tourism basket. None of the other sectors of the Barbados economy are poised to help in the recovery. We have to depend exclusively on tourism. The agricultural sector is in a mess, despite what the Honourable Member for St. Philip South would tell us. The Offshore Business and Financial Services sector is in a mess, largely because of the OECD scenario, but the effects of that were being felt even before September 11, so the manufacturing sector in Barbados is not going to be a major contributor to economic recovery. Those are the facts so we are depending almost exclusively on the tourism sector to pull us out of this recovery. We have all of our eggs in one basket and it is this I want to say to the Minister. On this Side of the House there is no view that we would like to see Barbados in an economic crisis or we would like to see the situation with tourism get worse.

In fact, if the Minister could say that this Bill was going to completely reverse any decline and see our tourism sector make a major recovery in the short term, I would express as pleased as punch. I do not think this Bill is going to make

any fundamental difference to that, and the Minister has not said so, neither do I think he believes that this Bill alone is going to make any significant difference. What the Minister will say, and has to say is that there needs to be an analysis of the structure of Barbados Tourism Authority. This is the first time that he has come out so grandly to admit that it was always his intention and desire to see the Barbados Tourism Authority go through major structural changes, so that it would be able to achieve its mandate.

What the Minister has been able to confirm is that there has been significant duplication of effort, which means that despite the increase in the tourism's marketing expenditure every year, Barbadians are not getting value for their money. This is something that we had been saying consistently on this Side. Despite the previous structural changes in the Barbados Tourism Authority, there had been an almost complete failure, except in respect of the egos of the persons who were principally responsible for introducing them.

The other areas of concern that the Minister raised relative to the tourism sector are not going to be solved specifically by this legislation. I still believe that if he can get the tourism planners and thinkers on the right track and identify and articulate very clearly, a national vision for the tourism sector that would see every Barbadian who has an interest in the success of this country focussing on those goals that are important, we will succeed.

The Honourable Member for St. Michael South must not be so arrogant – and I do not believe he is – as to believe that he alone has pulled Barbados through a tough time economically. There was in 1991, and the evidence is there, available in the Ministry of Finance and the Ministry of Tourism, a clear strategy to get our tourism numbers back up and also to get tourism investment going again, such that by 1994, Barbados recorded the highest level of tourism investment in a single year in its history up to that time.

The \$9 million that was spent on additional marketing, I think it was in 1993-1994, had dramatic effects. Therefore, you can look at those lessons. I am not saying to follow them 'lock, stock and barrel', because I would not be arrogant enough to believe that we had all the answers then but look at those strategies and apply them. In those days, Barbadians were rallying to save the Barbados dollar from devaluation.

Sir, as I understand it, that is not the present Government's major concern because we have high levels of foreign reserves that would only be threatened by inertia or complete inactivity on our part. Therefore, the strategy has to be something else and the role of the key policy makers and politicians is to inspire people to focus on a

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Sir, as I understand it, that is not the present Government's major concern because we have high levels of foreign reserves that would only be threatened by inertia or complete inactivity on our part. Therefore, the strategy has to be something else and the role of the key policy makers and politicians is to inspire people to focus on a

specific strategy so that they can see the wood from the trees, see the ultimate goals and see themselves as part of the process.

The large number of people in Barbados involved in the tourism sector who feel that they are being paid lousy wages, the large number of Barbadians involved in the tourism sector as workers who feel that they can be knocked off overnight like a hoe handle with no benefits accruing to them, no job security, the number of people in the tourism sector who have invested in taxis and water sports equipment, and little vending shops and are trying to meet their rents on all of these new properties like the old Harbour Police Station and the Pelican Village and so on, who want to be part of what is happening in the tourism sector in Barbados but feel even more vulnerable today than they felt when they first took out a loan and started the small business which they own and manage. All of those are the things that the Minister needs to pay attention to because as I say, all of our eggs are in one basket. It is not enough to believe that tax concessions are going to create any tourism revolution in Barbados.

I have lived long enough to hear the Honourable Member for St. Peter confess that after coming in here with much fanfare to introduce a new research and development allowance in a particular area, the manufacturing sector, that not one single Barbadian manufacturer made an application or filed a tax return to benefit from that particular concession. When we did the tax reform in 1992, we discovered that despite all of the concessions that appeared on your income tax return, only 3 000 Barbadians were able to get over the threshold of \$18 000 to benefit from those concessions.

Sir, there may be some virtue to having them in the Act, because a hotelier who otherwise would not invest in training, might feel, well, let me see if I could knock off a few dollars in tax here, or a person who has money and has not yet focussed on a specific tourism investment, and wants to avoid the payment of higher levels of taxes may do it, but that is not what is going to drive tourism investment in Barbados. The people who are going to invest in Barbadian tourism are not waiting on this legislation. They are waiting on something else. I cannot say what it is.

It is ultimately for the Minister of Tourism, because he is charged with the responsibility to do this, that is, to identify what they need to hear about the Barbados strategy that will bring them to this country. It is also what the Barbadians who have investment funds need to hear about Barbados, which will cause them to make those strategic investments, what the private sector in Barbados needs to hear, that is, going to get the Pierhead Project going, and all of the other projects going. The only way that the Government is going to be able to find that out is if the Government itself has a more activist approach, either to

holding the hands of those investors, which is a phrase that I use often, and I do not mean throwing away Government's money. I mean getting in there with them, in relation to the investments, and ensuring that the maze of bureaucracy is knocked away. In all of the projects that have been identified, if tomorrow one was to carry out a case by case analysis of each of them, one would find that there is some unnecessary bureaucratic delay which cannot be justified.
4.05 p.m.

If there is one good thing about this legislation it is that it makes a distinction between an interim and a final approval so that a fellow is able to go somewhere and say at least on the face of it that the Government of Barbados and the authorities have said, yes, they like the project and they might be able to generate financing and interest in it. I accept that and I am saying that this is the modern way to do business.

If you were to talk to some of the people who work in the arena, prior to this Bill being debated and being enacted at some subsequent date, they would tell you that those tourism investors might have something else to say about the major delays in the decision-making that afflict investments and about the fact that whereas much of our legislation and our promotion focuses on foreign investment, that a CARICOM investor can go nowhere in Barbados or in the Caribbean for that matter and find a booklet or any document that will set out clearly what the investment opportunities are for him as a CARICOM investor.

The CARICOM Secretariat does not seem to get going in the minds of the major decision-makers that there are millions of dollars out there owned by and available from Caribbean finance houses which could be invested in tourism investment projects.

Sir, unless we see a foreign imprimatur on an investment application, we are always very reluctant to give it the same facilitation and support and we often view with suspicion the investment claims on interest of Caribbean nationals. We need to understand that we have the resources and the expertise that can make major strategic tourism investments in Barbados. So I hope the Minister might be able to respond to some of these issues.

As I said, the legislation is not something we would oppose. I would not say that it is revolutionary but I do hope that the Minister will be able to use it as a tool to attract investment to Barbados, to create jobs and to grow and sustain the tourism industry in our country.

Hon. Dr. R. L. CHELTENHAM: Mr. Speaker, Sir, this is about 50 years since successive Barbadian governments have been supporting and promoting tourism.

It was in 1956 that a legislative framework was given to this activity in the form of the Hotel Aids Act. Some 11 years after, in 1967, the Act was revisited. Since then, 1956 and 1967, a great deal has happened in Barbadian tourism. It has become more diversified and more sophisticated. A large number of tourism players who did not fall within the definition of tourism activity came on board. The industry has become more competitive. Some of the countries, Canada, the United States of America, the United Kingdom and much of Europe, which we have always been attracting tourists from have been promoting tourism in their own country to the extent now that both within and outside the region, the competition is now more severe.

It is against that backdrop that we can all welcome this Bill which we are currently debating which attempts to give statutory recognition to a large number of activities which can now attract incentives not only for the building of condominiums, hotels or apartments but for investing in a theme park, a nature trail, a spa, a golf course, restaurant activities and the construction of villas. All of these activities and many more now qualify as tourism activity.

An attempt has been made to enlarge and improve the incentives offered to investors and a new role has been defined for the Barbados Tourism Authority. They have a role to play not only in marketing but in facilitating investment. In these new respects, the Bill represents a step forward and an improvement. So we can only hope that in time it will prove to be a new marketing tool, that will take away a lot of the discretion from the Minister and put it on a statutory basis and that it will redound to the credit of the industry which now contributes 54 per cent of our foreign exchange earnings. I heard figures of 75 per cent and 80 per cent being used but using the source, the World Bank Commonwealth Secretariat Study of 1997, it would appear that the contribution is in the region of 54 per cent as opposed to a country like St. Lucia where its tourism makes a contribution of 75 per cent to their foreign exchange earnings.

Ten years ago, the industry was employing about 15 000 people directly and indirectly and we are being told that the figure has now gone to 25 000. Tourism is now the main economic activity in this country taking over from sugar which was dominant up until about 25 years ago. In fact, when I was a boy, I was told that sugar and its by-products, rum and molasses, accounted for about 90 per cent of Barbados' foreign exchange earnings. Today, sugar makes a contribution of no more than 2.8 per cent. So that tells a story of the extent to which sugar has declined and tourism has gone forward.

Therefore, we must not believe that this Bill before the House today is addressing some of the fundamental and structural problems and weaknesses in Barbados' tourism

because if we do that, we would have expectations about the Bill and what it can realise which is so large that it would only serve to disappoint us.

4.15 p.m.

Mr. Speaker, the first point that needs to be made about Barbadian tourism and I share this with West Indian tourism, is that it is for those who have money and, for the most part this side of the region, it is an area of investment that offers a very low yield of that investment. If you were to go to the investment offices in New York, Chicago, London, Frankfurt, and ask about the prospect of investment in Caribbean tourism, they will tell you, without hesitation, that it represents a very low yield. That, unless something radical happens, it is unlikely that there will be that investment in investment.

Sir, that explains Barbados to a large extent, why it is that we have no new change in Barbados over the last 25 years. It is not regarded as an area of attractive investment and, certainly out of the other islands in the Caribbean, Barbados actually comes near the top in terms of these islands where people investing in tourism will give back a total yield in the process of the investment.

A few years ago, when I was Minister of Tourism, I was concerned about a practice that was taking place within our hotel chains in Barbados. At that point, there was the Hilton Hotel, Sam Lords (Marriotts) and Sandy Lane. I, along with my Permanent Secretary at the time, two prominent Barbadian hoteliers, went to about six properties that had their headquarters situated in Miami. They also said they had been looking at Barbados for many years. They know the Barbados situation very well. They have been revisiting their Barbados file from time to time and that it is not practical to come to Barbados even though they would like to come. Many of them said the only thing the Government could do was to use casino gambling and offer them two or three licenses. They thought that this would attract a number of visitors to our shores; it would add to occupancy levels; would cause a more even flow of visitors; likely to see them coming all through the year and would represent a significant attraction to the Barbados product.

Mr. Speaker, there has been a resistance to casino gambling in Barbados and may I say for the wrong reasons. It was felt that casino gambling would corrupt the morals of the country; that locals would somehow become involved; that it would offend the church; that the mafia may even come into our country. Sir, all of those premises have been proven to be false in so far as casino gambling is everywhere around us in the region. Therefore, none of the feared consequences have come to pass.

We in Barbados have got to take our heads out of the sand and recognise that Lotto fever has taken over this

country. We are all gamblers. The persons who we sought to protect are the very ones who are spending \$100 million and more on gambling every day. Therefore, the case now for which the introduction of casino gambling, from which Barbadians will be exempted, will be there only for the showing, as is the model in the Bahamas, St. Lucia and several other countries. The time is now ripe for us to take our heads out of the sand and to experience the introduction of casino gambling in order to make our industry more competitive and to provide a new and important incentive for a lot of the would-be investors in the Barbadian product.

Mr. Speaker, what has happened is that the very people who Government said they were concerned to protect, are now gambling to the tune of hundreds of millions of dollars and nobody is saying anything about it. The church is silent; all the non-governmental organisations are silent. The reality is that we are all infected with this Lotto fever and we are all gamblers today in this country. There are few places in the world, I am told, where there are more draws per week taking place than there is in Barbados. Therefore, we have to face the new reality; if we can be causing so much damage to our people and doing nothing about it, then it is about time that we introduce casino gambling in Barbados, licence it, so as to allow major changes so that major investors can come to our country.

Mr. Speaker, that is not the only structural weakness about our tourism of which I am concerned. There has been too much dependence on the United Kingdom's market. I have spoken about that in this House in the past. We have been fortunate that we have not been the victim of cyclical swings, serious depressions, economic downturn in the United Kingdom's market, such as to cause us to suffer greatly.

Sir, during the 1990s we used to attract about 94,000 visitors from the UK. The figures of 1999 have suggested that we have since gone over the 200,000 mark. Europe, the UK included, is responsible for about 47 per cent of our tourist arrivals. The UK alone is responsible for 39 per cent. That is to say, the rest of Europe – the Scandinavian countries: Holland, Germany and Austria, are only responsible for 8 per cent. The danger is that marketing the United Kingdom is dominated by tour operators. It is what we call vertical integration in the European and Canadian markets – not the United States market because the anti-concentration psyche is very dominant in that market. Therefore, there are still individual operators who are responsible for moving large numbers of people from one destination in the US market to other destinations.

In the UK, there is this vertical integration, the relationship between the tour operators, the airlines and also the properties in their destination. Among them, there is so much power that should you, for any reason, offend three or

four major operators, for example, Thompsons Vacations or Air Tours, you could find that you are at their mercy and could be penalised because, overnight, they can switch thousands of would-be visitors from your country to other countries. Therefore, this large dependency on the UK market to the extent of 39 per cent of all visitors is a cause for concern.

4.25 p.m.

I think our tourism planners and those responsible for the management of the industry should be concerned about this. The view in some circles is that you have to fish where the fish are concentrated and the catch is good but I think the challenge here is to create new fishing banks and, therefore, reduce our dependance on the United Kingdom market.

Sir, not much has been happening in the Canadian market for many years. The Canadian market is responsible for 11 per cent of our arrivals. The Canadian economy has had a sustained period of recession and that market has become very budget conscious. They have been bypassing Barbados and going to the Dominican Republic and Cuba which are low-cost destinations.

Barbados is a high-cost destination and the big challenge facing us is to transform this destination so that it continues to give our people a high standard of living but there should also be an even flow of arrivals, greater yield on the arrivals and reduced cost of operation. This is the major challenge facing the Barbadian hotel industry.

Sir, numbers are important and we have to take another look at the US market. I am not satisfied that we have been doing what ought to be done. We have had a lot of theoretical explanations without reference to any empirical study as to why there has been a decline from the United States of America and while there has been a revival, it has been modest only.

We have been told that we were suffering because there were only two gateways out of which Americans could come to Barbados, namely Miami and New York and that we needed additional gateways. We were also told that there was not enough investment in television promotion in the United States of America and that we were not targeting particular niche markets.

We may only know why it is that we have not been getting a larger yield from the United States market, if we go into the market, talk to people in large numbers, travellers and would-be travellers, as to whether Barbados is known and why is it that in choosing a destination Barbados is a fourth choice rather than a first choice. Only if we do this sort of diagnosis would we be able to talk seriously about what new prescriptive measures need to be put in place in order to deal with the US market.

In terms of travel time, the US market is next door to us, it is a rich market, they speak English and we have a lot of cultural harmonies which we can draw on. It is important that we look again at the US market with a view to attracting many more numbers than we have been doing in the last ten years.

When I got notice of this Bill I thought I would make the point that we have been disregarding the contribution being made by Caribbean visitors to Barbados and this is an area that we need to target. A week ago we heard from the Ministry of Tourism that the first country being targeted is Trinidad and Tobago.

The truth is that intra Caribbean travel accounts for 17 per cent of tourist arrivals. Barbados is highly regarded and much looked forward to as a destination by many people across the Caribbean. We need to exploit that because many people in the Caribbean believe that Barbados is the America of the Caribbean and that Bridgetown is like New York and if they cannot get to New York they believe that Barbados is the next best place to go to.

They believe that Barbados is a place of excellent health service. It is a country that is modern, sophisticated, environmentally healthy and it is the place to go. We must exploit that good feeling that exists in the region for Barbados and try to move the 17 per cent to 25 per cent in a short time.

I am glad that the Minister recently announced this new focus on the Caribbean but we must not only look at Trinidad and Tobago, we must look at several of the other islands as well.

Mr. Speaker, I want to speak about the administrative delays experienced by many investors in Barbados and tourism is no exception. It is to my certain knowledge that four years ago a serious attempt was made to open the Joes River Forest as a nature trail and a centre of tourist attraction.

Joes River Forest is off Horse Hill and in the middle of Horse Hill to the right there are about 99 acres of forest with a large array of trees, mostly mahogany. This used to be managed by the Ministry of Agriculture but I am not sure that this is so any longer. A Barbadian was interested in developing the park but great resistance came from within the Ministry of Tourism. Meanwhile there is resistance but people go by night from the back of the park that faces St. John, cut down the mahogany trees and take them away. There is no protection there, the trees need treatment because they are dying from diseases of one kind or another. The soil is disappearing and the attempt to protect and use it as an area for recreation for both Barbadians and tourists alike is being lost. That is the result of bureaucratic resistance.

4.35 p.m.

Sir, that is not only in relation to this story but it relates to several projects in Barbados. I appeal to the Ministers to use their clout. There is no reason why middle-range civil servants should be delaying projects that are for national interest but that is a situation which obtains every day in every Ministry in this country.

Sir, the time between conception and realisation of projects is also a matter of serious concern. For example, take the renewal of the St. Lawrence tourism project, as it is called. The attempt to bring new life and new activity to the inner coast, starting a little way before Pisces Restaurant and going straight up to Dover, that is a project that has been conceived at least fifteen years ago. Today, in 2002, it still has not been fully implemented. We need to shorten the time between conception and realisation of projects in this country. Too many small projects take too long, fifteen and twenty years to be realised.

We can understand a project like the Deep Water Harbour that was talked about for fifty years in this country before it could have been realised. From the time that the trains stopped running in Barbados in 1937, there was talk about the construction of the East Coast road and that did not come to pass until in 1964. Sir, they may be seen as large projects but the renewal of St. Lawrence cannot be seen in that context. Yet, it took at least fifteen years before the St. Lawrence project has been seriously considered on the agenda and still not fully implemented.

Mr. Speaker, it is very important that Barbadians feel that they are benefiting from the tourism dollar. I come across, a large number of Barbadians, taxi men, restaurant workers and employees in tourism plants, who feel that they are not getting enough of the tourism dollar. The spread is very uneven and as a result they are disgruntled.

Restaurant owners say that we need to do something about the all-inclusives because they are the ones who suffer directly from the fact that people come to a particular hotel and eat at the hotel every night, except for one night and sometimes every night, they never eat out as a result of the all-inclusive package.

Taxi men at the port have generally been complaining for a long time that the coaches, the so-called big boys in Barbadian tourism, are the ones who are getting the bulk of the tourist's dollar and they are being overlooked and disadvantaged.

I was very happy that they had an audience with the Honourable Minister, a week or two ago, and the Minister has undertaken to do something to help them. It is also true

that there are people in the industry who feel that they are underpaid. That is, perhaps, a perception of all workers. I have never heard workers claim that they are being overpaid and a few admit that they are being adequately paid. We have to be concerned about the growing feeling that the gains of the industry are not being evenly shared they are a lot of people at the bottom of the scale who are working hard, making a large contribution and who are not getting adequately rewarded.

Mr. Speaker, I want to conclude on this point because I know that my time is also up. While I welcome the provisions contained in the Bill being discussed before this Honourable House, the reality is that there are certain structural weaknesses which are major and which must be addressed if Barbados' tourism is to be put on a sound and sustainable business.

Thank you, Mr. Speaker.

Hon. R. N. GREENIDGE: Mr. Speaker, I want to commend the Honourable Member for St. Michael South on bringing this Tourism Development Bill, 2002, to this Honourable House. I would also want to commend him on the way in which he presented the Bill to Parliament.

I think that the gist of what the Honourable Member for St. Michael South was saying in his presentation is we have to agree that there is an admission by Barbadians, that nobody is coming to Barbados now simply for the sand, sea and sun. We have to encourage tourists to come to Barbados for something other than the sand, sea and sun.

In that regard I would want to applaud the emphasis, the encouragement and the attention paid in the Bill where people should invest in other tourism related activities. For example, invest in gullies and the nature trails. We must remember that this is an area which does not cater to the traditional tourists. This is a very selective group of tourists that we are dealing with. We as Barbadians would have to induce them to come to Barbados and the key thing is, we must have the type of gullies and nature trails which would capture their imagination.

Mr. Speaker, a lot of schools and colleges in the United States of America go on study tours to the Bahamas, Cayman Islands and to Bermuda but not many of them come to Barbados. Sir, we have to canvass the United States universities and colleges in a big way. We have to try to get those schools, colleges and universities to come to the Caribbean and to Barbados in particular.

Sir, yesterday I had a meeting with the United States Ambassador and at that meeting we discussed college exchange programmes with reference to United States

colleges and Barbadian schools and they are quite willing to help us.

4.45 p.m.

The US Embassy is willing to help us in this regard. It will promote a lot of the educational projects for us and encourage the US students to come to Barbados. I think, Sir, that the Barbados Tourism Authority should be part of such collaboration with Education on one hand and the United States Embassy on the other to try to arrange and organise these college exchanges. I think it also has a tourism connection and they should be part of it.

We were talking about niche markets and we are talking about trying to get a particular type of person to come to Barbados and, remember Sir, that there are literally millions of students that graduate in the United States every year. We only want one per cent of those students to come to Barbados and it would put us in good stead. We cannot do it alone at this end, Mr. Speaker.

We have to establish our linkages perhaps with the Mayor of the City, the universities, the airlines and anyone else who can aid in this process. I think it is a market that we have not been able to take advantage of and we have to tap into this market as soon as possible. I do get the impression that others are eyeing it. It is the whole question of education and getting colleges and schools to Barbados. I am not saying that some of it does not happen now because you full well know, Sir, that what I am advocating you have actually seen with your eyes. I note you would have sat on a couple of occasions and you would have seen groups of students from the United States of America visiting this Parliament so you know within yourself, Sir that it does happen and you would notice how eager those students can be. I think that we need to do a bit more in that area.

Mr. Speaker, I believe that our rangers and our beach patrols must learn to speak languages other than the English language. I think it would benefit students who come here whether from Cuba, Martinique, Guadeloupe or wherever and I do believe it is an area that we speak about almost daily but continue to overlook. Getting the rangers, the beach patrols to speak another language is one of the biggest challenges which is now being faced in this area of tourism. When the university students and college students arrive in Barbados I think that our people must continue to treat them with respect and courtesy and we should endeavour never to harass or abuse such students.

I recall a few weeks ago going to the Bahamas and I was accompanied by the Minister of Housing and there were many days when we discussed the whole point that in the Bahamas there is definitely a tourism culture. In the Bahamas everything you can see and the way in which

people live is geared towards tourism. I recall being in the company of our Honorary Consul there and he was explaining to us that there in the Bahamas they do not get a lot of crime against tourists and one of the reasons is that the Bahamian people see that as being more of a crime, to attack or steal from a tourist, than it is to steal from or attack a Bahamian.

Even in the sentencing, if it is done, then the criminal feels, once he has attacked or abused in any way he violated the rights of a tourist. There is that tourism culture there in the Bahamas.

There are things that we can do here. We see tourists sometimes going off course and we do little to help them. These little things are things that we can do to ensure that our people become aware as to the benefits of tourism. To attack a tourist should be considered as an attack on the economic well-being of the country and this type of thinking is what we have to impart to the Barbadian people.

Mr. Speaker, we have to think also in terms of manufacturing those little inexpensive things to complement our tourist product. There are some very simple inexpensive things that we can do and we have to look for novelties in this regard instead of traditional things. I was speaking to a gentleman who visited Barbados a couple months ago and he was saying that when you go to the Cave, and almost all of the visitors that come here go to the Cave, you leave feeling a bit empty and you do not come away from the Cave with a memento. There is nothing that you walk away from the Cave with saying that you went to the Cave.

As simple as it may sound, he says there are some miniatures the ones you get on the plane, for instance, miniature brandys and whiskeys, that type of small bottle. He is saying that all you need to know is to have some of the very Cave water put into some of these small bottles, use a little label on it with the stalagmite and stalactites saying Harrison's Cave, Barbados – One of The Wonders of The World and even a caveat that "this is not drinking water". That is what the tourist would pay two dollars to keep, just to say I went to Harrison's Cave. It may sound a simple thing but that is all people want to say that they were there and look at what they brought back. I think it is an excellent idea. Even if it is not the identical product with the water in the bottle, it means something when people are leaving the Cave to say I was there in Barbados.

He also went a step further and said we in Barbados continue to trivialise that hat plaited out of coconut palms. He said that in Hawaii you get a garland and this hat means so much to tourists when they come here and people do not seem to know. It is a product that we can use but we just make one or two and that is that. We have not yet marketed that as a Barbadian standard.

Little things, Mr. Speaker, which do not cost a lot of money which we can use. We talked about niche markets and creating a different product and I believe too that Barbados can become a golf destination.
4.55 p.m.

Mr. Speaker, golf has become the fastest growing sport in the world over the past fifteen years. It is no longer a middle-aged sport. If you think of someone for instance like the Right Excellent Sir Garfield Sobers who became perhaps, one of our leading golf players, only after he had finished his duties in cricket, you will see what I mean when I say, it is not a middle-aged sport any longer. We have very young people, the world over, who have taken up golf as a sport.

I believe, Sir, that the success of someone like Tiger Woods would have influenced young people, getting into the area of golf. I know, Sir, that golf has its critics here in Barbados. There are those who would argue that it is too small a country to have so many golf courses and those who would argue that too much of our land is going to golf. Yes, golf has its critics right here in Barbados. Their argument, Mr. Speaker, is only a powerful argument if we fail to make the best use of our golf courses. If we use the golf courses properly then, I will say that their argument must disappear into thin air.

Right now, the world is asking for the sport of golf. We have to face reality, Mr. Speaker, as to how this world is developing and we have to go with the flow. It is not different, Sir, to computers and technology. We realise that we would have been left behind if we did not catch the boat. In this regard, I say that we can make Barbados a golfing destination.

Fortunately, Sir, golf is of such a nature that if it is no longer the in thing, ten years from now, we can easily change direction and that is what is the beauty with the game of golf. The land will still be there. It is not an inflexible situation. The land will still be available for housing or whatever else and right now, Sir, it is what a lot of tourists are asking for, and we also have to realise that the person who plays golf is not what you will call a bread and fish person. Very often that person has the means and the wherewithal to purchase things in Barbados and to spend in Barbados.

The other point I want to make is the whole question of the taxi men and I believe that they, like the rangers and so on that I have spoken about, that they too need to be taught the basics in Spanish and French to be able to say, good morning, good evening, and how are you. I believe, Sir, that we owe that to our taxi men in particular. I think Mr. Speaker, that the BTA must consciously see our taxi men not at all as people hustling to make a dollar but as tools within the tourism industry, and I think that is absolutely necessary.

I feel that taxi men should be taken into the classroom for nothing less than six weeks, to learn certain skills, including a language. While they are there, Sir, I do believe that they should receive a stipend to make up for their loss of earnings. The taxi men can make or break us, believe it or not. One of the first things which a taxi man is asked, Mr. Speaker, is how are things in Barbados and that is a question from which the taxi man can do much damage. He can also do things to benefit us in his reply. If the taxi man decides to say, oh, up to three days ago, tourists were raped. It is a bad place. Things are not good here and so on. I think we have to continue to use the taxi man as a tool in promoting this country.

Mr. Speaker, I will conclude by saying that I would want to commend the framers of this Bill and I hope that the measures outlined in the legislation will increase investment in the tourism sector.

Mr. Speaker, I am obliged to you.

Hon. Sir HAROLD St. JOHN: Mr. Speaker, I am very glad that this House in this session is at long last debating provisions for the updating of the tourism investment provisions in Barbados. As has been said before, this Bill has been long in coming and those of us who have been in this Chamber and in political life in Barbados will recall that successive administrations on both sides, have promised since 1967, to bring into force an updated and modernised piece of incentive legislation. In relation to this, it is interesting if one studies some of the public documentation.

In the speech from the Throne, delivered on October 5, 1994, Honourable Members will remember that it was delivered by the late Her Excellency Dame Nita Barrow and it was delivered on the occasion of the first Sitting of Parliament, consequent upon a change of Government in the general election that took place. The provision under tourism was quite specific.

“My Government will introduce a new Hotel Aids Act that will broaden the concessions for investment in new plant and provide concessions for refurbishing and expansion of existing facilities. My Government will support further development and new forms of tourism activity, such as heritage tourism, ecotourism, sports tourism and health tourism. My Government will also support the development of marinas, conference facilities, and facilities for duty free shopping. In addition, my Government will introduce new marketing strategies and will increase and redirect funds for tourism development. My Government will work closely with other regional Governments in search for solutions to regional aide transport services.

Sir, if one looks at those objectives that are set out very clearly and very succinct and if one listens to the speeches, one would discover quite easily that the origins of this Bill

were well placed in our literature and that one cannot really claim that there is any revolutionary aspect to this Bill. 5.05 p.m.

In short, this Bill brings into legislative effect a number of provisions relating to the need in Barbados for modernising our incentive legalisation in the tourism industry so as to ensure that the certainty and the transparency that is needed to bring confidence to those who would wish to make investments in this industry will take place.

Having regard to the passage of time, there are additional features which are included in the Bill which could not have been envisaged or which were not envisaged at the time when we spoke of it in the Throne Speech in 1994. There is no doubt that new provisions are being introduced and the provisions which were envisaged are being simplified and expanded to take into account the requests and the demands that unquestionably would have reached the Ministry of Tourism from those who are the prime movers, mainly the private sector and others, for certainty in certain areas.

I commend the Minister for being able to implement well-known Government policy despite the obstruction he received from the Opposition during the course of his speech. The failure to bring into force the very simple clear policy directives as contained in the Throne Speech occurred, and Honourable Members who have ever had the opportunity to work in a ministerial capacity are familiar with this, because of the element of bureaucracy which took over and frustrated the aspirations and desires of the principal policymakers. But we must never think that is unique to Barbados. Anyone who watches the television programme ‘Yes Mister Minister’ would understand that throughout the Commonwealth and in many other countries where we do not have the Westminster system, similar experiences befall those policymakers who are dependent on functionaries for the execution of their policy. It is particularly aggravating in the context of our system of governance that although we have the normal responsibility for the supervision of the execution, we are unable to carry that normal responsibility into effect because the disciplinary provisions of our structures are such that an outside body deals with that.

Sir, Honourable Members on both Sides have made very valuable points in this debate. There are, however, one or two points that I would like to make which I believe are crucial to an understanding of where we find ourselves today and why we find ourselves so today. I believe that the integration and the interrelationship between the capacity to bring visitors to Barbados by having control of the means of bringing them here, that is, aircraft capacity and the direction of where they fly, has not been always understood

Honourable Members have spoken of the trend that is taking place particularly in Europe with the vertical integration between the tourism providers and the aircraft providers which does not always operate to our advantage. The integration that has taken place since the development of the single market in Europe and the competition policy in Europe has been tremendous and it has had a profound effect on how holidays are conceived, marketed and carried into effect.

I believe that a study of the market today will determine that there are probably about five or six large tour operators who are operating right across Europe. However, those tour operators are integrating with airline capacity because they have chartered aircrafts which they own and they also have control over a large number of retail travel agents. That is an example of the integration.

Sir, Honourable Members and people in Barbados who are interested in this should recognise that there is a further degree of integration taking place because many of these very large tour operators on a pan European level are becoming hotel owners, whether by lease, by ownership or by other devices, and they have control over a large amount of hotel accommodation. So a total integration has taken place.

Honourable Members are quite right in pointing out that these are matters that we should take into account in the regulation of our tourism industry. That integration has had its impact at the ground level such as transport from the airport to any of the onshore activities like restaurants, Jolly Roger cruises, visits and island tours.

I hope this would not surprise Honourable Members when the facts are disclosed because in the 1980s we envisaged that as an area of operation that should be the prime responsibility of locals.

Asides.

Hon. Sir HAROLD St. JOHN: That was the policy and that was why the Travel Agents Representation Bill was passed.

Today, ground tour operators have to give 50 per cent or more of the commission they earned from the service providers to these foreign tour operators.
5.15 p.m.

Mr. Speaker, such is the power of these tour operators, not only in their home countries but also in the destination countries. They control the travel agents in their home countries. They control the aircraft seats in the destination source of visitors. They want to control hotel accommodation and now they want to control the service

providers in the destinations. Sir, I feel very strongly, as I have said.

This Bill does include improvement in what they want but this Bill alone will not deal with all of the problems. This Bill, having regards to what has happened, must be followed by a number of other measures. A Fair Trading law and a competition policy in Barbados have also to come into effect. These main operators cannot, in their country, indulge in anti-competitive behaviour, without being answerable both to their national competition bureaus but also to the European competition bureaus and the laws passed by the European Commission. Therefore, we must wake up and understand there is a need for other legislation.

When we say this will not cure all of the problems, we say so because we have been observant of the industry in the international arena and we have to be careful that we have provisions in our area that, in source countries, they have had to prevent the predatory and anti-competitive behaviour. Believe you me, Sir, it has reached Barbados and just as we have had such drive against taxi operators and others, so too soon we will be having such drive from ground tour operators because of the anti-competitive behaviour from a few local Barbadians who are nothing but prawns in the hands of some of these big tour operators abroad, who they have to give up as much as 50 per cent of what is earned.

Sir, I would also like to know and hope that an answer at some time, whether the representatives of such tour operators who stay in Barbados for considerable period of time in hotel and who do business in Barbados, are subjected to taxation laws in Barbados. Sir, we know that everyone of the young ladies and men who sell local tours and who are local, have to pay their taxes – income and others.

Sir, I want to make it clear; I have never been against Barbados as a destination, giving permission for these tour operators to have a representative in it to observe the standard of accommodation and service which are given by locals. I know for a fact that the European laws provided, have been so consumer-oriented that it is now almost certain that a dissatisfied customer, on their return home, only has to file a complaint and the regularity which tour operators have had to pay out money has been so great, that there are anxious to have evidence of their own people to be able to counter some of these fears.

Sir, I have no problem with that. That is the performance of a legitimate function to protect tour operators from such liabilities but I do not understand how we have reached the stage where, when a Jolly Rogers ticket is purchased or when one goes to Harrison's Cave or do an island tour, that a percentage of commission earned has to be given back. I cannot follow that point. It is illogical to me. There is a disconnection. It seems to me that what, in truth,

and in fact is happening, is not ethical and the extraction rate of these tour operators on the spending in Barbados is getting wider and wider. I trust that a companion amendment Bill, in addition to the Free Trading Bill and anti-competition laws that we have to the travel agent representation legislation, should be looked at.

Sir, it is a fact of life, whether we like it or not. The cost structure in Barbados, for a variety of reasons, is on the higher end of the scale. It is not the highest. There is no mystery to me, having regards to the studies that I have seen, that Barbados does not have a number of chain hotels. I remember when Marriott was in Barbados, there was a General Manager. When it was announced that Marriott was leaving Barbados, this General Manager was interviewed by the Press. When asked why he was leaving, he said Barbados was a very widely preferred destination in the Marriott's system but that the decision makers at Marriott's had come to the conclusion that for every dollar invested in Barbados and the return on that dollar, could be used in many other parts of the world and it would be more profitable. That has been the story of the tourist industry in Barbados and I have been following it for 30-odd years.

I have been around the tourism industry when there was no tourist board, it was the Barbados Hotel Association. Then there was the Tourist Board, and they have been repeated laments from the 1950s' right through. It is true that we have had some very successful tourism operations but the success of the industry goes in peaks and troughs. Sometimes there is a period of time when it is highly successful, other times it is highly unsuccessful. It is for that reason that the expanse in concession, in my opinion, would be valuable. Now there will be a much longer period to be able to recapture one's investments so that in the likelihood that there might be more than one peak in the ten-year, than in the 20-year period, you will be able to have possibly all three.

Sir, while looking at the Bill and analysing the existing practice, the Bill, I am very pleased to say incorporates the legal form in a transparent way, a number of the concessions that used to be granted as a matter of administrative discretion by the Minister of Finance under successive administrations, by way of an exemption on duties and taxes. That is a fact of life. In addition to that, I am glad to say that all of the extraordinary concessions that have been granted to some developments of real estate and tourism nature, have not necessarily be repeated in the Bill.

5.25 p.m.

Sir, I welcome the Bill and it is an improvement but there are other areas needed. I do not believe that this Bill will solve all our problems because there are other areas of legislation that we need to correct some of the areas associated with this.

We still have one outstanding area, the provision of mechanisms to ensure that we have within our own capacity more control of our destiny in the form of having arrangements with respect to air transportation to Barbados which is not dependant on third party carriers.

I thank you, Sir.

Hon. Miss M. A. MOTTLEY: Mr. Speaker, I rise to give my support to the Bill before the Chamber and to salute the efforts of the Honourable Member for St. Michael South who I know has been assiduous in his efforts to bring this legislation before this Chamber.

It is fair to say that the framework before this Honourable Chamber really signals the complete intention of Government to treat not simply to the hotel or accommodation sector in Barbados but to the development of the tourism and hospitality sector in its broadest terms recognising that the constituent elements of the product which drives this economy is a range of things like accommodation and attractions which engage persons on this island, whether land based or cruise ship tourism visitors as well as those things like airlift or cruise ships which are necessary to bring persons here.

Therefore, if one is to fully understand how we can continue to facilitate the growth of the tourism sector and the extent to which the sector can contribute to improvement of the quality of life of our citizens, then it requires that we understand all the constituent elements of the sector, the extent to which we have control over those elements and the extent to which we improve those things upon which there is need for urgent improvement.

Sir, the Minister eloquently outlined the history as it relates to tourism development and it needs to be said over and over so that our people understand that in a real sense tourism is something for which we have had a level of global prominence over the course of the last 50 years. The Caribbean has been the leading warm-weather destination in the world for almost 50 years and the persons who have managed that product may not necessarily have been as scientific, clinical or strategic as we need now to become but the reality is that they met the needs of their market at the particular time that they were delivering the product.

Mr. Speaker, the market in which we are functioning has changed substantially and it is not that our predecessors were doing something wrong but simply that people and the market within which we operate have changed substantially.

Sir, we have a situation where the movement of people and information constitute two of the largest industries across the globe. We have a situation now in the context of a global village where the technological

revolution in air transport and modes of communication mean that people share horizons and perspective on different regions and that excites the curiosity for persons to want to visit either for the purposes of pleasure, business, religion or other motivators.

In those circumstances many of the traditional markets for us in terms of the supplying of our tourists have become some of the major competitors for the same market that we are going after. What has happened in the context of 50 years is not that we were doing it wrong all along but the market within which we are operating has changed substantially and we have to ensure that the product which we can offer is reflective of the needs and interest of those in the market who are likely to be the persons coming to our region.

Mr. Speaker, we also have to recognise that the history of tourism development in the Caribbean has been linked with not necessarily some of the most savoury and sanitary aspects of our history. In coming to understand how we reposition the sector and propel it for further growth, there must be recognition that the kind of participation and sharing that is necessary in order for us to benefit from the growth of tourism, must take place with our population such that they do not maintain notions of servitude and servility but recognise that they can be in control of their own destiny either as investors or business people.

5.35 p.m.

We have talked around it in public dialogue for much of the last five years but we are yet to engage the issue in a way that causes us to remove some of the negative connotations that have been associated with the early development of the Caribbean tourism in a society that was known for its lack of equity and fairness than for an opportunity for all to participate.

It is clear now that in the context of the kind of tourism product that we want to develop, it requires a level of participation of ownership and civility on the part of Barbadians across-the-board at whatever station in life, in whatever job, and fewer people are likely to be cooperative, friendly, to give of their best in terms of service and the commodity if they do not understand what is at stake and what is necessary for them to do. Recognising that they do not lose who they are by simply offering good service which has an economic equation and a financial benefit for them and the country as a whole.

I know that the Minister of Tourism has spoken a lot about the need for the development of community tourism and the need to speak and address the issues of service and quality. One of the things that we have recognised is, Barbados has a higher level of cost as a destination than many of the other competitors, even in the region. As a

result, if we continue to pitch ourselves at the higher end of the market, we have to recognise that we must be prepared to give people value for money in respect of the value added that they give.

Mr. Speaker, on coming to Parliament this morning, I turned to the person sitting next to me in the car and said, if I could wish two things for Barbados and have them granted instantly they would be that we would have a clean Barbados. Sir, Barbados is too filthy and we need to deal with it as a matter of urgency, not for tourism but for ourselves. We must recognise that the things that would benefit our environment would also enhance our marketing ability and other things that we do, whether it is tourism, international financial services or whatever we do.

The second thing that I would wish for is that, sometimes it would be fair to suggest that we have not been as friendly in our public interaction as we used to be and as is the case in some of the other islands in the region. Sir, people tend to be so busy, that sometimes they snap or sneer at you without recognising that it does not take five seconds to say thank you, please or to say things which create a welcoming environment, such that people feel that there is a willingness to engage with you. Those are the things which are intangible but which have, perhaps, the capacity to improve the quality of our product more than any other single action on the part of Government.

Mr. Speaker, that is why I continue to speak about the way in which we have to address cultural values as a part of the process of development and that we must recognise that is only in our being able to change and do those things which maintain the level of civility and that level of cleanliness that we can change people's perceptions as to whether they want to be part of the Barbadian experience or not.

Mr. Speaker, I am one of those people who feel very strongly that the structure of Barbados' product has to be driven by its core attraction, its climate, beaches and marine environment but this must be supplemented in real terms by a number of niche markets that exploit the reasons why people would want to come to Barbados. We have a reputation for global excellence in some things and we have a reputation for hemispheric and regional excellence in other things and I believe that we have an obligation to identify those things that would cause people to want to come to Barbados because we have a level of excellence in the provision of education.

Therefore, the encouragement of educational tourism offering places from the University of the West Indies year-round, the Barbados Community College and the encouragement of the private sector educational institutions that can seek to build on our tradition of excellence in tourism. We recognise that there is a market to be developed

in terms of the enhancement of existing products and the development of new products and the marketing of that product in respect of educational tourism.

Equally, we have been talking for more than twenty years about how Barbados' east coast where the ozone there is the perfect climate for persons who want to recuperate and regenerate and also for the purposes of a spa and health tourism. Sir, very little work has been done to encourage and to facilitate investment such that the product is developed first and the marketing is then repositioned in order to exploit the benefits that can accrue from that product.

Mr. Speaker, we speak about Barbados' reputation for peace, good governance and democracy. This very Chamber in which all of us are participating today, has a reputation of being the third oldest Parliament in the Commonwealth. We also have the distinguished reputation of being the precursor of a number of major initiatives that speak to good governance and democracy.

Therefore, how do we translate it into the development of a product in the form of attractions and how do we communicate and market that among the population that is interested in it?

We live in a world that is driven by information and the management of information. I am not satisfied that the Caribbean tourism industry positions itself to benefit sufficiently from the timely management of collection and analysis of information, such that we can better match the demographics of the markets with the product that we have in circumstances where we can get a better return on the investment of the dollar that we spend marketing and the development of the product.

Sir, one of the other things is, we believe that we should limit ourselves to the development of the product for Barbados. It is trite to refer to the fact that we live in a global village. One of the things that we have to recognise as a nation is, that our economic fortunes cannot be limited to the geographical space of Barbados and the Prime Minister referred to it in his speech on Saturday night, on the 30th Anniversary of the Central Bank of Barbados.

Sir, a certain moderator, who shares the same surname as mine when he was on radio, referred to fact that Barbados cannot see its economic fortunes only in terms of the exploitation of a business in the context of Barbados alone. Sir, for us, Barbados must become a domicile from which we enter and invest in other areas, particularly those in which we develop and declare a set of competencies.

I believe that the example of the Caribbean brand, as we have seen with Sandals and Super Clubs, is one in which we can participate. I believe that we should see elements of

the Barbadian brand throughout the region and further afield. The requirements in terms of the amassing of capital to match the already established expertise is one that should not be daunted, even for the raising of capital. We should not only be limited by those funds which are available within a domestic market but we should see ourselves trying to raise funds on a Pan-Caribbean basis.

Mr. Speaker, whether it was in the question of the development of the capital markets or whether it is the question of the diversification of this economy, we keep coming back to the same thing. We keep coming back and asking, why it is that there seems to be a reluctance on the part of the traditional private sector in Barbados to invest in those activities that are geared towards production, in terms of the production of change as opposed to the most safe activities of retail and distribution?

5.45 p.m.

Mr. Speaker, you know whether it was the question of the development of capital markets, whether it is the question of the diversification of this economy, we keep coming back to the same thing and we keep coming back and discussing why it is there seems to be a reluctance on the part of the traditional private sector in Barbados to invest in those activities that are geared towards production in terms of the production of foreign exchange as opposed to the more safe activities of retail and distribution.

I also believe, Mr. Speaker, that we have to look at the utilisation of the large pools of capital whether by reason of the pension funds or otherwise to help finance our development by ensuring the adequate development of products and by recognising that that product is needed in order to be able to maintain and sustain our quality of life 10 to 20 years from now. While there are others who have complained about the absence of international brands and internationally owned products in Barbados, while I accept that you may want one or two present because of the extensive marketing circuit that they expose you to, I believe that it is a plus and an advantage that so much of our product is domestically owned. What I do feel is that where we fall short is when additional capital is required to refurbish or to expand the product that we have not had sufficient reliance placed on equity financing and on joint venture relationships such that we can avoid the high level of debt that may further undermine an already under-capitalised institution within the sector.

Mr. Speaker, I believe that we have assiduously to make use of those incentives in this legislation which will encourage the participation in tourism product by average Barbadians, by those who manage large pools of resources in the form of pension funds or otherwise, because it is up to us to be able to take a chance in those realistic ventures

which can offer a reasonable return on investment rather than waiting for somebody to come totally and finance our development.

I further believe, Mr. Speaker, that the time is upon us to ask questions as to why it is that those who control the largest amount of capital in terms of the traditional private sector remain so reluctant to continue to invest in the tourism sector. Mr. Speaker, there is a matter of great distress for me that the Barbados Shipping and Trading Company, for example, a publicly traded company, has not gone beyond in its investment in the two Almond properties in a major way in terms of recognising that the tourism sector is there.

It is true that they own the property on which the Pierhead Development will take place, but the question begs itself what is the nature of their relationship in the Pierhead Development such that it is only being a provider of real estate and therefore receiving the equity as a result of that real estate or do they see themselves as building a product that is capable of generating a return on their investment and is capable of helping us earn additional foreign exchange as a country.

I believe, Sir, that we have to ask these serious questions and if there are problems that are causing people not to want to invest in tourism from a domestic perspective what are these problems and how can we as a Government confront them. It is not good enough for us to be providing a product and getting a fee rather than controlling the ownership and management of that product. As I said, I do not see it as a disadvantage that we do not have the whole raft of international chains all about Barbados.

While I think it may be appropriate for us to attract two or three because of the extensive marketing chains, I do believe that it is important that we own and utilise resources across the base, across the classes, across the society such that the ownership of our hotel product is our own. Mr. Speaker, the reason why I say so is that there is so much about Caribbean tourism that is already out of the context of our control. We only control less than 20 per cent of the airlift that brings people to this country and to the region. The majority of airlift that brings in people daily is not controlled by Caribbean entrepreneurs or Caribbean governments. If you wanted an example as to how you can suffer from the negative consequences of that lack of control, then you need only look at the event of post September 11.

What about the cruise ship tourism industry? Which Caribbean company or group of companies owns a cruise ship. We account for about 48 per cent of the base coming out of North America but the reality is that the ownership as well as the direction and planning for that cruise ship sector is completely outside of the control of Caribbean

governments and Caribbean entrepreneurs. When I say that there is so much that is outside of our control for the industry which is the lifeline of our society and our economies that it requires you to understand strategically how we can reposition ourselves that gives a greater level of control such that we can minimise the negative impact and the challenges that face this industry.

I do not have to stop here at airlift or at the ownership of the cruise industry, Mr. Speaker, it goes further. Much of our business, about 35 per cent of the business coming into the Caribbean now is generated from Europe and most of the European business is driven by tour operators. Other speakers in this debate today have spoken with concern about the level of vertical integration and consolidation that is taking place within the tourism sector on a global level now seeing itself taking place in the Caribbean and in Barbados and the reality is that that tour operator determines what price you get for your product whether that product is a hotel room or whether it is an attraction, a land-based tour, a visit to wherever.

As you heard the Honourable Member for Christ Church South say, in some instances, the tour operators receive as much as 50 per cent of what is paid particularly with the attractions before the person who is providing the service or the product receives a cent. They determine also what the person on the other end of the market sees very often. If they do not want to put you in their brochures, they do not put you. They control also blocks of airline seats at prices that they control such that you cannot compete with them at that level.

I believe without being hot-headed we have serious issues to confront as to how to deal with the issue of the opportunities for appropriate competition within the tourism sector in Barbados, and I look forward therefore to the passage of the Competition Bill which will come later this year because it will require public education and discussion such that we can understand how a tourism product such as Barbados which has traditionally seen wide-based participation on the part of people in the supply of products and goods and services across the sector, can avoid the trend for vertical integration and the creation of monolithic monopolies so as to crowd out some of these very small businesses and small people who have traditionally over 20 to 50 years been making a living in the tourism sector, whether it is the water sports operators, whether those persons who are taxi drivers, whether those persons provide other services.

All of a sudden, because of the competition that is taking place and because of the absence of rules and regulations to avoid the creation of monopolies, people are vertically integrating, not even giving other people an

opportunity to compete and thereby ensuring that people who have been traditionally a part of the sector are ousted out.

By the same token, Mr. Speaker, those persons who have traditionally provided services in the tourism sector have to recognise that they have a duty to upgrade and improve very often the quality of their product and the quality of their service.
5.55 p.m.

Mr. Speaker, I look forward to the provision of regulations by the Minister of Tourism which would seek to help regulate the quality of the attractions which, for the first time, are receiving the benefit of fiscal incentives in this Bill. It is not only good enough to help create the incentives, but I do believe that there is a duty on the part of the Ministry to regulate those attractions to ensure that they maintain certain minimum standards. Mr. Speaker, there are also systems for monitoring and management, such that they inure to the benefit of Barbados' overall tourism product.

Mr. Speaker, there is no opportunity for much failure in the sector. This is what pays the bills. This is what provides as many as one in four jobs throughout some countries in the region. This is where we have not had the benefit of preferences and quotas, those things which the global economic communities have determined that we should no longer benefit from and hence, the decline in manufacturing and agriculture that we are seeing. This is the area in which we have been a global leader for almost 50 years. This is an area where, in previous times, we have met the needs of those who have been interested in our product.

Our challenge today, Sir, is to be able to build on the confidence of a past era, build on the global reputation that we had previously, but to adapt and use the tools of today, such that we can keep our product, investment and our marketing fresh to be able to bring the numbers, so that we do not lose our share and, Sir, more importantly, that we increase our market share, recognising that we are not only limited to those things that may cause people to come here for the traditional reasons, sun, sea and sand, but that we now have, also, the opportunity to scientifically own the product and programmes to attract people to Barbados for whatever reason they may want to visit these shores and to leverage our goodwill, regionally, hemispherically and globally to create that demand to want to visit this country. Then, at the same time that we are doing that, to be able to recognise that we need to leverage our expertise and our skills owned in this area, to be able to use other geographical locations, utilising capital and skills owned by Barbadians, to develop products wherever we find ourselves on this globe, starting first with the Caribbean region, but not limited ultimately by that region.

I believe that we have to come to a stage in our development such that if we are truly serious and truly understand the extent to which we must rely on the services sector, whether it is tourism, the international financial services, education or health, that there are certain ways of doing businesses that have obtained in the past and that there are certain notions as to what we should continue to support, even if it has deleterious consequences for this new area of services that we would have to deal with as they confront us.

Most important, Mr. Speaker, I believe that whatever constitutes that charter for development, in terms of the area of emphasis, that we must have the kind of dialogue with the people of this country, such that they bite into it fully and feel as though they are participating in building a platform for those sectors and industries that would facilitate improvement in the quality of life that they experience, in the growth of this country and in the income that they receive, such that we can have all hands on deck in the growth and development of this sector.

This Bill seeks to recongise, Mr. Speaker, that it is not just about the tourist. We face the prospect of improving product, that is, both hotels and villas, accommodation generally but also, other aspects of a product that cause people to want to come to Barbados.

This Bill recognises that the issue of investment is of major concern to the Government and that we are prepared to put fiscal incentives and tax incentives in place, to cause people to want to invest in tourism, both at the corporate level and at the individual level.

This Bill, Mr. Speaker, recognises that there will ultimately have to be a series of administrative, regulatory and financial consequences attendant upon the implications in this particular legislation. I believe and trust that those who have the responsibility for leading the sector at this stage, now understand that it is not simply a question of the private sector replacing public sector or *vice versa*, but that there must be a national commitment, not only by those who are engaged in the front line of the sector, but on the part of all of us. Sir, the consequences that can befall us as a nation will have severe implications for us individually, even if not fully at a collective level.

Therefore, Mr. Speaker, it is with great pleasure that I support this Bill. I want to salute the efforts of the Honourable Minister and I simply say that we come to that point in our development where we have now approached the tourism sector, not as a haphazard occurrence that has been kind to us, but as a sector that will continue to drive the core of this economy and to improve the platform that improves the quality of life of the majority of our citizens.

I am obliged to you, Sir.

Mr. SPEAKER left the Chair and Mr. DEPUTY SPEAKER in the Chair.

Mr. M. Z. WILLIAMS: Mr. Deputy Speaker, I rise to support the Tourism Development Bill, 2002. Sir, in supporting this Bill, I want to take time out to look at some areas and express the satisfaction that this Bill will offer many people who are involved in the industry, not only those who are directly involved with the hotels, but also we must recognise that this Bill lends a very strong support to restaurants as well.

As you know, there are many Barbadians who are operating restaurants outside of the hotel system and there is likely to be a benefit, since the Tourism Development Bill stretches as far as that point, in terms of incentives.

Mr. Deputy Speaker, the fact of the matter is that the ancillary services of the tourist industry can also stand to benefit as a result of the Bill before us today. Based on the history of the industry as one would know, some 50 years ago, there were several areas that were lying dormant, in terms of the industry.

We have seen a period of time where many people, expatriates especially, who benefitted from the tourist industry. Those were the ones, Mr. Deputy Speaker, who seem to have rid the industry of the values over the years. I am hoping that this Bill will also bring back Barbadians to the industry and give them an opportunity to benefit greatly from this Bill which is before us today.

We know for a fact that the average Barbadian, through the years, in terms of management within the hotels, that there was a time in this country when management at the hotel level was for expatriates.
6.05 p.m.

We had cases where Barbadians who were trained in management were being placed in secondary positions in the hotels as compared with the foreign person. I am hoping that the young people who are coming out of the Barbados Community College and those who have studied in the hospitality industry will be able to benefit from this Bill in coming years.

When one looks at the benefits of the industry over the years, one would notice that the benefits are going away from these shores. Within the last couple of years, Barbadians benefited from the industry in the area of water sports. People built their own boats and got involved in water sports and trade along the coast but we have the situation now where this side of the industry is being taken over by expatriates.

I am hoping, Mr. Deputy Speaker, that this new Tourism Development Bill before us today would allow those young boys who now operate hobie crafts, jet skis and speed boats for these expatriates to benefit from the industry. I have heard that this is our industry and our country and I am hoping that this Bill would spread its wings and that every Barbadian would be able to get a grain of what is there for them within the industry.

Mr. Deputy Speaker, being the Parliamentary Representative for the constituency of St. Michael North West, Paradise Beach Hotel is in that constituency, and as the Honourable Member for St. Joseph just mentioned to me, can be considered as a national resource. Those of us who travel to Aruba would know that it only takes 10 to 20 minutes to drive from the airport to one of the major hotels in down town Aruba.

The former Paradise Beach Hotel used to be considered the gem of hotels in the region. I do not know what has caused the situation to be what it is at this present moment but I know that Barbados has lost a national resource by not having it open. As a boy, I remember people going to Paradise beach just to feel the water under their feet. The water at Paradise beach was so clear that you could drop anything in it and watch it as it filtered down onto the sand but all of that is lost now.

Mr. Deputy Speaker, if it is taking the owners far and long to have a settlement, I am appealing to the Minister of Tourism and the Minister of Finance to put Paradise Beach Hotel back on stream not only because it is a national resource but because it has provided work for many people in this country. Paradise Beach Hotel is remembered not only in Barbados but abroad because people who visited Barbados many years ago and who had the privilege of staying at Paradise Beach Hotel still remember those visits. Now we are hearing that what was one of our major hotels is now taken over by vagrants.

Asides.

Mr. M. Z. WILLIAMS: We are putting before this Chamber this Tourism Development Bill, 2002 and I am appealing to the Prime Minister and those people at the Barbados Tourism Authority (BTA) ...

You cannot tell me that you are going to take a package to Rome, to Europe or to the United States of America because you want to attract black Americans to Barbados and you want to develop sports tourism, but you are not looking at bringing Paradise Beach Hotel back on stream.

We should not only be talking about the Bridgetown Redevelopment Plan, the transformation of St. Lawrence

Gap and the redevelopment of Holetown, we need to talk about the return of Paradise Beach Hotel into the hotel circuit as well.

Mr. Deputy Speaker, I want to look at this Bill as it relates to the taxi operators of Barbados. Mr. Deputy Speaker, the taxi operators of Barbados must understand that it is not necessary for them to harp and cry. I say that because many of the taxi operators in Barbados seem not to understand what is their real role within the industry. They are complaining about the tour operators but when they had the opportunity to put things on stream, they quarrelled and asked where the money is going to come from.

Mr. Deputy Speaker, one of the first formation of a co-op in Barbados was the Barbados Transport Co-op Society. Many years ago, a gentleman by the name of Mr. Rudder, I am not sure if that is the exact name, was one of the first people in Barbados to bring the taxi operators together. The office was situated at the top of Spry Street. The Barbados Transport Co-op Society did not start in 1990 or 1994.

We have the situation now where the industry is moving away from the taxi operators because they have not moved with the times. We are seeing the tour operators coming in. The owners of the various hotels bought coaches. The owners of restaurants bought coaches to transport the guests from their hotels to the restaurants and back to their hotels. We are seeing the young clear skin guys in Barbados operating the safari tours and these taxi operators stand by and watch these safari vehicles move across Barbados and all they do is harp, gripe and quarrel.

It does not make sense for taxi operators to have a car parked outside the port gate and still invest more money in a van. Some of these taxi operators have a car and a van at the Bridgetown Port but there is only one driver. So if he gets a job for the car, the car moves and if he gets a job for the van, the van moves. That is the system that presently operates. So they have an investment of about \$60 000 or \$80 000 just lying there outside the Bridgetown Port. My suggestion to these taxi operators is that since there is an incentive for them, they should come together as a body so as to have someone among them to send to Miami, England or to North America to negotiate with some of the major companies so that they would be able to get business the same way the other companies are getting business.
6.15 p.m.

Mr. Deputy Speaker, I would appeal to the attention of taxi drivers who are my friends. This Tourism Development Bill, 2002, is an opportunity for them to move out of the syndrome of standing outside the Bridgetown Port gates on mornings or staying in Bridgetown while blocking traffic, all because the taxi drivers in the Port are bringing the tourists up to the City and they cannot take them back and, therefore,

they are unhappy about it. I am hoping they understand the importance of the development of tourism and that this is their opportunity.

Mr. Deputy Speaker, the Bill before us, in my opinion, should benefit those people who braid hair and sell wraps. I am hoping the process of the incentives of this Bill before us, that the people at the Board of Tourism and those responsible for the development of tourism would be able to pass the measures down to the people so they can come together and benefit. In doing this they would not only move off the beach but will be able to approach the various hotels and restaurants and will be in a position to set up their businesses.

Mr. Deputy Speaker, here is where competition takes place. Over the years I have seen direct competition among those persons involved in the ancillary services in the tourist industry. For example, persons selling wraps or braiding hair are standing next to each other, similar to that of the taxi drivers at the Port. Therefore, if there are not many visitors to Barbados, then there is the possibility where one person may be able to get a sale for that day. Mr. Deputy Speaker, that cannot benefit the industry because, again, provisions are not made for them to be able to benefit because they should be spread out.

Mr. Deputy Speaker, there are certain hotels and restaurants around the coast that are acting in collaboration with Wardens from the National Conservation Commission that refuse to allow vendors to sell at the back of their premises. This cannot be fair. It makes it extremely impossible for the average Barbadian who might want to sell a wrap or braid hair, to do business on the beach.

Mr. Deputy Speaker, if this Tourism Development Bill, 2002, as is said by Members in this Chamber, is to benefit Barbadians and to spread all across to every Barbadian to get piece of the crumb, then it is fitting that by right, it should be spread out. There is no need to move someone unless that person is not properly organised. In Barbados, we know those vendors go through the system by registering with the Intellectual Property and with the VAT Office. When it comes for them to occupy a particular space on the beach, they are then faced with the control of Wardens from NCC, telling them they cannot ply their trade there.

Sir, there is a situation I know of where this young man who, having his family to support and depending mainly on that type of trade, has been begging me over the last four years to allow a particular restaurant on the south coast to allow him to set up his business. Unfortunately, they have not allowed him but within recent months, have opened a complex next to their property thus making it difficult for him to be able to sell. Provision has been made for that complex to sell all of those things that he would have wanted to sell in the first place.

Mr. Deputy Speaker, Brandon's Beach, which is a very lovely area, where on Tuesdays and Thursdays there are thousands of visitors there. Yet, there is the situation, where the vendors are prevented from selling because NCC has said no provision has been made for them to sell and since there is none, then they cannot ply their trade.

Sir, it is alright to say in this Chamber that this product is going to be marketed all across the world. Many of us in this Chamber do not seem to understand this morning what Barbados has benefited from on CNN. What Barbados has benefited from, it cannot afford to pay for. This morning millions of persons saw the unveiling of the Sir Garfield Sobers statue. Mr. Deputy Speaker, these are things that will lure visitors to Barbados, therefore, if you are concentrating on marketing Barbados, then at least there are several areas that can be depended on. Barbados has a lovely bunch of people despite the fact there has been adverse publicity regarding the level of crime in Barbados. Sir, you and I know that crime is all over the world. I am not condoning it. People live daily with an expectation of crime in their own country. Mr. Deputy Speaker, when tourists drive around the country and ask for directions, they are not only given directions but also a broad and welcomed smile both on their approach and departure. These are things that, throughout the years, we have lived by as a people but have not benefited from.

Mr. Deputy Speaker, with this Bill before us, I am appealing to the persons responsible for tourism to give the opportunity back to Barbadians to be able to benefit. It is our number one industry. It is the industry that we have to depend on. It is an industry that, by right, a lot of people have to feed their families on. Sir, we come to the point of young persons who have passed through the system, who have spent years at Community College studying. Whenever they get into the hospitality industry, they are faced with expatriates who make decisions for them, who treat them as if they are not themselves Barbadian, as if they are not part of the country in which they live and also have their educational background.

Mr. Deputy Speaker, if we are to benefit and are supposed to be part of what is happening, then these things have to be changed. Other than that, this Bill will not serve its purpose in the years 2004, 2006 or 2007.

It is a privilege that, over the last 50 years, Barbadians did not get the opportunity to get a piece of the cake. Mr. Deputy Speaker, if we are thinking in terms of promoting trade names to Barbados, yes, I am in favour of that because there will be more jobs for persons but when it comes to the point of training for persons at both Grantley Adams and Bridgetown Port, if we are supposed to welcome persons in the year 2002 to 2003, we have got to understand a different approach must be made. Sir, with my limited experience –

I am sure the Honourable Member for St. Michael South is much widely travelled – I believe an exercise of training which has been carried out needs to be intensified. Yes, we have begun to train taxi drivers. There is the Awards Ceremony every year at the Frank Collymore Hall but it is the welcome that counts.

Mr. Deputy Speaker, I will use Aruba as an example. From the time someone gets off the aircraft, the welcome that person receives from Immigration is not an ordinary welcome. That person feels as if he has travelled to Aruba several times before. It is the warmth of the people. When that person reaches Customs, it is the same thing. When he walks out to collect his baggage, he believes within himself that he is well received. What is important – and the taxi drivers of Barbados must understand – is that driving a big air-conditioned car, that the driver feels the tourist will catch is not always the answer. Mr. Deputy Speaker, I admit that I am a smoker but in Aruba, no visitor is allowed to smoke in any of those taxis.

6.25 p.m.

Sir, a taxi driver in Aruba would not allow anyone to smoke in his car. If we are thinking about the tourism industry, we must think about the environmental aspect of it.

Sir, I am extremely comfortable with this Bill because this Government has seen it fit to split the cake up and allow everyone involved in this industry to get their portion of the cake.

Sir, in closing I want to speak about Paradise as a resort. There are people who will benefit when Paradise returns to the industry. Sir, people at Paradise dominated water sports and one particular person not only dominated water sports at Paradise but he had contracts with various hotels down the coast.

We also have Tall Ships who offer some of the most enjoyable cruises to be found anywhere in the world. I am taking this opportunity to congratulate the management of Tall Ships because the Harbour Master is owned and designed by Barbadians and it is the only one of its kind in the world. Those who have been on a cruise down the Hudson River would know that you have to carry your food basket along on those cruises. We have one of the best cruise vessels in the world here in Barbados and there are a lot of other opportunities for Barbadians to get involved in the industry at this time. Sir, this is the right time for them to become part of the industry.

Sir, no offence to the taxi drivers but I want to tell them that they cannot get their business on stream unless they organise themselves and benefit from what is happening now. I want to say to the Minister of Tourism that this is the right time to bring this Bill as Barbadians will benefit from this Tourism Development Bill, 2002.

Sir, I thank you.

Hon. Miss H. E. THOMPSON: Mr. Deputy Speaker, I rise to make some comments in support of the legislation before this Honourable Chamber. Indeed, I welcome the opportunity that it brings for the Chamber to have a debate on tourism which I think is most appropriate given the events of September 11 last year.

I regret that I was not here for the Honourable Minister's presentation when he introduced the Bill so if I traverse any ground which the Honourable Member has already journeyed, I apologise to the Chamber because I have not been here during the course of the day.

Mr. Deputy Speaker, I want to start by asking this question. Where is Barbados' tourism product going? The Minister would have enunciated his vision for tourism but we have to make the determination and I am not entirely persuaded that we have at a philosophical level asked the question about where the tourism product is going.

There is the thrust for increasing revenue but there must be some sort of philosophical underpinning for what we want our tourism product to do for the country beyond its revenue earning capacity. What then is our broad vision for tourism? What kind of product do we want to develop?

We have so far developed a bifurcated product, the west coast being the high end of the market and the south coast being the lower end but, would we wish to continue in that vein. Do we want to bring all the hotel products to the same level or do we wish to maintain the multiplicity or diversity of tourism accommodation that we have seen sprung up over the course of the last few years where the average Barbadians let rooms in their homes or add on apartments to cater to tourists? There is evidence that a lot of this informal accommodation is taking away tourists who have traditionally gone into the formal hotel sector. Is that a desirable development and the direction in which we want to go or do we want the hotel accommodation sector to remain a more formalised structure in terms of the numbers? We rejoice in increased numbers coming to the country but are we going for quantity or are we looking at quality.

Have we done the kind of market research that allows us to know what is it that the country really expects from tourism or do we keep building hotels in the hope that the more hotels we build, the more tourists we can attract? What really is the island's carrying capacity for tourists?
6.35 p.m.

There is so much food that we can import or produce at a given time. We can only collect and dispose of a certain amount of waste and garbage in the system. By virtue of the capacity to deliver services to a tourism product, if we see

Barbados as an ecosystem that will be harmed if you put excess numbers on that ecosystem, what is the maximum carrying capacity of Barbados and once we determine what that carrying capacity is, then, in my view, that is how our tourism product should then have to be structured.

I do not know if that kind of analysis or research is going on or if that is part of the thinking, it may very well not be. It is my perception that we have to make a determination as to what is the maximum carrying capacity of Barbados.

Asides.

Hon. Miss H. E. THOMPSON: I have not heard these issues being discussed.

We can fatigue any ecosystem from our island. We are already seeing signs of stress at Harrison's Cave. It was anticipated that Harrison's Cave would carry approximately 100 000 persons per year but we are seeing approximately 200 000 persons visiting Harrison's Cave yearly. It is the most visited site in Barbados.

We know that the dive site, the most popular dive site in Barbados, which is located in Carlisle Bay, carries 100 000 divers per year. Again, careful analysis needs to be undertaken to determine what is the maximum carrying capacity of these various ecosystems. Once we make this determination, how then do we structure our tourism product?

Sir, the same thing applies to golf courses. I believe, at this time, that there are four applications before the Town and Country Planning Department for golf courses from St. Lucy to Christ Church. Is it desirable to have a large number of golf courses in Barbados? Is there such a thing as an excess of golf courses or fatigue that would result from these golf courses? These are the kinds of analyses in structuring our tourism product that I believe need to be done.

Sir, because of decreasing volume of land currently in sugar cultivation, land will come out of sugar production. If and when that happens, Sir, where do we go from there? Is it desirable that these lands should be put into a tourism-related product or should they be used for some other kind of economic activity yet to be defined or something that we will diversify into in the future or something that we are already investing in and would wish to continue that kind of investment?

Part of what we need to do is, I believe that the Minister would have already spoken to this, to maximise the amount of money which every tourist who comes to Barbados actually spends on the ground in Barbados. It

seems to me that can only be done if we focus internally on a diversification of the local tourism product.

There are, in my view, to view local attractions. I do not believe that we have a sufficient number and varying types of night clubs catering to the various age groups. It is interesting that apart from Harrison's Cave, Sunbury Great House is the second most visited tourists' attraction in the country. Beyond those two attractions, everything else fails in comparison.

We have just made some incursion into the notion of ecotourism, as is being evidenced by the inland and safari-type tours. There are other things that can be explored to ensure that tourists spend more money locally. I do not believe that local attractions have enough souvenirs and products which can form the basis of gifts that the tourists will take back home for friends and relatives.

For example, Farley Hill National Park, which is a place for recreation and is visited widely by tourists. There is no restaurant there where you can purchase a drink and relax. However, the Government is quickly going about correcting that situation by making sure that restaurant facilities are put in place.

There are many other sites that once you pay an entrance fee, if in fact an entrance fee is payable, there is no other avenue for the tourists to spend money and for us to generate revenue from the presence of the tourists in that particular attraction. Therefore, we have to look at all the attractions across Barbados and determine how the earning of revenue can be enhanced. Also we need to establish what kinds of additional facilities apart from the entrance fee that we need to put in place.

The Honourable Member for St. Joseph spoke about 'Theme Parks'. I would not necessarily suggest what types of new attractions that can be used to diversify our tourism product but I would wish to endorse the comments of the Honourable Member for St. Michael North East, who spoke to the local investors looking to invest in a tourism product. I do not necessarily share the view that it has to be a hotel product. I believe that this new piece of legislation which we have before the House today forms the genesis for other types of investments for the diversification and investment of products other than a hotel, which would help to give tourists a wider variety of things to do while they are on the island.

A tourist that is here in Barbados for a week has very little to do. Once you have visited Harrison's Cave and Sunbury Great House and one or two other major attractions, which can all be done in one day, then go on a safari tour on your second day, beyond that there are not many other

attractions that you can fill in your holiday for an entire week if you would want to be active, that is what we have to target.

We have to create attractions that appeal to the diverse taste and interests that a tourist coming to Barbados would feel compelled to visit these various sites. Once they reach these sites, apart from paying to enter, they would have other reasons to spend the money which they have in their pockets.

Barbadians know very well that when they go to Miami to shop, they leave Miami without a cent in their pockets. It should, therefore, be the aim of Barbados' tourism product to ensure that when tourists leave Barbados, that they should return home loaded with goods from Barbados so that they would have to call a friend to pick them up from the airport because they would have spent money that they did not think they would have wanted to spend.

Asides.

Hon. Miss H. E. THOMPSON: The Honourable Member from St. James North pointed out that this is the era of the credit card and people have been known to 'max' them out.

Sir, the point I am making is, although I do it with some degree of levity, we have to maximise our revenues from tourists who come to Barbados.

There is a role for the Ministry of Physical Development to play in this and it relates to the function of the Town and Country Planning Department. The Town and Country Planning Department is at the heart of our national investment since all investments have to be approved by this department. Therefore, within the course of the next few weeks, I will be meeting with the Chief Town Planner to look at all of the major development proposals that are currently in the Town and Country Planning Department to determine those proposals which we can put on a fast track toward approval, in order to generate greater economic activity to guarantee jobs and to put, as far as possible, an end to the lull which is currently seen in economic activity.

Sir, at the level of the Department of the Environment, our role is to protect and enhance Barbados' natural environment. Some of the initiatives which are going to be carried out during the course of this financial year and which will converge with the policy initiatives, the vision enunciated by the Ministry of Tourism, will be the creation of greater beach accesses and windows to the sea. Sir, this is not only important for the tourism product but certainly from the point of view of the average Barbadian who may feel that beach accesses are diminishing or becoming closed to them.

It is important as we seek to diversify the tourism product and to increase visitors to Barbados that we make sure that we send signals to the local community that guarantee them that the beaches remain free and accessible to them. We are increasing our beach facilities which are currently maintained by the Government. It is important to make sure that adequate access to Barbados' beaches remains for the average Barbadian.

6.45 p.m.

We will continue, Mr. Speaker, with the redevelopment of Harrison's Cave which is a major project and has been ongoing for some time because as Barbados' principal tourism attraction Harrison's Cave has become too run down and we really have to ensure that that particular component of our product, given its continuing popularity, is really as fresh as possible and that we make the effort to keep it in as pristine a condition as possible.

We are also going to be establishing a number of new park facilities across Barbados, including one at Foul Bay for which the Honourable Member for St. Philip South has been interest and continues to ask about. That is, in fact, a popular recreation area both for tourists and locals. Cognisant of that, we will be putting appropriate facilities in place at that particular location.

One of the new initiatives which we will also be pursuing this year is to try to make available many of the facilities being managed by the NCC for the use of cultural activities which will benefit not only tourists and the tourism industry but locals as well. We have had successful relationships with the use of the East Coast Road. From time to time, Farley Hill has been used but there are a number of facilities owned by the Government which are under utilised and if these facilities are to be made revenue earning facilities rather than wait around in the hope that somebody will pass through Farley Hill or come to one of these sites, we have to create at these particular settings something which will attract numbers and which will help to boost the present tourism product at Farley Hill. Apart from the fact that we are going to be putting in proper restaurant facilities, we are going to be establishing a camp site because that, too, caters to a particular niche market in tourism.

There are back packers who go throughout Europe and the United States who travel from continent to continent and country to country and there are persons who want to do that kind of camping rather than go into formal hotels and walled structures or spend part of their holiday in the outdoors. It is available or will be available once the site is completed for scouts, cadets, rangers and those groups which young people are involved in and which tend to do a lot of outdoor activity. The development of the National Botanical Garden we are hoping, if we can keep our project cycle on stream, to open the first phase at Independence of this year.

Those are the ways in which the Ministry of Physical Development and the Environment will seek to work with the Ministry of Tourism to diversify our tourism product, to ensure that Barbados' environment is not just jeopardised by the activities which we are promoting. It is often a very delicate balance between protecting the environment and exploiting the environment in order to earn revenue to put into the general economic pool.

I believe, Sir, that now that we are on a buy-local campaign and we are hearing people say all the time to think 100 per cent Bajan and we are using that expression a great deal, it is very unfortunate that at major hotels and restaurants there are very few local items on the menus. Very few Barbadian dishes are served. We can get all kinds of wonderful international cuisine in Barbados but you cannot go to our better restaurants every night which I think we should and expect at least one Barbadian dish on the menu. It is only reasonable if we are seeking to boost our local agricultural product, if we are seeking to create markets for our agricultural produce that a natural market is the hospitality industry.

I believe that the hospitality industry should be encouraged to serve a plethora of Barbadian drinks and local fruit juices. Tourists want to have a local experience and they want to some extent to be immersed in the culture and the traditions of Barbados and to know how locals live. I believe that menus could be greatly enhanced by putting on local dishes and local drinks. That, in turn, would create jobs in the agricultural sector and in agro-processing, which we need to do. We cannot speak in terms of 100 per cent Bajan and expect that expression is intended only to inspire loyalty in the consumer to purchase Bajan products for their homes.

At the policy level, it has to have a wider meaning where greater revenues for persons in the agricultural industry can be made by putting their product into the tourist market and into the hospitality industry generally. It will mean that a lot of the cuts of meat that are required for the upper crust palate and which are served in the top restaurants will have to be done locally, that we are going to have to start producing the quality meats that people will be asking for and that the high-end market will expect.

Our own agricultural services, while we would want to make a case for them to be given opportunities to serve the industry they will have to bring their products up to a certain level. It will mean, for instance, training butchers to do the various cuts that are required but we have to see this as a whole so that we can speak in terms of tourism not only bringing increased revenue but propelling and carrying other components of the local market.

Today, other speakers have spoken on niche markets and I, too, would wish to make a few comments on the niche markets which I think we have an opportunity to explore. We have, in my view, been too narrow in our tourism thrust. We have tried to bring in cruise tourism, to build hotel beds, and we have spoken at the national level in terms of sports tourism but given our excellent infrastructural development, given Barbados' climate, given the high quality of services which we have in Barbados and the high quality of health services which we have because despite all of the criticisms made about the QEH – and we are right not to encourage any fall in our standards – the reality is however that the Queen Elizabeth Hospital is by far the best hospital in the Caribbean. There is no disputing that.

I say that having been into several of them myself – having been into them not as a patient but certainly as a Minister of Health, I have had an opportunity to see them and I am thankful that the Honourable Member for St. Michael South sniggered because it gives me the opportunity, given recent rumours to correct that and save the impression that I have been having to get health care all over the Caribbean. I have had an opportunity to view hospitals in the Caribbean at the level of an observer but not experience them at the level of a patient.

I believe, and I think the initiative has already started to promote local tourism to encourage Barbadians to go into the hotels and view our tourism product. There are a lot of Barbadians who to this day cannot tell you where Hackleton Cliff is, who cannot drive to the various sites, who have never been into Andromeda Gardens and there is scope for us to promote a See-Barbados package for local tourists.

I remember once, Sir, when I was practising law before I came to Cabinet the first time, taking a holiday and deciding that I was going to spend that holiday in Barbados and I must be honest with you, Sir, and say that I had to put a map in my car to get to places like Hackleton Cliff. I had no idea where it was but it turned out to be a very enjoyable week and therefore we have to promote Barbados as a destination for local and regional tourists.

Aside.

6.55 p.m.

Hon. Miss H. E. THOMPSON: Sir, beyond that, there are other niches to which we can cater. The retirement market is a whole industry in the United States. Florida has made a living virtually catering to the retirement market. Sir, if we are going to cater to retirees, there must be a number of support services which have to be in place because you are talking about people whose health will be deteriorating over time.

However there are a lot of retirees, whether they are Caribbean retirees or expatriate retirees who have income

and good pensions, who want to get out of the cold, if it is no more than for four or six months a year and want retirement homes in the Caribbean. I believe that given our infrastructural development and the quality of our health care services, both public and private, that we can, and should market Barbados as a retirement destination for people at the high end of the market. In this regard, Sir, I think that we should actively promote the construction of retirement villages, villas and homes, specifically to cater to that niche in the market.

In addition, since we are talking about some of the services which flow naturally out of the infrastructure and the quality of the infrastructure and the health care services, it seems to me that another component of the niche market to which we can cater, the recuperation market, Sir, or the health tourist, a person who has had an injury, for instance, and needs to take some time off in atmosphere that is celebrious and relaxing, Barbados is the ideal destination for that. People who have had nervous breakdowns who work on Wall Street and need to get out of that very stressful environment and go to a completely different kind of environment, or people who have had injuries or illnesses of various types and need to get away from their immediate homes or work situations, Barbados is an ideal place for those kinds of support services.

It is also possible for us to provide a range of health care services from cosmetic surgery to dentistry at a far cheaper rate than those services are provided in the United States. It will, in my view, inure to our benefit, if we can promote relationships with the HMOs and the other health care providers of the United States, to give some of those services here in Barbados.

In fact, through negotiations, we can determine with the HMO, whether the services would be provided exclusively by Barbadian doctors, or whether foreign specialists would want to come to Barbados and work for two to three months, we get some percentage of the fees and, of course, the money is spent here in Barbados, as these people are in the country, both the persons accessing the services and the persons giving the services. These are opportunities out there for us that I think we need to explore.

Nature based tourism is increasing. We are hearing that expression used in Barbados and I believe that there is exploration of that particular component of the market going on.

There is yet one other niche which I believe we can pursue and it is the niche for sports tourism, not in the way in which we have perceived it to be, but many athletes, during the Winter months are unable to train in temperate climates and have to look for a change of destination, in order to maintain their training schedules. If they cannot

and do not use a heated, indoor stadium in their various countries, they go to countries that have much warmer climates naturally, to pursue their training.

I am of the view, Sir, that we can promote Barbados but, of course, we should have high quality facilities so we would have to put that type of infrastructure in place. I believe that all our other facilities and our climate make Barbados very well suited to being a destination where high level sports people could come and train during the Winter months.

Mr. Deputy Speaker, you have indicated to me that I have just one more minute but there are a number of points which I wanted to make but would not be able to make in that minute. The one point that I will seek to make, Sir, is that I am very concerned and I have heard a number of other people speak to it today, but I believe that it is sufficiently important a point, that it bears repetition.

The all-inclusive tourism product excludes that person – I often do not know who he is – but that person whom we have tended in Barbados to call, the small man. There are numbers of small operators from taxis to restaurateurs and so on, who are complaining that the tourism product has been developed, without taking their views into consideration and they are being excluded from the benefits.

In my view, Sir, there are these kinds of little dissatisfaction which creep up and mount up and eventually help to overthrow a Government. I believe that, if in fact it is the purpose of the Government to address issues of concern to its nationals, and this is an issue of concern that people who service the industry are complaining about, that there are monopolies which are controlling the tourism product at the local level, to the exclusion of small operators of various ilks, whatever their particular interest of enterprise, then the Ministry of Tourism and the Government have a responsibility to ensure that we develop our tourism product in such a way that all Barbadians benefit. Sir, when that happens, we will not have to tell anybody what is the difference between service and servitude, because they are benefitting from the product, they will want and give service. Therefore, we would not have to teach anybody the difference between service and servitude.

When people believe that a product is being developed and they are being excluded from its major benefits and that persons who are able to have the ears of those who are part of the cognoscente and part of those who have the ability to control development, and they are not being listened to, or their concerns taken on board, then we have a problem which we need to address.

Sir, that is a matter which I believe the Minister needs to take on board, and in hand himself, directly. But I believe

that this legislation which is currently before the Chamber today, gives the opportunity for a wonderful diversification of the tourism product and I hope that it will be used wisely and to the benefit of a majority of Barbadians.

Mr. Deputy Speaker, I am much obliged to you.

Hon. A. P. WOOD: Mr. Deputy Speaker, I rise to give my support to what I consider a most important piece of legislation, the Tourism Development Bill. I sat here patiently and heard a lot being said about tourism, and the various aspects of the discussions to date would have focussed on:

1. The importance of tourism to the economy.
2. Why was it important for us to bring this piece of legislation to Parliament at this point in time?
3. The need for us to add it to our approach to marketing.
4. The need for us to identify niche markets and to explore, to the fullest, all the possible range of services and areas that could be dealt with in this area of niche marketing.

Mr. Deputy Speaker, we also heard today that we want to develop this tourism product in such a way that the smaller players in the industry are not marginalised in any way. I would want to start my presentation by revisiting one or two of the issues which were raised as part of the debate, and as a way of putting this discussion in proper perspective, to understand why it is that we need to provide some sort of energy to the tourism sector at this point in time.

7.05 p.m.

Before I do that, I want to let this Honourable House know that the consultative approach this Government settles on when important initiatives like these are taken is always a good one. This piece of legislation that is before us today has gotten here as a result of a comprehensive consultative process.

These initiatives fall out of the Green Paper on Sustainable Development on Tourism in Barbados a Policy Framework which was prepared with the input of the various stakeholders including the private sector, the public sector, non-governmental organisations (NGOs) and the general public which was facilitated through the hosting of consultations where a number of town hall meetings were convened.

Mr. Deputy Speaker, you are well aware, and the others on the Opposition benches, that if this country is to move forward, it has to move forward in a structured and very organised way which will require a consensual approach to be used in our determination of what is good and proper for our economic policy making. Sir, I believe that the right approach has been used to propel this economy and I dare say that it is well needed at this point in time.

This country, Mr. Deputy Speaker, benefited from tourism over the last 20 or so years. It started in the 1950s when the Hotel Aids Act was introduced. At that time concerted efforts were made to structurally transform the economy. Most of it was driven from the thesis of our noble lawyer, Professor Arthur Lewis. In the early '50s, he introduced his theses which was well captured in papers like Economic Development and Unlimited Supply of Labour. The focus at that time was on the Puerto Rican model for development or industrialisation by invitation. At that time, Mr. Deputy Speaker, it was thought that agriculture would not be able to absorb the surplus labour and that we needed to bring on other sectors with other activities to absorb the excess labour that existed at that time.

In respect of the Puerto Rican model of development, manufacturing and tourism was turned to. In that context, we saw the introduction of the Hotel Aids Act which was passed in 1956. The Honourable Member for St. Michael South spoke quite eloquently of the aims of the Act at that time which was to encourage investment in hotels by providing investors with a tax holiday and a waiver of import duties on building materials, furniture, fitting and equipment.

That Hotel Aids Act, Cap. 72 which was passed in 1967 was a revision of the Act of 1956 but the aims at that time were quite similar to what existed in 1956 where the focus was on the accommodation sector. We observed, Mr. Deputy Speaker, that that piece of legislation, apart from how it would have been operationalized during the process of time, would have served us well. However, the fact of the matter is that today the tourism sector needs some fresh energy.

When we look at where this economy is at this point in time after having experienced an economic downturn, we know what was the major contributory factors for that economic downturn, we know now how we have to plan our economic policies from hereon in. Sir, if tourism takes pride of place we need to ensure that we are able to re-energise the sector. So it is within that context and against that background that this Tourism Development Bill assumes its importance.

Mr. Deputy Speaker, the tourism product in Barbados is a high-cost one. That being the case, we need to focus more on value for money. So in striving for value for money

and in producing a product that is of a high quality and in pursuing excellence of service, we need to be more creative in the way we do business in the tourism sector. This brings me now to the point of the departure of this particular Bill from what existed previously.

I want to give a word of caution to the tourism planners and the Honourable Member for St. Michael South because when the Honourable Member for St. John made his contribution earlier today, he sought to give the impression that the intent of this piece of legislation which we are bringing today was a little too much too late and being very selective in his treatment to this issue by saying that certain things are already happening in St. Lucia and that there is nothing revolutionary about this piece of legislation.

I can assure you, Mr. Deputy Speaker, that we have meticulous planners in the Ministry of Tourism and they would not have sat idly by as they sought to prepare this piece of legislation and make a comparative analysis of the situation. They would not have looked at Barbados through times and say that a couple of years ago this is what existed under the old Hotel Aids Act and this is where we need to take tourism by making the requisite changes to the Hotel Aids Act. They would have looked at the situation within the region to come up with the type of incentive that we want to promote via this piece of legislation which would certainly take us ahead of our competitors because at the end of the day we should be focussing on enhancing our competitiveness in the sector both regionally and internationally. So, unlike the Honourable Member for St. John, I believe that reasonable comparative analysis was done of the situation in respect of our competitors here in the region and elsewhere.

Mr. Deputy Speaker, when I read this piece of legislation and the brief carefully, I am fortified in my mind that this piece of legislation is not offering incentives to the hotels only but to the central and peripheral players. More importantly, it gives us an opportunity to provide a range of creative and attractive incentives which would allow us to surpass what is being offered by our competitors in the region.
7.15 p.m.

Mr. Deputy Speaker, a lot was said earlier about the importance which is attached to this piece of legislation and the ancillary activities. That is those types of activities which work hitherto the legislative and the incentives of this framework. Mr. Deputy Speaker, sitting on the Front Bench and having to encourage the various processes relating to giving practical vent, I want to encourage the Honourable Minister of Tourism that it is one thing to be able to draft a good piece of legislation to give legal footing to an incentive structure that is deemed necessary and desirable to the various activities and the various players in the sector but

the management of this piece of legislation is crucially important. There must be proper institutional arrangement to drive the process to make sure that these incentives are equally and properly accessed. Sir, we see this all the time. The Honourable Member for Christ Church South spoke to this particular issue. Yes, it is the intention of policy makers that we are able to fashion all types of policies, to be able to fashion proper operational plans too, arising from those programmes but at the end of the day, those persons at the front of it, have to work to make sure that things happen quickly and that there also happen in a very orderly fashion, they must be on the same wavelength of the policy makers.

Sir, we are not only speaking to bureaucracy but Mr. Deputy Speaker, some of what is required here in order to effect the necessary changes will require a level of inter-agencies and inter-ministerial collaboration that is vitally important, that these stages of Government decision, we need to get these things done and get them done properly and expeditiously so as to ensure that what we are all hoping for in respect of the further development of the tourism sector, can actually be done.

Sir, I was harkened earlier when the Honourable Member for St. James South spoke of her intention. I think those applications which have serious implications for the development of this economy... I want to encourage here to forge ahead with that. I do not care if applications were last in but to proceed with her plans to have the last one in being the first one out. It is very important that we get this economy back on track. It is correct when she said her Ministry holds the key to that. I know and I have seen reports and there are a number of them in the tourism linkage. But do continue with your plans to fast-tracking those applications because we want to defer some economic activity in this country.

Mr. Deputy Speaker, let me say more about this institutional arrangement such as required to drive this process and tourism planners are very conscious of this fact. It will require not only the creation of some new position but it, indeed, speaks to these new provisions but also require some measure of organisational transformation and we will want all players in this area who might have to be consulted for us to achieve this organisational transformation to understand and appreciate what is intended here, that it will receive their full cooperation. Also very importantly, Mr. Deputy Speaker, for us to achieve the type of success we are looking for here, it will require a change in the attitudes of those who are already involved in the industry and will require a better work ethic. All workers in the sector, be it public or private, certainly at all levels in the sector.

Mr. Deputy Speaker, we keep hearing that tourism is everybody's business. That being the case, it is therefore the responsibility of everybody who is in the sector both

directly and indirectly to make sure they play the part and do it in the most assiduous fashion.

Mr. Deputy Speaker, let me give you some statistics on tourism in Barbados, just to drive home its importance; the essential place it holds in the whole economy and why is it that this piece of legislation, treated as it is, is vitally important.

Mr. Deputy Speaker, reliable estimates have indicated that tourism is responsible for no fewer than 25,000 jobs. It generates to this economy approximately \$1.4 billion. It accounts for about 14 per cent of Gross Domestic Product. When one views the great potential for the sectoral linkages, the result of a maturing and strengthened tourism product, we will see the ripple effects that activities in tourism have had on this economy.

Sir, this Government has placed a lot of emphasis on tourism in more recent times and we think it can lead us out of this economic downturn. This tourism development plan has been very carefully designed to help us with that. What is required is institutional arrangements in the inter-agency and inter-ministry collaboration.

Mr. Deputy Speaker, what is also important if we are to reach the heights that we are looking at in the tourism sector and the enhancement of the skills of those persons in the sector, then training becomes vitally important. We all agree on this Side and certainly on the Opposition Bench, that we need to give those who are accessing our product value-for-money and to ensure that any condition necessary, desirable or otherwise, which can help us to achieve these things, that the approach taken for us to meet those conditions must be well thought out.

Mr. Deputy Speaker, training is one area that we must pay careful attention to. Sir, when we look at our hospitality industry, at the type of benefit and efforts that have gone into the hospitality studies at the Barbados Community College, one will see what I am speaking of.

Government has taken a deliberate decision to put more and more resources at the disposal of the hospitality industry. Mr. Deputy Speaker, the truth of the matter is that there is need for more in order for more persons to be properly trained at that institute. Sir, we are working towards that because it is vitally important.

Mr. Deputy Speaker, the Honourable Members for both Christ Church South and St. James South, have touched on a point that is very dear to my heart. I think notwithstanding the fact that it can be considered an act of repetition, I think I need to mention it. Mr. Deputy Speaker,

there is a trend developing in the tourism sector that is cause for some worry. It is one thing to be encouraging the wider participation in the sector through the legislation which has come to this Honourable Chamber today and by widening the base of participation via the type of incentives and the areas of activities that should benefit from the various incentives.

7.25 p.m.

The business environment and the governance of that environment should be such that smaller players do not become easily marginalised. This is vitally important and I am certain that everyone in this Honourable Chamber would want to see that at this juncture, when others are being brought into the loop who hitherto might not have been in that loop, that we cannot on one hand say that we are giving people more opportunity and at the same time, through consolidation of ownership, through vertical or horizontal integration, these people cannot benefit notwithstanding the fact that we have created an enabling environment through the legislation and the incentive framework for those people to benefit. Mr. Deputy Speaker, we are very conscious of this.

The Honourable Member for St. James South went as far as to say that if we do not listen to the voices of these small people a Government could be overthrown and it is something that we must keep our eyes on.

Mr. Deputy Speaker, we do accept that if an economy becomes more and more competitive with fierce competition in the sector, the possibilities exist for there to be linkages to other aspects of the economy as a way of providing a better product. There must be some level of rationalisation and vertical integration but we would want it done in such a way that those persons who were on the fringes previously and who could not get an opportunity to be brought into the loop, could remain active players in this area.

Mr. Deputy Speaker, we all agree that tourism holds a central place in this economy and as we try to move the economy forward we should do so by strengthening those agencies responsible for the management of the tourism product and that intrinsic in the development of the tourism sector should be the development of other sectors through the potential sectoral linkages that exist.

I want to issue another word of advice not only to tourism planners but to the private sector operators who are on the frontline in the running of these hotels. The Honourable Member for St. Lucy spoke to this matter as well because we cannot be on one hand benefiting handsomely from a liberal incentive regime and at the same time not playing our part to promote nationalism in the highest form.

Mr. Deputy Speaker, I am putting a plea like the Honourable Member for St. James South that more of our local agriculture should find its way into the tourism sector. There is no reason why, as tourism develops in Barbados that agriculture should lag behind.

The Government is putting emphasis on tourism and I agree with it but there should be a corresponding expectation and responsibility on the part of the tourism operators to help the agriculture sector survive and grow.

Mr. Deputy Speaker, I want to bring this Honourable Chamber up-to-date with an initiative which we are taking at the Ministry of Agriculture which speaks to the issue of niche marketing for tourism using the Scotland District.

The Scotland District accounts for about one seventh of the land area in Barbados and it has real potential from a tourism viewpoint. As a matter of fact, someone said that the Scotland District is a precious tourism resource.

Sir, we have been formulating a Scotland District Development plan. Of course, having originated in the Ministry of Agriculture we are focussing on things relating to agriculture but we are also aware that there is tremendous potential in the Scotland District from a tourism view point. Mr. Deputy Speaker, we know of the success of the Joes River project and there is a number of other projects which could be done in the Scotland District that would help to complement our tourism product. We are moving ahead with the Joes River project and we will be drawing heavily on the planners of tourism so that at the end of the day the type of projects which have been identified as part of the Scotland District Development Plan would be recognised as having great potential, not only from an agricultural view point but from a tourism view point.

7.35 p.m.

Sir, what I am going to say is directed to the Honourable Member for St. James South, who is responsible for physical development and the environment. This point relates to the choice of commercial activities along the coastline. There are two ventures which, in my opinion, are poorly located. The first one is a gas station located at Oistins,, close to the Fish Fry Bay. I think that what should have been built there instead is a lovely restaurant and the menu could have been dominated by local foods. Let me stress that a gas station should not have been built opposite the Fish Fry Bay at Oistins.

Mr. Deputy Speaker, the second area is Lower Bay Street near the Boat Yard and Bayshore Complex. I have been reliably informed that a gas station is going to be constructed at that site.

Aside.

Hon. A. P. WOOD: I do not care who gave the approval. I am saying that particular site at Lower Bay Street, near the Boat Yard, to be used for the purpose of construction of a gas station should not be allowed.

Mr. Deputy Speaker, once again this Tourism Development Bill has my full support. We have had our varying experiences in bringing good pieces of legislation to this House. The Honourable Member for St. Michael South is well aware that in order to drive this piece of legislation, proper institutional arrangements will have to be put in place and the inter-ministry collaboration must be vital. This economy is depending heavily on tourism and we must make sure that things are put on the fast track and no effort should be spared to ensure that this piece of legislation is given practical effect in a way that would allow us to reap the benefits that we are all hoping for.

I thank you.

Hon. N. A. LYNCH: Mr. Deputy Speaker, let me thank all Honourable Members who made contributions today in respect of this legislation. All Honourable Members contributed significantly as to how we intend to continue to shape the future of the tourism industry in Barbados. All of the points made would be taken into consideration as we seek to create for Barbados a new thinking and paradigm in relation to tourism development in Barbados.

I want to deal with some of the more critical issues as they relate to the legislation. I do not think that some Members took the opportunity and read the legislation which was presented. I do not think that some of them read the policy document from which some of the legislative points would have come.

The concept of a revolution does not have to be revolutionary in terms of breaking down things and then to rebuild. We have approached this issue with an industry-wide application to the development product in Barbados. I say this from experience and from the analysis that we did. Some of the provisions in this Bill do not exist in any other jurisdiction in the Caribbean.

For example, St. Lucia: The Honourable Member for St. John made reference to St. Lucia and their legislation. St. Lucia has an industry-wide legislation but it does not address operational issues in the way that they are addressed in this Bill. What it seeks to address in St. Lucia's legislation are issues of initial investment of the accommodation sector outside of hotels but it does not take into account the way that we have taken into account issues relating to the operational side of the tourism product outside of hotels. The Honourable Member for St. John is free to do his own research and he can confirm that for himself.

Sir, issues relating to the involvement, linkages, concepts of debt relief, training and environmental issues are not captured in other pieces of legislation across the Caribbean, particularly not in St. Lucia. There is initial investment but not throughout the economic life of a particular business in the ancillary sector.

In addition, there are some specific areas in our legislation, in my opinion, that makes it the revolutionary-type of legislation that is needed at this time for tourism development in Barbados.

For example, Section 6 (1) introduces the concept, for the first time in Barbados, of having a time-limit and time-frame for a potential investor in the tourism sector which say that you must respond within ninety days. Even though this provision is made in some other jurisdiction, you need to compare light with light and apples with apples. You also need to look at jurisdictions that have a similar development profile to the one that we have in Barbados. In other well developed jurisdictions which, some governments would have the leeway of giving more liberal concessions, many of these jurisdictions do not have the kind of provisions like the ones we have in this Bill. When a hotel or restaurant is upgraded or refurbished the interest payable on the loan, 150 per cent or up to maximum 7.5 million dollars can be claimed.

Section 23 (1) introduces the concept of 150 per cent for marketing and training expenses.

In Section 3(2) relates to employment ownership schemes. If you have an employee ownership scheme, you are now able to add an additional 50 per cent to what you are claiming.

In addition, in Section 24 (1), hotels with less than 250 rooms can claim up to \$40 million in terms of their investments. Section 33 states that 50 per cent of any loan for which investment interest rates subsidies have been provided, shall be used to refinance an existing loan. Hoteliers used to go to sleep at night thinking about that and about having these types of provisions. For the first time, we have allowed that type of debt relief. In addition to that, we have gone beyond the boundary and for the first time in this legislation we are able to introduce the concept of levelling the playing field not only for debt but also for equity financing of a tourism project or product.

7.45 p.m.

"Dividends paid to a shareholder by the owner of a tourism product shall not be subject to withholding tax and the provisions of section 65(4) and 65(4A) of the Income Tax Act shall not apply."

These, Sir, speak to issues related to being able to create a basis for equity financing as well for the first time in terms of being able to provide benefits and concessions for them.

Then, Sir, there are areas which are related. Section 31 speaks to the areas outside of that, nature trails. Section 25 deals with inland tourism. Section 26 deals with consolidation of small hotels for the purpose of accommodation. Section 27 deals with attractions and section 37 allows the Minister by Order to amend the legislation so that it is always current and at any time anything that we have not already thought of can be altered, as well to be included, to be able to give concessions and benefits.

Sir, even when we have laid out in legislation under law issues related to the activities, the Minister can by order and I know the Honourable Member talked about the concept of bringing in the Cabinet but by order of the Cabinet it can include anything that we have not thought about up-to-date as a legitimate tourism product or project. Sir, we have opened up avenues for areas that have never been included in tourism before as part and parcel of this Bill.

Sir, I believe it is a positive move and a very serious move that we can capture under law areas that have previously been given only by Ministerial discretion in terms of investment in the industry. If the Honourable Member for St. John, for example does not believe that for the first time you have been able to capture under law in a transparent way concessions and benefits and attractions that were given to attract investments to Barbados by ministerial discretion you can now capture them under law. If that itself is not a positive step in terms of how we relate to potential investors to Barbados then Sir, I do not know what it is in terms of changing the investment climate for Barbados. Sir, he has pushed me into the concept of whether or not investors are lining up and whether these things are going to change the numbers. Let me say I take the point of the Honourable Member for St. John that there are a number of initiatives that we must put in place to facilitate better investment in Barbados and to get through that maze of bureaucracy that he spoke about.

Let me tell you, Sir, that I am privy to and I know for a fact that there are investors out there that have been looking at where we have been going in terms of this legislation and in terms of the provisions that we are making and I know for a fact the Ministry has met with people who are interested in investing in Barbados and the Honourable Minister for Physical Development can tell you that there is a long list of people who are already lining up to do business with Barbados. I believe that it is going to make a substantial difference to the people who are out there looking to do business with Barbados.

Even beyond that, Sir, I think the concept of the new institutional arrangements that we are making are also going to make a difference in how we deal with the Bill, the concepts of marketing the Bill and the avenues and mechanisms we use for marketing the Bill and the legislation but in addition to that, the Honourable Member for St. Philip South spoke to the issue of management of these new institutional arrangements that will make this Bill work.

Again, I say, Sir, that the new institutional arrangements will cut through that maze of bureaucracy that we have in Barbados and facilitate in some measure the issue of new investment in Barbados. It may not be the ideal situation in many cases and it might not be like some other jurisdictions around us but it speaks to the financial integrity of our nation and that in itself is a plank for marketing the Bill even more effectively.

There are some issues that were raised by some other speakers. The Honourable Member for St. James South raised the issue of where is tourism going philosophically and what type of product will we want and will we continue only to play the numbers game. I have had opportunity to speak already upon the issue of the philosophical underpinnings of this Bill. A lot of them are captured in the Green Paper and the tourism policy document. Let me say that the Ministry of Tourism is aware that we cannot continue just playing the numbers game for Barbados and that we must have a stated philosophy and direction in which we need to grow and how we can optimise the benefit that comes out of the tourism sector.

In that regard, Sir, the Ministry of Tourism in its Estimates for this year has already embarked on a programme of doing a carrying capacity study for Barbados because we are well aware that Barbados cannot just continue to put people on Barbados. Every year, between December and April, we put twice the population of Barbados on Barbados and that has serious implications for the physical environment as well as the social environment in which we live. Once we double the population, it has implications for our water resources, disposal of solid waste, on our disciplinary forces, on our health services. How much space a man needs on a beach and what is the physical space he can occupy are among a number of critical issues which we understand and that is why it is important that the Government and all of us collectively understand that we are putting a deep strain upon the resources of Barbados when we double the population.

For example, our police force is not stacked to cater to twice the population of Barbados. As a matter of fact, there are some schools of thought that think it already has a challenging time with the people that we have on the island and there are implications for traffic and for infrastructural development and for roads. There are a number of issues.

The Ministry is already embarking on that carrying capacity study. The issue of physical development as it relates to golf courses, I thought that in terms of the land use policy and the physical development plan that the Minister of Physical Development would have been telling me whether or not we could have the four golf courses rather than asking me if we intend to have four more. As far as I am concerned, I would like six more. We believe that it may be the best utilisation of our land as it is but the Minister of Physical Development also needs to tell us in terms of the use of that land for other productive sectors and for other productive activities what is the best use of that land.

I can say that there are some niche market areas that I believe are important to the development of tourism in Barbados and golf is one. In a place like Bermuda there are so many golf courses it is unbelievable. Whether or not the land at Royal Westmoreland, for example, is now in its most productive activity as a golf course and villa development as opposed to what it would have been at this time had that golf course not been there.

That is not a tourism question but a wider economic question for Barbados that is dealt with by the Ministry of Planning and the Ministry of Physical Development. Sir, I believe that it is in its most productive use at this time for Barbados but then I say these are issues that must be addressed in terms of a collective response to where we need to go in Barbados.

In addition to that, Sir, the issues of diversification of product we already spoke to. I believe the legislation sets us up with an opportunity for the first time to diversify your product *en masse* because what this legislation should do and I want to make this point that many Members who spoke today and all the issues they spoke to this legislation accommodates and can facilitate. That is the point, I think that when Members actually read the legislation and digest it and really have an appreciation for what is intended by the legislation and with the administrative controls you will see a lot of what people are calling for, for example the Honourable Member for St. James South spoke about restaurant offerings on menus.

7.55 p.m.

The Honourable Member for St. James South spoke about the issue of restaurants. Sir, for the first time, this allows us to have an opportunity to diversify the product through this legislation, giving us opportunities for other players to get on board, who are not traditional participants in the tourism sector. Sir, that is what makes the Bill, in my opinion, so revolutionary, because all of these people who have been excluded from having to play a part in tourism, will now have the opportunity to come on board and will be pushed in that direction.

Obviously, Sir, it is important for us to facilitate but the private sector and entrepreneurial class also have to respond. The Government cannot take full responsibility. We can facilitate, we can market the initiatives, we can push people in a certain direction, but the private sector and the entrepreneurial class must respond.

I take the point of the Honourable Member for St. Philip South and the voices of the small people and the complaints that many people may be monopolising the industry to the detriment of others. Sir, for the first time, this sets up opportunities for people to respond to tourism in a way that they have never before responded.

I think, Sir, that once the legislation is given the equity and importance, and works itself into the fabric of Barbadian society, both at the social and economic levels, we are going to see a difference in terms of how people respond to tourism, and how people respond to activities and participation in the tourism sector. I say that, Sir, honestly.

Sir, again I make the point that I think that the legislation is revolutionary and captures areas that have never been captured in any legislation in the Caribbean. I also think that it is an empowering piece of legislation. It is highly developmental in its nature, scope and integrity. I commend it to the people of Barbados. We will not get everything right the first time, but I think, Sir, that we have captured the majority of what the stakeholders have told us that they want for the tourism sector.

Sir, at the end of the day, the legislation comes out of consultation with the wider populace and the stakeholders in the industry. They are the ones who said what they want and where Barbados needs to go. It was not developed by the policy makers in the Ministry without consultation. It is industry compliant, and the people of Barbados have told us, through the various mechanisms, that this is what they want to see, in terms of moving it forward. If you couple that, Sir, with the expertise of the tourism planners, and the people who understand the industry and its development, you will see what we will have for the future of Barbados.

I commend the legislation to this House and with those words, I ask that this Bill be read a second time.

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

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

On the motion of Hon. N. A. LYNCH, seconded by Hon. R. C. EASTMOND, the House resolved itself into Committee on the Bill, Mr. DUNCAN CARTER in the Chair.

COMMITTEE

Mr. CHAIRMAN: This Honourable House is in Committee.

Clause 1 was called and passed.

Clause 2 was called.

Hon. Miss M. A. MOTTLEY: Mr. Chairman, Sir, in Clause 2 there is a slight amendment contained at page 8. The definition of the word, Tourism, a project, I would wish that the 'a' coming before the word, 'project' needs to be deleted and that we insert the word, 'a' between the word, 'means' and 'project' in the same line.

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

Part 2 was called and passed.

Part 3, Clauses 20-35 were called.

Hon. Miss M. A. MOTTLEY: Mr. Chairman, Sir, at Clause 30, I would wish to amend such that we delete the word 'project' appearing in line 1 of Clause 30 and we insert the word 'product' appearing in the same line 1, at Clause 30 where the deletion of the word, 'project' would have taken place.

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

Part 4 was called and passed.

The 1st, 2nd 3rd, 4th and 5th, Schedules became the Schedules to the Bill.

On the separate motions of Hon. N. A. LYNCH, seconded by Hon. R. N. GREENIDGE, Mr. CHAIRMAN reported to His Honour the DEPUTY SPEAKER, the passing of one Bill in Committee with Amendments and Mr. DEPUTY SPEAKER resumed the Chair and reported accordingly.
8.05 p.m.

On the separate motions of Hon. N. A. LYNCH, seconded by Hon. R. N. GREENIDGE, the Bill was read a third time and passed and cited as the Tourism Development Act, 2002.

ADJOURNMENT

Hon. Miss M. A. MOTTLEY: Mr. Deputy Speaker, this brings us to the end of Government Business for today's sitting. In moving the adjournment, may I say that it is intended when we meet again on Tuesday, May 28 to debate the Anti-terrorism Bill. On that same week of the 28th, we will also meet on a second occasion on Friday, 31 where we hope to deal with the Electoral and Boundaries Commission Order and Resolution. This notice is given so that Honourable Members would have adequate and appropriate opportunity to prepare themselves for both debates. With that, therefore, I move that the House do now adjourn until Tuesday, May 28, 2002 at 11.00 a.m. in the morning.

Hon. R. N. GREENIDGE: I beg to second that, Sir.

The question that the House do now adjourn until Tuesday, May 28, 2002 was put and resolved in the affirmative without division and Mr. DEPUTY SPEAKER adjourned the Sitting accordingly.
8.08 p.m.

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St. JOHN, Hon. Sir Harold (Christ Church South)
THOMPSON, Mr. D. J. H. (St. John)
THOMPSON, Hon. Miss H. E. (St. James South)
WILLIAMS, Mr. M. Z. (St. Michael North West)
WOOD, Hon. A. P. (St. Philip South)