
THE SENATE DEBATES

(OFFICIAL REPORT)

FIRST SESSION 2003 – 2008

THE SENATE

Wednesday, December 3, 2003.

The Senate met in the Senate Chamber, Parliament Buildings on Wednesday, December 3, 2003, at 11.15 a.m.

PRESENT

His Honour Senator Sir Fred GOLLOP, K.A. (President)

Her Honour Senator Dame Patricia SYMMONDS, D.B.E., G.C.M., B.A. (Hons.) P.G.C.E., J.P. (Deputy President)

Senator T. E. BARKER, B.A. (Hons.), M.A. (Econ.) J.P. (Parliamentary Secretary, Ministry of Finance and Economic Affairs)

Senator the Hon. J. E. D. WILLIAMS, B.Sc. (Hons.), M.Sc., M.B.A., J.P. (Minister of State, Prime Minister's Office and Ministry of the Civil Service)

Senator B. R. COLLYMORE, C.M.G.

Senator the Hon. Miss L. V. EASTMOND, LL.B. (Hons.), LL.M (Minister of Commerce, Consumer Affairs and Business Development)

Senator I. St. C. LINTON

Senator G. P. B. NICHOLLS, B.Sc. (Hons.), LL.B. (Hons.)

Senator Miss P. E. PARRIS, J.P.

Senator G. P. I. GOODING- EDGHILL

Senator Miss. S. C. V. HUSBANDS, B.A. (Hons.)

Senator F. J. STUART, B.A., LL.M.

Senator Dr. D. S. LOWE, Ph.D., Dip. Theology, B.A., MED., ED.D.

Senator the Very Reverend H. E. CRICHLow, G.C.M., B.A. (Hons.) (Dunelm)

Senator Dr. F. L. CHANDLER, Ph.D., B.Sc. (Hons.)

Prayers were led by Rev. Father Errington Massiah.

Mr. PRESIDENT: This Senate is in session.

ANNOUNCEMENTS

Mr. PRESIDENT: I have an apology for the absence of Senator Griffith who is out of the country. I also have apologies from Senator Sir John Stanley Goddard, Senator Sir Roy Trotman, and Senator A. Fields.

In the absence of Senator Griffith, Senator Eastmond will act as Leader of the Senate for this Sitting.

PAPERS

SENATOR THE HON. Miss L. V. EASTMOND: Mr. President, I am commanded to lay the following Documents before this Honourable Senate:

1. Report of the Accountant-General for the financial year 2002-2003.
2. Value Added Tax (Refund) (Special Olympics) Order, 2003.
3. Land Tax (Rate of Tax) (No. 2) Order, 2003.

ORDERS OF THE DAY

ORDER NO. 1 – RESOLUTION TO APPROVE THE GUARANTEE BY THE GOVERNMENT OF BARBADOS OF THE PRINCIPAL AND INTEREST NECESSARY FOR THE REDEMPTION OF THE BOND ISSUE BY THE BARBADOS TOURISM AUTHORITY IN THE SUM OF \$25 MILLION

SENATOR THE HON. Miss L. V. EASTMOND: Mr. President, I rise to approve the passing of a Resolution by

the Government of Barbados of the principal and interest necessary for the redemption of the bond issue for the Barbados Tourism Authority in the sum of \$25 million.

Mr. President, this particular Resolution is very important in terms of the continued development of the tourism industry in Barbados. After September 11, 2001, the tourism industry around the world suffered a great shock, which resulted in a volatility in the industry that has not before been known.

Mr. President, much of this came from the fact that the airline industry has changed significantly. We now have a new and more discerning customer who is not only demanding value for money but an experience which surpasses his or her expectations.

Mr. President, as you know, the Barbados Government has swiftly responded to the September 11th crisis in all the sectors in Barbados, especially the productive sectors and the tourism industry. It is for that reason that while there has been a small decline in the tourism industry after September 11th that state of affairs was not sustained.

At the present time, and we have information up to September 2003, we can advise this Honourable Senate that there has been an increase in visitor arrivals to the island. This is because of the work that was done by the Government immediately after September 11, 2001, in consultation with members of the private sector.

In order to maintain that sustainability, it is the view of the Government that additional resources need to be put into the tourism sector. The focus is going to be on two specific programmes, first an expansion of air service opportunities from existing gateways, and secondly, the development of air services from new gateways in existing markets.

Mr. President, even though tourism is on an upward trend, it is the view of this Government that one must plan ahead to ensure that the gains which we are now seeing are not eroded, and for us to continue to exploit fully this sector which continues to be the leading economic sector in Barbados.

Mr. President, after September 11, 2001, we know that there was a series of terrorist attacks in tourism areas such as Tunisia and Mombasa, to mention a few. Following from that, we also had the war in Iraq and the severe Acute Respiratory Syndrome (SARS) outbreak. All of these have made it more difficult for the air travelling public to make decisions with regards to travel. Indeed, Barbados' significant tourist destination would have been impacted by these new eventualities.

Mr. President, despite this, however, the Ministry of Tourism and International Transport, the Barbados Tourism Authority and the Barbados Hotel and Tourism Authorities

have continued to do their work. The Ministry of Tourism and International Transport was able to attract additional new carriers and services to Barbados, such as US-Airways, Monarch Airlines, BWIA Manchester service, the reintroduction of Lauda-Air Condor, and the Concorde service.

Mr. President, these initiatives have been significant. I believe that when most of us go to the airport, we are used to seeing a small number of commercial aircrafts being parked there, we are now seeing new brands. New airlines are coming into Barbados and I believe that the Barbados Tourism Authorities are to be congratulated because as we know, especially in the height of the tourist season and other events such as Crop-Over, in the past we have had some difficulty in that there have been individuals who would have loved to travel to Barbados but could not because of the lack of seating capacity and, therefore, the Government has focussed on ensuring that we increase seating capacity to Barbados.

11.20 a.m.

This \$25 million bond issue is being requested in order to support a number of new and expanded services to Barbados. They include the commencement of Continental Airlines Newark Service, and the New Jersey Service. We are currently negotiating the possibility of a service from Houston, Texas in addition to expanding air service opportunities from Great Britain and Canada. We are also negotiating new opportunities with Continental Airlines, and additional British Airlines and Air Canada services.

It is our view that these efforts to expand the existing seating capacity are the most significant that have occurred in the last 20 years or more. The \$25 million is not going to be simply used in order to increase seating capacity. It will also be used to develop the necessary marketing programmes that must go along with encouraging new airlines to fly to Barbados.

We consider this to be very important because even though we have made strides in terms of ensuring that the tourism sector continue on an upward path, we know that because of the fear of terrorist attacks which people still face, that the tourism sector will continue to be volatile and that the airlines industry continues to struggle.

Barbados is seeking to ensure that the routes to Barbados are fully utilised and we wish to provide support for those airlines travelling to Barbados so that our marketing programme will ensure that we have the number of passengers necessary to make those routes profitable for the airlines.

In terms of the Bond issue itself, the Central Bank of Barbados will take full responsibility for the management of

the Bond issue which will be listed on the Stock Exchange of Barbados. The annual fee of \$10 000 for the first year and \$5 000 thereafter in respect of the listing will be met by the Barbados Tourism Authority.

The terms and conditions of the Bond issue are as follows:

- The Bonds will be issued in denominations of \$1 000 with a minimum purchase size of \$1 000.
- The Bonds will have a life of five years.
- Interest payable will be at 4.75 per cent.
- Interest will be paid semiannually in the months of June and December.
- The payment of principal and interest is to be made on the due date by the Central Bank from funds provided by the Government.
- The issue will take place on December 2, 2003 and will remain open until fully subscribed.
- The Bonds will be secured by a Government guarantee pursuant to section 18(1) of the Barbados Tourism Authority Act, Chapter 342.
- The establishment of a Sinking Fund by the Government at a rate of 2.5 per cent per annum to assist with retirement of the Bonds.
- The Bonds will qualify as an investment for the Statutory Fund of Life Insurance Companies to the extent required.
- The Bonds are to be zero rated and qualify as fully allowable reserves for the local commercial banks.

Sir, we have not been able to meet the targets which we had originally set at December 2, 2003 but that target will be set and met very soon.

The proceeds of the Bond issue will be utilised as stated previously for expanding our service capacity in terms of increasing the seating capacity to Barbados, especially in view of the fact that we do not in Barbados have a national carrier. Secondly, part of the funds will be used to establish a marketing programme in support of that air service capacity.

Honourable Members will recognise that the tourism sector is critical to Barbados, and we must commend the Government for having the foresight to proceed with this matter of the issuing of a bond despite the fact that we could

say that we have done relatively well. What we need to do is to make sure that we continue to capitalise and exploit the opportunities available in the tourism sector while, at the same time, seeking to enhance other sectors in the economy.

Mr. President, I move that this Resolution do now pass.

SENATOR Dr. D. S. LOWE: Mr. President, I rise to deliver the Opposition's position on this Resolution. I am quite sure that the Honourable Senators of this Chamber would have followed with some interest the debate in the Other Place and would have realised that the Opposition takes no substantive opposition to this Resolution.

We on This Side recognise that tourism has become the hub of our economic activities. We further recognise that our responsibility as an Opposition is to ensure that the country continues to move forward progressively with an aggressive approach to accomplish its national goals.

As we on This Side would have represented before, we do not intend to oppose anything in this Chamber for the sake of opposing when it is our position that it is vital to the sustainability of our country, vital to our country's capacity to be competitive and vital to our country's ability to enfranchise the masses across all spectra of socio-economic brackets.

We felt compelled, Mr. President, to look closely at the objectives as presented by the Honourable Senator, the Minister and Leader of Government Business today and we noted a few things. First of all, let me say, Sir, that September 11, 2001 has happened and the world had to move on. The world had to put measures in place to ensure that while it protects global borders, it continues to ply its trade in whatever areas it must so that the economic well being of the communities that make up the globe continue to progress.

Barbados' challenge is no different because, as a small economy, we must continue to engineer ourselves and in some cases, re-engineer ourselves to ensure that we continue to be competitive in our various economic, social and political endeavours.

As I understand it, Sir, this Resolution is geared towards the continued development in tourism as was presented by the Honourable Senator. It is also in response to the need to repair some of the damage that may have been done, as a result of September 11, 2001 and perhaps, most centrally, it concerns itself with increasing seating capacity, with airlift into this country and with a marketing strategy that allows Barbados to sell itself. We must ask the question, what it is that we are seeking to sell?.. 11.30 a.m.

Mr. President, we must continue to probe our own sense of consciousness and ask whether or not we are offering a product that would entice those who made contact with that product to return again and again. Sir, I think we have been making some strides in that regard, and though some may be reluctant, we must applaud those who have been in the forefront of engineering that progress.

Mr. President, the Opposition wants to know how broad will be the impact of this particular sum of money as it relates to the overall strengthening of our tourism product. We understand that tourism is about diversifying the offerings of the country so as to ensure that the widest possible process of attraction occurs in the international market relative to bringing persons to this country. When they come here, we must concern ourselves with whether or not we are offering a service that would cause these individuals to return. We must also ask ourselves if that service is of such a quality that the product that Barbados offers can be sold by others who come and experience the product.

What the Opposition wants to say in our brief presentation is that there are two critical areas we would like the Government to consider as it moves forward in this particular endeavour. First of all, as it relates to marketing, we believe that we have to sell our services and our culture better. Therefore, it is our belief that since the customer is a more discerning customer that we have to strengthen the service culture of the tourism industry. By service culture I mean the capacity of those who are in the industry to sell their services with a level of impact that causes the customer to experience and enjoy a degree of satisfaction which is second to none anywhere in the world.

From time to time we invest a lot of money in bringing people to Barbados, but sometimes we seem not to remember that there is a back-end to that investment which has to do with what we do when they get here. It begins with a service culture and with the capacity of the individuals in the industry to deliver a service at a level that creates an attraction not only to the entity providing the service but to the overall climate of the tourism environment in this country.

Therefore, we are suggesting that it would be advisable that part of these funds be injected into strengthening the service culture in the tourism industry so that those who come to enjoy these shores would encounter a memorable experience that would cause them to come again and again.

The best marketing strategy, I would submit to you, Sir, is one where the customer becomes part of the selling of the

service because of the level of satisfaction enjoyed in the service. So we must create an environment where best practices are the driving forces in that particular environment and where those who deliver the service at all ends of the tourism business understand that the primary objective of the service is to create a satisfying experience for the customer again and again. So the Opposition wants to recommend that the Government goes a step further and ensures that part of the injection of this fund is to ensure the shoring up of the service culture of the tourism industry.

When one talks about a more discerning customer as was presented and one talks about marketing, one cannot help but pay a courtesy call to the whole issue of community tourism because we can effectively sell ourselves if we bring our visitors into contact with the nuances of our culture. Barbados must be perceived as a unique destination. It must be perceived as a destination that is rich in culture and in the journeys of the people. Therefore, the visitor must be able to make contact with that experience.

I, and the members on our Side, are strong advocates of community tourism development and would have wanted to see that as one of the objectives of this particular Resolution. We have to begin to recognise that the strength of our product lies in the hearts of our people not only at the service end but in the people as they are able to make contact with our visitors on a daily basis. I fondly recall from my days growing up as a little boy in the hills of St. Andrew how visitors would travel the terrains of the country in the mini-mokes, especially in the hills which, by the way, happen to display the most beautiful natural scenery in the country. From time to time, as they drove they would stop by the village houses not only the pottery areas, by the cane fields if it was the harvesting season and by the river if people were fishing and would come and enjoy whatever they were doing. They had an intimate experience. I am sure that many of those persons return again and again. From time to time, they would have the opportunity to take a photograph and the ultimate fantasy was to go overseas one day and see your picture in a showroom. That never happened in my case because, perhaps, I was not photogenic enough, Mr. President.

The point I am making is that these individuals enjoyed the culture. So I am saying that in this day when we have to create a niche for ourselves as a competing entity, we have to be able to ensure that community tourism is part of our tourism diversification. When we talk about community tourism, we are talking about a set of stakeholders at the local level, stakeholders who are involved as the travellers, stakeholders who involve Government, various entities and individuals, the media, health officials and so on, who take it upon themselves to help us to sell ourselves.

Sir, when you go around this country, you would notice that most of the investment is done on certain belt-ways in this country. I want to bring this Honourable Senate's attention to an important area in this country which is rich in heritage and culture where there are at least four major hotels and where Government has not injected the kind of assistance that would build the infrastructure to support this particular community. I speak of an area that contains the Silver Sands Hotel, the Silver Rock Hotel, Peach and Quiet and Long Beach Hotel. Sir, I happen to be a resident of the greater Silver Sands area and it hurts my heart to recognise that many of these hoteliers and people who own the shops, the bars, the guesthouses and other dwellings who benefit from the off-shoot of the hotel industry... I believe, Sir, that if Government wants to be progressive in its approach, it has to create a tourism product which not only sells the economic end of tourism, but the social and cultural end. When you travel on the main road going up to Chancery Lane that would lead you to these establishments, you would wonder what is at the end of that road.

I wish to make the point that a community should not become a victim of its social and economic circumstances, but that when Government makes plans to ensure that it provides a product that is saleable in the international market, it must give full credence to every single element of its socio-economic strata in this society. Sir, it is my view that we need to pay attention to this. We have vendors in that area that would benefit from community tourism, because community tourism is engaging the local community and its people in the tourism product, those individuals could become a part of the benefit that is so vital in whatever that is being derived from the efforts of the State. Therefore, I would like to believe that in places such as Chancery Lane, Inch Marlow, St. Christopher Main Road, *et cetera*, where the roads are in a terrible state of disrepair, that this could be an opportunity for Government to make its impact in terms of uplifting the socio-cultural environment as part of its tourism efforts.

11.40 a.m.

I believe those young men who ply their trades on the beach and who are constantly harassed by officials, could have a place in that terrain as well. Sir, at night when I am in my community, I would notice that tourists are catching the ZR vans, walking with members of the local community. From time to time they go to the local shops and try to be a part of that scene, and there is nothing in this community that would hinder the Government from paying attention to how it could strengthen, not only the hotels but the overall environment. Therefore, I would have loved to see as this Resolution was presented, that it would have included a tenet that would have said that Government, in fact, was going to invest a substantial amount of this money in community tourism efforts. If that happens, I am sure that Peach and

Quiet, Buffy's Bar, Silver Sands Hotel, Silver Rock Hotel, *et cetera*, would all do much more business in those areas.

Mr. President, it is my view that in the general scheme of things as we seek to assist the Government in its programmes, it must pay attention to those elements that are critical to the national development.

Mr. President, only last night I was by an establishment, Roy Smith's shop, speaking to a number of young persons there, some of whom happen to sell chains, bangles, beads, *et cetera*, on the beaches. Sir, when I told them that today we would be discussing a tourism resolution in this Honourable Chamber, one of the things they said to me was to make sure that I had made the point that the local residents in the area should feel the impact of Government's investment in tourism because they too represent a nucleus of all that is happening in tourism, and that many of the local people who ply their trades cannot feel the actual punch of what is going on in the tourism industry.

Mr. President, in spite of the tingling brass that I hear, I am saying that we must, in fact, give the best opportunity to all members of our society. That is why the Opposition would put its weight behind anything Government does as long as it seeks to enfranchise the people, not only socially and culturally but also economically, in this case. Therefore, my colleague and I lend our support to this Resolution and would ask that the Honourable Member would give notice of the concerns that were raised to those persons who would be in the planning process, that is, to give the average Barbadian a chance to participate, to own, to be chief stakeholders in the efforts of the State because when people own the business of Government, they would ensure that the business succeeds.

Mr. President, I am obliged to you.

HER HONOUR SENATOR DAME PATRICIA SYMMONDS: Thank you, Mr. President. Mr. President, it is with great pleasure that I support this Resolution.

The Acting Leader of the Senate has referred to marketing and has pointed out that there is great concentration in this area. Indeed, I understand that 85 per cent of the Barbados Tourism Authority's budget is spent on marketing. Mr. President, although there is great concentration on creative and strategic marketing initiatives, word of mouth is critical, it costs nothing to get a repeat visitor this way since people go back and tell their colleagues, friends and families.

Mr. President, I have also listened with interest to Senator Lowe and there are a number of things which I wish to assure him of at a later stage. Mr. President, Barbados has a 40 per cent repeat rate, which is one of the highest in the Caribbean. This depends largely on the entire experience.

The service level and attitudes of Barbadians generally is good and an exit poll is done every three months. The surveys show that Barbadians are very warm and friendly people. Sir, interestingly, the number one positive factor in the exit polls are the people more so than the food, the entertainment or the infrastructure.

Mr. President, Barbados is known to have the best dining product in the Caribbean. We have more top quality dining facilities per square mile than any other Caribbean island. Barbadians demonstrate kindness in many ways, for instance, when tourists are lost or at bus stops, people will act as pilots and would guide them.

Sir, in answer to Senator Lowe, I have also been told that exceptional hotel workers would make sweet breads, *et cetera*, and would give to these visitors. Generally, Barbadians have a sense of pride in our country which can be exhibited in some of these ways.

Mr. President, there is the Over 25-Years Programme where when people have visited for more than 25 years, they are given awards, lunches or certificates by the Barbados Tourism Authority. I am sure that Honourable Senators have seen it in the media from time to time. Last week two persons were awarded, while next week, four will be awarded. That programme consists of over 1200 visitors. The programme has recently been expanded and is now called a Loyalty Programme, to recognise persons on their birthdays, wedding anniversaries, *et cetera*, where couples are sent greetings. Mr. President, the repeat visitors bring their children too.

Mr. President, there is also the issue of education in which I have an abiding interest. Sir, in my time, tourism was taught in schools, not as a separate subject but as a part of Social Studies. Today, it is an integral part of the Social Studies programme. I remember when Social Studies was required for the Common Entrance Examination. There are some educators who share my view that it is a pity this was not continued.

However, in classes 2, 3 and 4, in the primary schools, children between the ages of 8 and 11 do study and discuss tourism. Then when they go on to secondary schools, it is continued in the lower forms. For each topic, there are objectives-suggested activities, assessments and suggested resources.

Mr. President, if I may say quickly, these topics are as follows: "Who is a tourist?", "What are the different types of tourists?", "Why do tourists visit?", "Where do tourists come from?", "How do tourists travel?", "Where do tourists stay when they come to Barbados?", "What local foods are used in the industry?" – Here we have the cultural aspect. – "What is tourism and how is it important to Barbados?"
11.50 a.m.

Sir, with regard to the revised curriculum, the Ministry of Education had extensive meetings with principals and other stakeholders, indicating that the teaching of tourism is not an option, it is mandatory or compulsory and I think, again, that praise must be given to the Government.

Sir, our children are being more and more sensitised to the importance of tourism because without the understanding of its importance, all other aspects will be of no avail. Moreover, it has to be ongoing. Admittedly, some older people are set in their ways and, as the saying goes, you can bend a young tree, but an old one will break. There is a mindset that tourists are white and we know the advertisement of GIS and BTA about Tubby the Guard, so we can see that both the GIS and the Ministry of Tourism are working on that mindset.

Sir, I have very little to say, if anything about the Bond issue since it has been so admirably put by Senator Eastmond. There is no need to reiterate what she has said. Therefore, I only wish at this point to reemphasise that I support this Resolution wholeheartedly.

Thank you, Mr. President.

SENATOR Ms. S. C. V. HUSBANDS: Mr. President, I rise to support the Bond issue for the BTA, and to share a little about tourism in Barbados and what has been happening over the last couple of years in terms of the industry, its performance and how we have been able to strengthen that tourism product. I really want to congratulate the Government in this move, in wanting to make available \$25 million to the BTA, so that it can increase airlift to the nation and support marketing programmes where we are seeking to attract visitors and increase our arrivals from our various markets, whether it is the North American market or the European market.

Sir, being able to attract additional air services would also lead to more and better competition in terms of pricing for tickets that will at least attract more people to use some of the specials that would be put on so that they can come to enjoy Barbados. We see the importance of being able to attract a number of carriers into the area to be able to service

our airlift capacity, because that competition will allow you to have better flexibility in the market.

A good example is what is happening in terms of cricket coming out of Europe where, in England, they put a levy on the tickets for Kensington Oval. We have two operators within the British market who are promoting the Barbados product. We have observed that there is some conflict there where you have one operator who is saying that the levy is a deterrent and people are cancelling and we have another operator who is making the position that, in truth and in fact, they have not had any cancellations and people are still buying these tickets.

Sir, if you do not have variety in terms of the numbers of persons in a marketplace promoting your product, then you become a victim to the person that you become dependent on to promote your tourism arrivals. And so, it is important that in any marketplace, you have a number of persons who are promoting the product, and the only way to support them is to ensure that you have sufficient airlift to get people in, so that people continue to have choice.

Sir, Barbados did not wait until this year to look at how we were going to promote tourism, and how we were going to support its development. There are things that have been going on all along since September 11, 2001 and we did not wait until 2003 to look at it.

For example, we put on the Best of Barbados programme which has been a success in terms of keeping our rooms filled. Albeit, the challenge has been in the room rates but at least people were able to meet and cover their expenses at a time when visitors were reluctant to leave the safety of their homes to travel. What we are looking to work on is how we can improve on the Best of Barbados programme and that has done a significant amount in terms of stabilising the Barbados product at this time.

We also have been able to look at other things in terms of supporting the tourism product. This has been ongoing for years by the BTA. We have continuous programmes in terms of training that are offered to the taxi drivers, immigration officers, restaurant workers, receptionists, *et cetera*. What they have been doing over the years is targeting specific groups within the industry to improve continuously customer care and service.

Mr. President, I must say that Barbados has been extremely successful. It is true that there are some areas of difficulty where people may not want to conform to the Barbadian way but, overall Barbados has been very successful with its tourism product.

For example, Dame Patricia outlined that we have a very high repeat level of 40 per cent but, if you go to the West Coast, the repeat level is even higher than 40 per cent. They have been able to attract people who come year after year and bring their families. Generations of families make Barbados their second home.

As a matter of fact, that puts some of the hotels in some danger because they were constantly filled with their repeat guests. There is a certain time of the year when they cannot entertain new customers, because their repeat guests book from one year to the other, and keep the hotel full especially at certain times during the winter. Now that the clientele is getting older, a lot of the hotels on the West Coast had to look at how they were going to attract new and younger customers in order to replace the clientele that was dying, but that repeat guest has always been the mainstay of the Barbadian product.

Sir, we would have seen the tremendous refurbishment at Sandy Lane, Coral Reef and other West Coast properties in order to modernise and be able to attract the younger clientele and, therefore, to start a new generation of persons who will make Barbados their second home and, Mr. President, they have been successful.

For example, we had reports on the West Coast that for the summer, which is traditionally not a good time for hotels, they have experienced very high levels of occupancy throughout the summer time. Also, some that would normally have closed, had to remain open in order to meet this demand. Therefore, the Barbadian product has been growing from strength to strength and this is something of which we can be proud.

Sir, not only have we been able to increase our repeat guests and have been doing training for our staff, but that training has been paying off. We have seen that within the culinary arts, Barbadian chefs have been winning at a number of Caribbean and international competitions.

When we look at the tourism awards, we see people who have been honoured for the high level of quality service which they have been able to offer in the tourism industry.

Also, in terms of greening, Mr. President, there are a number of Barbadian hotels that have taken up greening and environmental issues, which are of paramount importance to a number of people across the world because there are actually some tourists who will not stay at a hotel that is not environmentally friendly. People are taking environmental issues very seriously and we have many hotels which have done extremely well in this area, and they are to be congratulated.

Mr. President, I listened with care to what Senator Lowe shared as his concerns in relation to tourism in Barbados. I want to assure him that the Barbados Tourism Authority and the Ministry of Tourism are already on the front foot with regard to those issues which were raised.
12.00 noon

Let me start first of all with community tourism. One of the reasons Senator Lowe has not heard anything specific about community tourism within this Resolution for the \$25 million is because community tourism is already on the programme of the Ministry of Tourism. The Ministry of Tourism is already in the planning stages looking at how they are going to roll out community tourism in a formal way.

Community tourism has always been here in Barbados operating at the informal level. Our workers have been building relationships with our repeat guests and bringing Barbadian foods for them. I have worked extensively in the tourism industry and I have heard stories of how visitors very often would tell workers that they would love to see where they live and because of the close relationships which developed between the worker and our guests, the visitor is invited to the Barbadian home so that they can experience the Barbadian lifestyle and the Barbadian food in the Barbadian setting. This is an ongoing activity among hotel workers who seek to reach out to our guests. So there are natural, spontaneous, warm relationships being built between our guests and our workers. This is part of why we have that wonderful testimony about the warmth of the Barbadian people because in some Metropolitan countries, they would not get that exact type of service from a worker within the tourism industry. So the informal community tourism is already on the go.

We have within the schools, as was pointed out by Dame Patricia, a programme that teaches tourism education which has been paying dividends because it has led to the formation of a tourism foundation among young people. This tourism foundation job is to look at raising funds to help young people who want to engage in community tourism in their area.

I am very happy to know that the Honourable Senator has a concern for the Silver Sands area. Indeed, Government also shares this concern and has already started to respond to the needs in that area. Just recently the Ministry of Agriculture and Rural Development through the Rural Development Commission launched national consultations across the length and breadth of this nation. These consultations were held at various community centres and schools in the various parishes. In the Christ Church area, what has been shared by a number of residents was the need for tourism activity within the Silver Sands area.

We are already in the discussion stages within the Rural Development Commission looking at what support we could put in place for the people who would be interested in the setting up of stalls, the running of craft centres and the other activities that the residents have identified as things they would like to do to be able to benefit from the tourism activity within the Silver Sands area. The Silver Sands area has traditionally attracted people who are interested in water sports, in surfing, *et cetera* and so it has developed its own culture within the area. Therefore, the way in which we seek to develop Silver Sands may not necessarily be the same as we have used in other areas. However, we must take cognisance of the type of tourism that has already sprung up in the area and put within it, and add to it sensitively and appropriately, programmes that would be relevant to the group that is attracted to the Silver Sands area. So I want to assure the goodly Senator that we are already in the planning stages of responding to the need for entrepreneurial development and community tourism initiatives within the Silver Sands area.

Where do we need to go in relation to tourism? I firmly believe that we must not relax our efforts in terms of tourism education not just in relation to the schools but in terms of the entire nation. Tourism is everybody's business and Barbadians have an unconscious natural charm that when it is brought forth, it impacts on the visitors very much. Just yesterday, the vehicle two elderly visitors were in broke down on the highway and someone stopped to assist them and was unable to help them to get the vehicle moving, and I was privileged to see an officer pass who in seeing the difficulty stopped and assisted the two visitors in helping them to get the vehicle going and to a place of safety. That spontaneous hospitality is alive and well in Barbados. We must ensure that everyone buys into it and sees the things that they need to do to ensure that after this \$25 million is spent on the marketing, that when our customers and our guests come to our shores that they have an experience that is truly Barbadian.

What is Barbadian about our experience? Many of our visitors who come to these shores live in communities that are impersonal where sometimes the heart and the soul have been drowned in the metropolitan life and where the culture, the natural contact and the natural warmth between people is missing. Therefore, when they come here, though they may not find the buildings that would remind them of home, the services of the magnificent quality that they may come to anticipate, for example, at Walt Disney World, we must ensure that what they find is something that is missing from their everyday life which is heart and soul. Barbadians still speak to each other, they look one another in the eye, they say good morning to each other, they interact with each other in a meaningful way and though at times shy, they will include visitors in that warmth. There is nothing that can

replace that and therefore what we need to do across the length and breadth of the nation is to help our people to be aware of that which is natural to us and how we can deliberately and consciously reach the visitors and give them the experience of heart and soul.

So I want to commend the Government for their continuing efforts to safeguard the tourism industry that is so vital to the earning of foreign exchange for our nation that would be vital in the future in helping us to compete in this new globalised environment. It is the first service in the Barbadian economy that has been able to compete without concessions, that has been able to hold its own across the world and is world renowned without having to be propped up or to be given aid by others. It is truly a wonderful Barbadian product that stands as a beacon as to what we can do and who we can become in the world and acts as a pioneer, as an encourager and a role model to other economic sectors that Barbadians can do it, we can compete globally, and we can make our own way and be competitive. So I want to add my support to the Resolution for this bond of \$25 million for the Barbados Tourism Authority.

SENATOR B. R. COLLYMORE: Mr. President, it is all well and good for us to have a full dressed exposition on the tourism industry and things that are happening and so forth. From time to time, and certainly within the last Parliament, there have been many opportunities to talk about what is happening in the tourism industry. So I would like to bring the discussion back to the Resolution and make a few slight comments or ask a few questions.

The Leader of Government Business identified three aspects for the proposed expenditure of this money, the expansion of existing gateways, the development of new gateways and the development of relevant marketing strategy to permit the programme to proceed.
12.10 p.m.

Mr. President, I would have liked if some indication could have been given of the division of the expenditure among these three objectives and in particular, the period over which the programme is expected to run, especially if it starts in this tourist season.

I know from past experience, that most airlines require a 65 per cent load factor for it to be profitable or as they say, to break even. On previous occasions when the Barbados Tourism Authority sought to improve and to expand airlifts, certain conditions were attached to the arrangements, particularly as was requested by the airlines. One condition used to be that if the airline did not get the 65 per cent airlift over a specific number of movements, then the Barbados Tourism Authority would pay the difference. Therefore, there used to be one element of up-front payment and a

subsequent element involving attaining what is considered to be the standard load factor.

Mr. President, on several occasions – I can think of three but there are more – it was impossible to reach the 65 per cent load capacity and the Barbados Tourism Authority lost money because the airlines did not come after a certain time yet payments still had to be made. Therefore, we want to ensure that this Honourable Chamber is aware of the kinds of contracts that are going to be entered into the agreements in order to get this additional airlift which we most definitely need.

Secondly, it is perhaps unique that the Barbados Tourism Authority, which has no known source of income except the subvention from the Treasury, is borrowing money. We know it is the Government that is borrowing the money and that the Government has guaranteed to repay it. Therefore, I am not sure that this is clearly understood by all the players in the matter.

Sir, in any case, money that Government guarantees for anybody, forms part of the national debt and, therefore, we are increasing the national debt each time we guarantee, especially for organisations like the Barbados Tourism Authority, which is not income generating.

I would, therefore, wish to know how long this programme would continue and whether the \$25 million, especially for additional airlifts, applies to one year, two years, three years, *et cetera*. If there is \$25 million and all of it is spent during the first year, there are still the other years with which to deal. Therefore, the question is, how would it be spread over the given period of the programme.

Mr. President, I agree with some of the previous speakers that perhaps some of the money should be invested in the product and in the attractions. We were told that word-of-mouth and repeat visitors would have, perhaps, been the largest contribution to the numbers of visitors coming to Barbados, which puts it at 40 per cent. I know of another small developed country where it is as high as 65 per cent. That country which is probably 50 or 60 square miles more than Barbados, gets six million visitors per year, and I speak of Singapore. Tourism is not its major money earner but there is a discipline in society, there are rigid conditions which even the visitors have to satisfy but in spite of that, visitors return time and time again.

Mr. President, if some of the money is going to be invested in the product and in the attractions, I wonder if the Honourable Minister would be in a position to say how much and over what period would this be done.

Mr. President, my submission is simple, we need the money, we need to get the airlift, we need to get the marketing going but do not let us be too quick to run off with this as the penicillin for all of our ills in the industry because in the past efforts under both Governments have not always been successful in the business of subsidising airlifts.

Mr. President, I thank you.

SENATOR G. P. B. NICHOLLS: Mr. President, when the history of modern Barbados is written, generations of Barbadians to come will pause with a sense of reflection upon the treatment given by the economists to the post-Independence era of this country's history, particularly because of the rapid transformation from a sugar-based economy to a highly sophisticated and diversified services economy. This has taken place almost overnight, bringing along with it the associated cultural, social, and political state infrastructures that we have always known to be Barbados.

Sir, there are three significant periods of economic activities that would concern those persons who are looking at what we have been doing over the last 37 years of Barbados' political Independence. Sir, I begin in this way, particularly in response to the comments and observations that were made by the Honourable Senator who last spoke. The Honourable Senator's concerns were that the debate might have gone a bit too wide but yet the question to which he has addressed his mind and has posed to his side deserves an answer which could only be given if there is a discussion of the position taken by this Government, when taking into consideration the three significant periods to which I refer.

Sir, those periods are all known to many Barbadians. They are normally referred to as the three periods in which the world went through economic recessions, in the early 1980s, 1990s, and, more recently, three years ago, at the beginning of this new millennium.

Sir, on each occasion, the Government of the new Barbados has had to respond to the challenges of the international economic environment which was unstable and was going through many crises in order to shore up this country upon a continuum of the national development objectives, to which we all agree.

12.20 p.m.

Sir, it is no secret that Barbados was able to come through two of those periods without the international lending agencies being able to mount a rescue mission, and two of those periods are associated with the Barbados Labour Party being in Government and the other one when the Democratic Labour Party was in Government.

Sir, the 2001 recession was very special in that it marked the first time there was a synchronised downturn in all of the major economies in the world, so much so, that economists all over the world were saying that this calamity which was taking place, this global recession, the first recession in the globalised era, was spreading an economic contagion, especially in the most robust economies of the world.

When Barbados was expecting to get out of this economic recession without the difficulties that were associated with the last one, there was September 11, 2001. The Government of the day, Sir, did not sit on its laurels of seven or eight years of positive economic growth – the first time in the history of Barbados that this has happened – but the Government mounted its own national economic emergency and financial programme, to sustain the most viable and vital industry in this country.

Sir, it is precisely because of that success, we have come through an economic recession of the kind that the world has seen over the last three or four years, without the international lending agencies having to come to mount a rescue mission here in Barbados. This is precisely because of the initiatives by both the Government and the private sector about which some of us in this Honourable Senate have some fearful doubts concerning the Government's participation with the private sector. Yet, the Government engaged the creative talents across this country to deal with the issues of the crisis that occurred after September 11, 2001.

The National Economic and Financial programme saw some \$10 million being given to the accommodation sector as a grant to deal with the cancellation of bookings and forward bookings after September 11, 2001. The BTA at the time also received some \$26.5 million. Sir, at the beginning of the last quarter in 2001, when we were being told that the world recession was coming to an end, and we would have wanted to invest money in the BTA's ambit and portfolio to deal with enhancing our product, that money had to be diverted towards shoring up exactly what we had, protecting our market and protecting the sector that gives this country its life.

This National Emergency Economic programme to which I refer, was the basis upon which the BTA got the necessary funding to mount a renewed marketing thrust. This programme has seen a lot of benefits, so that the wider Barbadian economy, I refer to the players in the economy, even the people, Sir, have not had to deal with an economic recession in this country in a way that was previously known to this country.

Sir, the programme which was embarked upon by the BTA, as the Acting Leader of Government Business has said, immediately dealt with the issue of increasing airlift capacity, and for the first time in a long time, there are two US carriers which fly to and from Barbados. One is US Air. We have no information on their performance, but they have boasted that their mission here in Barbados has been successful.

Sir, Northern Air, Condor and all the new carriers coming into Barbados, BWIA flying out of Manchester, England, and Washington, D.C., USA and other places on the Eastern seaboard, can only boast of these recent achievements because of the work done by the Barbados Government in shoring up the BTA in the manner which we have done, over the last two or three years.

Sir, while the Honourable Senator who last spoke, made the accurate point that the Barbados Tourism Authority does not earn its own revenue. Notwithstanding, we need the Barbados Tourism Authority to be in a position to market Barbados as a destination in a manner in which it deserves and the Government, in addition to the marketing strategies and assisting the Barbados Tourism Authority, has passed the Tourism Development Bill, now the Barbados Tourism Act, which has focussed on product development and renewal, giving a whole scheme of incentives to the tourism industry in its widest embrace.

Previously, the Hotels Aid Act, which was repealed with the passage of the Tourism Development Bill, only focussed upon giving assistance to the hotels. This Government, in a holistic fashion, Sir, not only with the emergency programme, was able to create a comprehensive scheme of incentives, not only to the hotels, but to all the major players in the tourism industry for the first time in the history of this country.

It is interesting that this Government has done that for tourism while it has not done that for any other sector, because the tourism sector, while being the life blood of this country, has not gained its achievements on the basis of any preferential markets, preferential access or any quota system. Tourism had to earn its keep and it is the number one industry in this country, not because of the preferential regime that assisted other sectors which had previously fuelled this country's development, but it has earned its right.

Sir, I do not understand the state of perplexity or concern, basically, of the last Senator who spoke about the Barbados Tourism Authority's distribution or use of these funds. It was precisely because of programmes like the Best of Barbados, and the marketing of the festivals of this country, that brought a renewed freshness to the products that we already had. It was because of this, that we can

boast of an increased number of arrivals from within the Caribbean at Crop Over. The small hotels, guest houses, beach houses and apartments have benefited from those programmes, and the new marketing thrusts from the Barbados Tourism Authority.

Sir, the economic reports which are laid in this Honourable Chamber from time to time, also point out that there were about \$300 million in investment from the private sector since the passage of the Tourism Development Bill. That is in itself a significant vote of confidence in the Barbadian economy at a time when there is no clear path out of the economic morass that portends development plans in regions such as ours. The Tourism Development Bill has made available a scheme of incentives to the ancillary industries for the first time in the history of this country to create cross-sectoral linkages with other industries in this country.

12.30 p.m.

In addition to the Tourism Development Bill, this Government has also created the necessary funding mechanisms to assist with the development of our tourism product about which so much concern has been raised here this morning. I speak specifically of the Small Hotel Investment Fund and the Tourism Loan Fund. Government has committed the sum of \$5 million to the Small Hotel Investment Fund to assist the small hotels with marketing, management, procurement of joint services and refurbishment in order to improve their revenue-earning capacity and their operational efficiencies.

As of September 30, over \$1 million in non-recoverable grants has been given to the small hotel bodies in this country to support their marketing and operational efforts. The largest recipients of those funds are the small, intimate hotels of Barbados which have incorporated themselves into a non-profit company to deal with the marketing issues. These small, intimate hotels to which Senator Lowe referred, are marketed by the Barbados Tourism Authority under the Best of Barbados programmes. I want to give assurance to the members of the Democratic Labour Party and persons within wider Barbados, that the Barbados Tourism Authority does not only have a mandate to market the large hotels and the large attractions in this country, but that as part of Government's holistic development programme, it has also included assistance to the small man in tourism because there is a need for developing more room capacity in our tourism sector.

In addition to the Small Hotel Investment Fund, there is the Tourism Loan Fund which was given \$30 million to provide financing for the refurbishment and the expansion of eligible entities in accommodation, attractions and activities in the sub-sector of the tourism industry. So we had the

National Emergency Plan to shore up what we had, then we had the Tourism Development Act to provide incentives and now there are a series of funds managed by the Enterprise Growth Fund to give equity financing and other types of financing to the players in the market who need them.

Sir, the airlines that operate in this country have been bragging of increased arrivals in this country. Anyone who passes through the Airport today can attest to the level of activity that occurs at the Grantley Adams International Airport. However, the hotels have been complaining that, notwithstanding the increase of air capacity into this country and the increase of visitors to this country, the levels of their occupancy rates have not been increasing correspondingly. There is the fear that there is a sophisticated, developed, underground economy in respect of unregistered or non-registered properties. I am speaking about guest houses, people who have apartments, people who built rooms onto their homes, beach houses, country homes and things of those sorts which are not registered with the Barbados Tourism Authority as registered properties, but which played an important part in the delivery of Barbados' tourism product.

It is my submission that Government ought to encourage this kind of development which is referred to by some as community-based tourism. However, while it ought to be encouraged, it certainly ought to be regulated and institutionalised so that certain standards are met which do not jeopardise the integrity of the Barbados tourism product. So I am making a call to the Barbados Tourism Authority that in its marketing thrust, it take a look at the community-based tourism projects to see how they can embrace the informal sector in that informal accommodation sector which is growing in this country not because it places a threat to other accommodation sectors, but to bring them in the loop so that they too can reap the benefits of the very well laid out marketing thrust of the Barbados Tourism Authority, and can meet a basic level of standards so that they can be certified and so that the integrity of Barbados' tourism product is not compromised.

Sir, there is a great uncertainty with respect to how Barbados and the Caribbean are going to be able to deal with the World Cup of 2007. It is accommodation like these to which I refer that will be called upon to assist the larger hotels and properties with being able to accommodate the persons who come to watch the cricket. So there needs to be within the Barbados Tourism Authority a greater effort to get these properties on-line and to have them registered and certified so that they could be regulated, not in a punitive manner, but so as to assure everyone that an apartment at the back of somebody's home is not a haven for anything that could affect or impair the development of our tourism sector.

Sir, it is within the broad parameters of the discussion

that the answers to the questions raised by the Honourable Senator who last spoke lie. It is within that context that one must appreciate what the Government has done and the initiatives that the Government has put in place because the \$25 million bond, which is the subject of this Resolution before the Senate, is not the first time monies of this sort have been placed within the hands of the Barbados Tourism Authority. Indeed, Sir, the Barbados Tourism Authority has been able to manage the crisis well at a time when we could have done with expanding our existing market. The money was put there to maintain what we had and to compensate for the losses and the cancellations that came out of September 11 and those periods.

Sir, I have the greatest of confidence in the Barbados Tourism Authority, the Ministry of Tourism and the public servants who work tirelessly, not only in Barbados, but across the Atlantic, in New York, Washington, London and Toronto to ensure that while the Barbados Tourism Authority does not earn the revenue which it spends, it would ensure that the revenue to which this bond issue and the others that may and will come, operate or are utilised so as to bring maximum gains to the people of this country.

Sir, it is with those words that I lend my support to the Ministry of Tourism and the Barbados Tourism Authority. I support this Resolution wholeheartedly.

I am obliged to you, Sir.
12.40 p.m.

SENATOR Dr. F. L. CHANDLER: Mr. President, I agree with the comments of other Honourable Senators about the importance of community tourism, tourism education and other aspects of the tourism industry but I would like to say that we cannot forget the agricultural industry in all of this.

As you know, agriculture provides the ambience in this country. It provides a green and attractive environment without which I think the tourism product would not be as half as good as it is. Since agriculture is important in maintaining the country in such a neat and attractive condition, I think the tourism industry must work hand in hand with the agricultural industry by developing linkages with farmers and by using more local produce.

I know that in the past we have had problems with continuity of supply, price and sometimes quality but I think that our local farmers now have the new technology necessary and the management skills to be able to supply good quality produce at competitive prices. I trust that we would see some development in this area. I do not think the tourism industry has persisted enough in trying to develop linkages with the agricultural industry.

Mr. President, from the point of view of heritage tourism, I think that both the sugar and cotton industries could supply attractions which would be useful additions to the tourism industry, for example, a sugar cane museum and a cotton museum. I believe some emphasis should be placed on this.

Mr. President, with those few remarks so that we do not forget agriculture again, I would like to support this Resolution.

SENATOR G. P. I. GOODING-EDGHILL: Mr. President, I also would like to join other Honourable Senators in supporting this bond issue in support of the Barbados Tourism Authority.

Mr. President, it is no secret that tourism is the main engine of growth in Barbados and that this sector has held its own. It is no secret too that it has to do with the fact that we have been able to attract skilled management and have been able to manage the industry in such a way as to stave off any crises.

Mr. President, notwithstanding this, it is a fact that the tourism sector still faces some challenges and that it is important we deal with them. What is proposed here in the bond issue of \$25 million, \$20 million will go directly to assist with new support services to be introduced into Barbados. It cannot and must not be said that a \$20 million assistance programme to facilitate new or expanded air services into Barbados is of such that it is too much for the Government to put into the sector.

The tourism industry contributes approximately \$1.3 billion in revenues and accounts for 15 per cent of the Gross Domestic Product (GDP). Mr. President, if we are going to invest \$20 or \$25 million in an industry which is the main engine of growth, it is not too generous or too much for us to sustain an industry which contributes 15 per cent to Gross Domestic Product (GDP) and \$1.3 billion in tourism revenues.

Mr. President, we are not fortunate like some other developed countries that have airline services. We are not fortunate like the United States of America, where they could go to Congress and vote for a \$2 billion package to support their airline industry. We have few resources but fortunately we are in a position to manage them. Sir, in so trying to do this, we are trying to ensure that we maintain the level of survival necessary in the tourism sector and, therefore, it means that we are going to have expanded services from Continental Airlines and its entire route network throughout the United States of America. For those of us who know Continental Airlines, it is still a popular airline and has a vast route network which would contribute in no small measure to the continued development of Barbados' tourism.

If we look at the British Airways model, a carrier responsible for bringing a lot of high-end and low-end guests into Barbados in terms of the hotel sector, one would see that, in no small measure, this would contribute to the further development of the industry.

Mr. President, if we come closer to home in Jamaica, the Jamaican Government had to guarantee Air Jamaica a level of comfort in order for Air Jamaica to continue flying. The Jamaican Government did that, Mr. President, because they recognise like we do the importance of tourism to this region.

Mr. President, like I said, we have no airlines and therefore, we have to rely on them and if by helping other carriers, for example, Air Canada, which had one of the most difficult challenges in its history where a bank had to come to its aid, one would recognise that in supporting these industries, it is to Barbados' advantage.

Mr. President, the Caribbean is still the most sought-out destination worldwide, and we have to ensure that we maintain our place in that very competitive sphere. We have to redouble our marketing efforts and we can see that even in the face of some of the most serious crises that we have had to face, Barbados' tourism came through like a beacon in this entire region.

It is also true to say that, as a result of the investment in tourism, we have managed our diversification very well. Mr. President, we have had an expansion of cruise tourism never before seen in Barbados, we have added attractions, including new attractions.

Sir, at this point I would like to congratulate the Government on its mission of ensuring that the Concorde aircraft was positioned here in Barbados. Sir, for those persons who understand tourism, they would understand that when Barbados could have attracted one of the Concorde aircrafts here, it speaks volume for Barbados because that aircraft, the only one to fly to this particular Caribbean region, has brought to Barbados some of the most wealthy individuals, who, in some way, were able to contribute to Barbados' success.

Sir, we have also diversified and have seized opportunities in terms of going after the villa and condominium markets. We have seen the development of timeshares, duty-free markets, other attractions, and of late there is a push on the part of the private sector to move into the retirement market, an area we were told that contributes significantly to the Florida and California economies.
12.50 p.m.

Mr. President, I would also say that in recognising the Government's contribution and consistent recognition of the industry, I would like to make a call for more local and foreign investors to get involved in the tourism sector. We are entering an arrangement where we are now registering record airlift capacity into Barbados. If the BTA and the Ministry are doing their utmost to ensure that we have the airlift capacity in Barbados, we also have a responsibility to ensure that we continue to attract more investment in the hotel sector.

I would like to make a clarion call to the commercial banks and all the capital markets which are very liquid at this time to come forward and make serious investment in the tourism sector. It is a growing sector and a highly profitable sector, if continued to be well managed.

I well recall, for example, Mr. President, the St James Beach Hotel's PLC Group, not because I work for the group, but that group came to Barbados and made an investment. In 1994, it was the first Barbados-based company to be floated on the London Stock Exchange. It had successful floatation, and within three years there were a number of other entities in the market, knocking on the doors trying to get into this company.

On the heels of making a \$12 million profit in one year, it was sold to another investor, so there are many returns to be generated, if the tourism sector is well managed. I want to reemphasise that it is necessary for us to attract more local and foreign investment to supplement the efforts being made by the Ministry of Tourism and the Barbados Tourism Authority in increasing the airlift capacity.

Mr. President, I would like briefly to touch on the issue of standards of service. I declare my interest because I work for a hotel group. I want to make the point that the time has come for us to look very seriously at the standards in Barbados and also to pay critical attention to the delivery of service in Barbados. We can have the best hotel plant, we can have very good airlift into Barbados, but we also have a responsibility to ensure that we continue to maintain our share of repeat visitors to Barbados, as well as to get new visitors to Barbados. In so doing, we have an obligation to make sure that our staff are highly trained in order to respond to the service challenges.

Therefore, at a certain moment, I think it is absolutely necessary that the Barbados Tourism Authority, Barbados Hotel Association and the other strategic partner, the Barbados Workers Union, should come forward and form an alliance in terms of conducting serious retraining efforts in the hotel sector, so that we can maintain our competitiveness in the marketplace and deliver a standard of service which is second to none any part of this region.

I also want to say, Mr. President, that having recognised that tourism accounts for 15 per cent of GDP, having recognised that it accounts for almost 11 per cent of the labour force, and having recognised that it moved from 9 600 in 1993 to 14 200 in 2002, it behooves all of us, Mr. President, to take this business seriously.

Mr. President, it is also absolutely necessary for all of us to recognise the importance of tourism, and support any measure to further enhance the development of tourism in Barbados.

Mr. President, I did say I was going to be brief but I want to say in closing that the Barbados Tourism Authority must be congratulated as well as the Ministry of Tourism, because regardless of all the crises we had to face, we have stood the test of time and we have not had any major fall-out in the industry. Instead, we have maintained a growth path and in some instances, we have been able to stabilise it.

As we continue to develop Barbados' long term tourism strategy, we must recognise that the Government along with its strategic partners will have to make certain contributions in order to maintain tourism.

Mr. President, in closing, I want to congratulate the Barbados Tourism Authority for its wisdom and I want to wish them every success as they continue to chart a new course, attract new airlift capacity into Barbados, maintain the level of tourism that we are known for, and the growth pattern that this Administration has put in place, since it took office.

Mr. President, I am obliged to you.

SENATOR I. St. C. LINTON: Mr. President, I rise to support this \$25 million Bond issue for the enhancement and development of a tourism product in Barbados. I have been heartened today with the response from the Democratic Labour Party through Senator Lowe, when I remember that at the last Sitting, I challenged the Opposition, the Democratic Labour Party that it is time to wake up and support areas of our economy that are important for our survival, and they should remove themselves from the "no chorus".

Sir, he expressed concerns that are also heartening. What would have happened if Senator Lowe and the Democratic Labour Party had given the support, that they are giving to this \$25 million Bond issue for tourism, to GEMS? The areas that Senator Lowe is concerned about in Silver Sands, Silver Rock, Peach and Quiet and others, if these

concerns expressed had supported the Government in its approach to developing the South Coast section of our tourism product, certainly we would have been in a better position today by garnering the support of the private sector in the hotel industry in that part of the country.

The approach of the Democratic Labour Party at that time so discouraged the entrepreneurship on the southern coast in the tourism product, that it has retarded the interest and progress of the development of tourism in the south of Barbados. In spite of that and the attack from Peach and Quiet on the tourism product and GEMS, the Government further seeks to enhance the tourism product in the south of the country by supporting the smaller hotels with some \$100 million.

This shows the intention and the importance to the Government of Barbados today to develop and enhance the tourism product so that greater benefit could come to the people, those who invest, those who work in, and those who have opportunity to join in the development of the tourism product.

It is this factor that moves me to touch on an area which needed to be touched on in the development of Barbados. The economy of Barbados has been buttressed in spite of the fact that the tax take in Barbados cannot support its development and Governments on both sides have operated on deficit financing in their Budget projections...

This Government has been borrowing on the foreign market simply because in recent years this country has been denied concessional financing which came through the World Bank and the Inter-American Development Bank. The Government has wisely opened up the investment to the people of Barbados and the businesses of Barbados, particularly in relation to bonds, treasury notes and debentures.

1.00 p.m.

My wife and I are generally attracted to bonds and I usually encourage young people wherever I go to buy into them because the greatest security of one's investment is secured by the Government of Barbados. There is no doubt about that. My interest is not partisan in the development of Barbados through bond issues. From 1993 when the opportunity came and there was money available in the family, we bought bonds and we were rolling over that investment as they become mature. One of the most recent interventions on my part was with the Barbados Tourism Investment Inc. when they had a bond issue for the special development of Bridgetown. I have taken part in that 15-year bond and I have encouraged others to do likewise.

I want to express thanks and gratitude to the Barbadians who are investing in their own country through their savings and through money which comes to them through their labours and investment. However, there is one area that I am concerned about. I do not believe that we as Barbadians are educated sufficiently in relation to investments in these times in the development of our country.

I believe that the powers that be should develop a programme on television to give confidence to Barbadians to invest in the development of their country's future. I stand firm on this particular one because to me education is the greatest asset to life in every sense of the word particularly in understanding the economy in which we live, how it is financed and how we can shore up its financing by investing through our savings and through successful businesses.

The last time I spoke, I spoke of the capacity of this Senate to respond intelligently and in a mature way to the further development of our country in the 21st century. Therefore, I give my strongest support to this Resolution and ask all Honourable Senators to give their support to the development of this country through investment. I thank you.

SENATOR Miss L. V. EASTMOND: Mr. President, first of all, let me thank all Honourable Senators, including my colleagues from the Democratic Labour Party for unanimously supporting this Resolution.

We have noted the concerns raised by Senator Lowe in his contribution and Senator Husbands addressed some of them. There is just one point I would like to make in that regard in terms of seeking to find support for the small tourism projects or small business people involved in tourism. The Government's programme for small business development does not exclude tourism. So there is no need for a specific tourism Act to deal with small businesses. The Small Business Development Act is already in place. The Government has already provided funds to the Ministry of Social Transformation, the Urban Development Commission and the Rural Development Commission to assist them. I know there are some who believe that I should hesitate to speak about these institutions but these institutions have been doing great work in the Barbadian society especially among the smaller businesses and among the people the Democratic Labour Party purports to support so strenuously, but, they would seek to be negative towards these institutions.

The Government has focussed more than ever on providing funds to these agencies because these are the agencies that go out into the community more so than the centralised government agencies to identify small business projects within the community in order to lend assistance to them. We have to get away from the idea that Government has to always identify particular sectoral activity and direct

incentives towards those sectoral activities. What Government is focussing on is moving to a position where it can facilitate all types of businesses and leave it to the person in the private sector to choose whatever type of business he or she considers would be profitable and would make money within the economy. Therefore, all of these other pieces of legislation and all of these other incentives can also be used for tourism development

The point was made by one of my colleagues that there is a Tourism Development Act. The Tourism Development Act does not focus on hotels alone. It is deliberately framed in such a way that it is also for all of the ancillary services which are connected with tourism. Indeed Senator Husbands made reference to the environmental programme which hotels have. So Government is quite clear about what it is doing in the area of tourism.

An issue was raised about whether or not the Barbados Tourism Authority would succeed in its bid to get this type of airlift that we would like to see coming to Barbados. It is my humble view that the best way for Barbados to fail is to do nothing. We certainly have to go out and ensure that we have good people in place to do the job, but as in all other business activity there is some risk involved. Government recognises that, but we are confident that we have put the appropriate mechanisms in place. The team that is responsible for our tourism development headed by Minister Noel Lynch can take a bow in terms of what they have been able to do so far in safeguarding the industry at a time when it was undergoing considerable difficulties after

September 11 and working to bring it out of that situation. In many areas we can see that there is positive growth.
1.10 p.m.

The funds which are going to be raised are going to be used by the Barbados Tourism Authority in its current financial year but these funds would also be available for future financial years, 2004-2005. Sir, unlike central Government funds they do not lapse, therefore, there is no need to worry that the funds would be raised and not utilised in the current financial period.

Mr. President, with those remarks, I beg to move that this Resolution do now pass. I thank you, Mr. President.

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

ADJOURNMENT

SENATOR Miss L. V. EASTMOND: Honourable Senators, we have concluded Government's Business for today. Mr. President, I now move that this Sitting be adjourned *sine die*.

The question was put and resolved in the affirmative without division and Mr. PRESIDENT adjourned the Senate accordingly.
1.13 p.m.

CONTENTS

MINUTES

The Senate met in the Senate Chamber, Parliament Buildings, on Wednesday, the 3rd day of December, 2003, at 11.15 a.m.

ANNOUNCEMENTS BY HIS HONOUR
THE PRESIDENT

Mr. PRESIDENT 1

Mr. President announced the receipt of the excuses for absence and informed that in the absence of Senator the Hon. E. R. Griffith, Senator the Hon. Miss L. V. Eastmond would act as Leader of the Senate.

PRESENTATION OF PAPERS

Senator the Hon. Miss L. V. EASTMOND 1

PAPERS

1. Report of the Accountant-General for the financial year 2002-2003.
2. Value Added Tax (Refund) (Special Olympics) Order, 2003.
3. Land Tax (Rate of Tax) (No. 2) Order, 2003.

ORDERS OF THE DAY

ORDER NO. 1 – RESOLUTION THAT PARLIAMENT APPROVE THE GUARANTEE BY THE GOVERNMENT OF BARBADOS OF THE PRINCIPAL AND INTEREST NECESSARY FOR THE REDEMPTION OF THE BOND ISSUE IN THE SUM OF \$25 MILLION 1

Senator the Hon. Miss L. V. Eastmond, 1, 15; Senator Dr. D. S. Lowe, 3; Her Honour Senator Dame Patricia Symmonds, 5; Senator Miss S. C. V. Husbands, 6; Senator B. R. Collymore, 9; Senator G. P. B. Nicholls, 10; Senator Dr. F. L. Chandler, 12; Senator G. P. I. Gooding-Edghill, 13; Senator I. St. Linton, 14.

ADJOURNMENT 16

Senator the Hon. Miss L. V. Eastmond, 16.

SPEAKERS IN THIS ISSUE

CHANDLER, Senator Dr. F. L.
COLLYMORE, Senator B. R.
EASTMOND, Senator the Hon. Miss L. V.
GOLLOP, His Honour Senator Sir Fred
GOODING-EDGHILL, Senator G. P. I.
HUSBANDS, Senator Miss S. C. V.
LINTON, Senator I. St. C.
LOWE, Senator Dr. D. S.
NICHOLLS, Senator G. P. B.
SYMMONDS, Her Honour Senator Dame Patricia