
THE

House of Assembly Debates

(OFFICIAL REPORT)

FIRST SESSION 2003 – 2008

HOUSE OF ASSEMBLY

Tuesday, October 26, 2004

Pursuant to the adjournment, the House of Assembly met at 10.00 a.m. on Tuesday, October 26, 2004.

PRESENT

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

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

Rt. Hon. O. S. ARTHUR, M.Sc. (Econ.) (Prime Minister, Minister of Finance and the Civil Service)

Mr. L. R. TULL, Q.C., M.A. (Oxon.)

Mr. G. W. PAYNE, LL.B.

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

Hon. G. A. CLARKE, B.Sc., Dip. Ed., J.P. (Minister of Public Works)

Mr. R. D. MARSHALL (Chairman of Committees)

Hon. H. F. LASHLEY (Minister of Social Transformation)

Mr. R. St. C. TOPPIN, LL.B.

Mr. D. St. E. KELLMAN

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

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

Rev. J. J. S. ATHERLEY, B.A., B.Sc., J.P. (Parliamentary Secretary to the Attorney General and Minister of Home Affairs)

Hon. N. A. LYNCH, B.Sc., M.B.A. (Minister of Tourism and International Transport)

Hon. A. P. WOOD, B.Sc., M.Sc., M.Phil., J.P. (Minister of Energy and Public Utilities)

Hon. R. R. FARLEY, B.Sc., J.P. (Minister of Education, Youth Affairs and Sports)

Mr. C. A. MASCOLL, B.Sc. (Econ.) (Hons.), M.A. (Public Finance) (Leader of the Opposition)

Dr. W. F. DUGUID, B.D.S. (Comm.), F.D.S., FDRCS, J.P.

Hon. J. X. WALCOTT, M.B., B.S., F.R.C.S. (Edin.), J.P. (Minister of Health)

Hon. K. D. SYMMONDS, B.A., LL.B. (Minister of State, Ministry of Foreign Affairs and Foreign Trade)

Hon. D. D. MARSHALL, LL.B. (Hons.), L.E.C. (Minister of Industry and International Business)

Mr. R. D. JONES, B.A. (Hons.), M.A. (Ed.), J.P.

Mr. M. A. LASHLEY, LL.B. (Hons.)

Dr. D. C. ESTWICK, B.Sc., M.B., B.S.

Mr. R. L. SEALY, B.Sc., M.B.A.

Prayers were taken by Rev. Canon Ivan Harewood.

Mr. SPEAKER: The House is now in session.

MINUTES

Mr. SPEAKER: The Minutes of Tuesday, October 19, 2004.

Hon. R. C. EASTMOND: Mr. Speaker, I beg to move that the Minutes for the Honourable the House of Assembly for its meeting of Tuesday, October 19, 2004, which Minutes have been circulated, be taken as read.

Hon. R. R. FARLEY: I beg to second that, Sir.

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

ANNOUNCEMENTS BY HIS HONOUR THE SPEAKER

Mr. SPEAKER: I am to report to this Honourable House that I am in receipt from the Accountant-General, the Accounts and Statements for the months of May and June, 2004.

PAPERS

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

1. Duties, Taxes and Other Payments (Exemption) (Barbados Tourism Authority) Order, 2004.
2. The Exchange Control (Authorised Dealers and Depositories) (Amendment) Order, 2004.

Rev. J. J. S. ATHERLEY: Mr. Speaker, I am commanded to lay the following:

Annual Reports and Financial Statements of the Caves of Barbados Limited for the periods ended December 31, 2001 and December 31, 2002.

GOVERNMENT NOTICES

Hon. R. C. EASTMOND: Mr. Speaker, I beg to move that Orders Nos. 2 and 7 on today's list of Government Business be withdrawn. Next week we shall substitute fresh Orders.

Hon. R. R. FARLEY: I beg to second that, Sir.

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

NOTICES OF QUESTIONS

Mr. SPEAKER: The Honourable Member for Christ Church East Central.

Mr. R. D. JONES: Mr. Speaker, Parliamentary Question:

1. **To ask the Minister of Education, Youth Affairs and Sports: Will the Minister state:**

- (a) How much money has been spent to date on the infrastructural component of the Educational Sector Enhancement Programme, (EduTech)?
- (b) At what stage is the programme?
- (c) What is the schedule, if any, for the completion of the project?

2. **Will the Minister also state:**

- (a) Whether there are any plans to introduce this programme at the Christ Church Girls' School;
- (b) If so, when will the infrastructural work commence?

3. **To ask the Minister of Public Works:**

- (a) Is the Minister aware of the low visibility at the junction of the Bannatyne Gardens and the Newton/St. David's Road, and the problems that can stem from such low visibility?
- (b) If the Minister is so aware, will the Minister state what plans, if any, his Ministry has to address the problem and when will such action commence?

SUSPENSION OF STANDING ORDERS

Hon. R. C. EASTMOND: 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 this day's Sitting.

Hon. R. R. FARLEY: I beg to second that, Sir.

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

GOVERNMENT BUSINESS

ORDER NO. 6 – TO MOVE THAT THE HOUSE RESOLVE ITSELF INTO COMMITTEE OF SUPPLY TO CONSIDER THE GRANT OF SUMS OF MONEY FOR THE SERVICE OF THIS ISLAND

On the motion of Hon. R. C. EASTMOND, seconded by Hon. G. A. CLARKE, the House resolved itself into Committee of Supply, Mr. R. D. MARSHALL in the Chair.

COMMITTEE OF SUPPLY

Mr. CHAIRMAN: This House is now in Committee of Supply.

ORDER NO. 6(a) – TO MOVE THE PASSING OF A RESOLUTION TO GRANT THE SUM OF \$194 452 FROM THE CONSOLIDATED FUND AND TO PLACE IT AT THE DISPOSAL OF THE GOVERNMENT TO SUPPLEMENT THE ESTIMATES 2004-2005 AS SHOWN IN THE SUPPLEMENTARY ESTIMATES NO. 3, 2004-2005

HEAD 46 – MINISTRY OF ENERGY AND PUBLIC UTILITIES IN THE AMOUNT OF \$194 452

Hon. A. P. WOOD: Mr. Chairman, the money Resolution we are considering this morning is for the Ministry of Energy and Public Utilities to engage consultants to review the dominance framework in Barbados. 10.30 a.m.

Mr. Chairman, the need for this task to be undertaken is occasioned by the liberalisation programme which is being undertaken in the telecommunications sector in this country. Honourable Members would recall a few years ago Government had intense negotiations with Cable and Wireless which concluded with a Memorandum of Understanding being drawn up and a three-stage liberalisation programme being agreed to and we are presently into the second stage of that programme.

Sir, if I were to put this into its proper historical context, Honourable Members would recall that while the trend in the telecommunications sector internationally was for liberalisation of those sectors in 1991, when the evidence was clear that telecommunications sector reform was the order of the day and most Governments, recognising the need to effect changes in the telecommunications sector, were pressing on with arrangement of the sector, the Democratic Labour Party on that occasion was busy concluding arrangements with the monopoly provider at the time, Cable and Wireless, with the provision of an exclusive licence due to expire in 2011.

Sir, in 1991 when countries elsewhere were busy trying to effect necessary changes in the telecommunications sector so that competition could be introduced and rates in all components of the sector could be brought down to the benefit of their population with the aim of enhancing competitiveness in their economies, our administration of the day was busy concluding discussions with Cable and Wireless so as to give them an entrenched monopoly position in this country.

Mr. Chairman, when this administration came to power in 1994, one of the key things it said would be done as part of the effort to give this economy better opportunities to

prosper and to have certain sectors developed in meaningful and productive ways, was to have changes being made to the telecommunications sector and for them to be conducted in such a way that the sector moved away from one that was characterised by a monopoly provider to one characterised by competition. Sir, this would allow for more and more players to come into various components of the market all with the aim of providing more choices for our people and providing greater levels of employment opportunities for Barbadians to spur economic activities thus increasing the level of gross domestic output and foreign exchange.

Sir, this is the context in which this money Resolution has come to this House. The need for us to review the dominant framework is occasioned by the liberalisation programme which is ongoing. The dominant framework which was in place when we had a monopoly provider can no longer be relevant in a situation where we have a number of players entering the market at different levels.

For example, we have seen other players coming into the domestic market in the provision of mobile services and this Government saw to it that licences were issued on August 7, 2004, after the formal process was engaged.

Sir, as these companies grow, the status of the dominant player changes because competition would become extremely vibrant.

Mr. Chairman, this Government recognises the importance of telecommunications sector reform. There is a direct link between telecommunications sector reform and economic progress. This is why tremendous effort has been placed in this process so as to ensure that it is done correctly.

Sir, the Government of Barbados, recognises the ability of Barbados to implement its services agenda and realise the vision of this company becoming an exporter of high quality goods and services and that being the hub for international business activities in the region will depend on a strong telecommunications sector infrastructure and has decided that a fully liberalised telecommunications sector is vital to achieving this purpose.

Mr. Chairman, in seeking to make Barbados a centre of excellence for information technology and telecommunications in the Caribbean, a dynamic telecommunications sector is a necessity to facilitate all modes of supplies regarding international trade. In addition, the liberalisation of the international telecommunications is important to the attraction of foreign direct investment in the form of companies wishing to establish a commercial presence here.

Mr. Chairman, I would not bore the House with the history and motivation for the preparation of the Green Paper which outlined the Government's draft policies for telecommunications sector reform.
10.40 a.m.

I think it is important for me to stress the objectives of the telecommunications sector reform in this country. These include, among other things, to introduce competition in the telecommunications sector, and we have seen evidence of that; to enhance the technological capabilities of our national and international networks; to implement a modern regulatory framework compatible with the technological and business environment of the 21st century and to support the expansion of the informatics industry and international business and financial sectors, where access to low-cost international telecommunication rates is critical to their success.

Sir, those policies are clearly enunciated as we seek to reposition this Barbadian economy and as we seek to allow the services sector to play a more pivotal role in the development of our economy, telecommunications sector reform is extremely vital.

We need to ensure that in an attempt to enhance our regional and international competitiveness we have competitive telecommunication rates, the type of rates that we would not have obtained in a monopoly-type situation. We need competition to ensure that rates would be reduced and become more competitive so that activity in certain sectors can be spurred on.

Sir, what have we been able to achieve so far? My colleagues are aware of a three-phase transition timetable for the liberalisation of the telecommunications sector and I am very happy to report that all activities under phase 1 have been completed. I am also happy to report that in the aftermath of this very significant event taking place in phase II, that is, the presentation of mobile telecommunication licences in August 2003, which I have alluded to earlier, Cable and Wireless Barbados Limited, Sunbeach Communication Inc., Digicel Barbados Limited and Cellular Communications Barbados (SRL), familiarly known by Barbadians as "A Trinidad and Tobago" shows that there is tremendous competition in the provision of mobile services in Barbados. Indeed, Barbadians began, even before Digicel and A T & T became operational, to see the benefits from liberalisation as it related to Phase 1 activities.

Mr. Chairman, Honourable Members might be surprised to know that in the space of approximately 6 months, Digicel and A T & T networks were only able to provide services from February 2004, and that competition has been so vibrant that as I speak the number of Barbadians using cellular phones is in excess of 140,000.

We have seen the numbers increasing at a tremendous rate but more importantly we have seen the rates charged plummet over the last few months. We have also seen many special packages being offered by these companies, all to the benefit of Barbadians and this benefit is coming in the form of low prices and the ability of persons to make contact, not only with fellow Barbadians but persons living outside of Barbados, from virtually any point in this country and that is a real benefit.

Sir, this is not the type of benefit that would have accrued to Barbadians if we had allowed the monopoly position, which was given to Cable and Wireless by the Democratic Labour Party in 1991 through that exclusive licence. These types of benefits could not have accrued to Barbadians if we had allowed that to continue.

Sir, through intense negotiations and moving strategically, not only at the level of policy formulation but at the level of policy execution we have been able to break that stranglehold, so to speak. We did this in November 2003 when I provided Cable and Wireless with a new domestic licence and you can make the deduction.

Sir, the exclusive licence was broken 8 years early thanks to the Barbados Labour Party; because if we had to wait on the Democratic Labour Party, it might not have to an end until 2011 and we would all be struggling and the economy would not be where it is today.

Mr. Chairman in addition to the other benefits, which I mentioned, we were able to break Cable and Wireless' access to its privileged position which would have seen them, on trend, earning in excess of \$200 million over the additional 8 years or so of the licence if we had not intervened and introduced reform in the telecommunications sector.

Sir, with respect to the provision of mobile services, Barbadians could have benefited more from competition if the Sunbeach Communication Inc. had, indeed, become operational. I certainly looked forward to that happening when the licence was issued to Sunbeach Communication Inc., on the same occasion as the others, in August 2003. The expectation was, obviously, like Digicel and A T & T, that they would have been up and running to the benefit of Barbadians. We hope that they can get their financial house in order, so to speak, and invest in the network and become operational. All the activities in Phase 1 have been completed and the process is well into Phase 11.

Mr. Chairman, what are the significant things that we have been able to achieve in Phase 11 today?

In September 2004, the Government has awarded undersea cable landing licences to two companies, namely,

Antilles Crossing and Telecom International. I should also inform that through this undersea landing licence Antilles Crossing would be looking to invest approximately US\$35 million and Telecom International's investment will be in excess of US\$15 million.

Sir, these cables will provide the badly needed additional bandwidth to the international market and will, indeed, break the dependency on the Eastern Caribbean fiber system, which I must admit, has served us well over the years.

Mr. Chairman, the awarding of these undersea cable landing licences can be construed as the Government making the necessary preparations for Barbadian businesses and households to benefit from the provision of services in the international market.
10.50 a.m.

I am certain that the Honourable Member for St. Joseph who is in charge of the Ministry of Industry and International Business, will speak to what this holds for employment prospects in industries that he is responsible for, and I will leave that for him to expound on.

Mr. Chairman, in this very month of this year of our Lord, this Government awarded Fixed Wireless Access licences to three companies, Tele Barbados Inc., WISCOM Technologies Inc., Last Mile Holdings, Inc. The technologies to be offered by these companies are all leading edge technology.

This is another very significant event in our liberalisation programme, because the award of these Fixed Wireless Access licences paves the way for the introduction of wireless technology in our telecommunications sector in Barbados. These are not events to be taken lightly. Mr. Chairman, it means that Barbados is making tremendous strides in its reform of its telecommunications sector, and we are putting the necessary infrastructure in place to ensure that Barbados' economic prospects are indeed enhanced.

Mr. Chairman, these are things whose likelihood of materialising would be a little slender, if we had a situation of Cable and Wireless operating with an exclusive licence. We have paved the way for necessary and important investments to be made in the telecom sector, with the ultimate aim of spurring on economic activity and improving the quality of life of all Barbadians.

We are pushing to Phase 3 of the telecommunications liberalisation programme. There are a few things standing in the way of us moving into Phase 3. The Ministry shortly will be completing its work on the daily communications and trunking services licences. Also of importance is the

completion of the transition cost pricing for domestic line services.

Mr. Chairman, there is a certain amount of misunderstanding pervading this Barbadian society, in respect of cost oriented pricing and the importance of changing the policy approach within the telecommunications sector, if there is a move from a monopoly situation to a market that is characterised by competition.

Barbadians would have to understand that telecommunications sector reform in every country, while recognising that more competition should foster in the markets, that the pricing principles should reflect the type of market structure that is in existence.

This Government has simply said that going forward with telecommunications sector reform, the pricing of the services should be in line with the cost of providing those services. This is a basic pricing principle in telecommunications sector reform all over the globe.

Mr. Chairman, persons on the Other Side who should know better, persons who are ignorant of the facts and the analysis should be excused, but we would not excuse those who should know better. They have necessarily given the impression that there is a one-to-one correspondence – excuse me for using a little mathematical language – between such a pricing principle and metered rates.

Mr. Chairman, all the principle says is that the pricing of the services provided in the telecom sector should be in line with the cost of providing the service. It says nothing about metered rates. The persons who should know better are jumping up and down in this country and giving the impression that this translates into metered rates.

The Honourable Member for St. Michael North West, if he is in that category, is one whom I think should know better, the others, I would excuse their ignorance. Do you know, Mr. Chairman, that you could achieve such a pricing principle without metered rates? You could achieve it with a flat rate, if the rate is such that it allows the principle to hold.

Mr. CHAIRMAN: Honourable Member, you have one minute more to conclude.

Hon. A. P. WOOD: Mr. Chairman, Barbadians and persons elsewhere who are going through this exercise of telecommunications sector reform must recognise that there are certain things that would necessarily go along with a truly liberalised environment and that is access to choice of the persons buying the services.

While I said that the pricing principle of having the pricing of the services more in line with the cost of providing the services is Government's policy, I must also add that in a truly liberalised environment where persons are looking for choice they should be given choice, and it stands to reason that they should also get a choice in the type of packages that they want.

Mr. CHAIRMAN: The Honourable Member is asked to wind up, please.

Hon. A. P. WOOD: Yes, Mr. Chairman, I would wind up at this point in time and I certainly will return to expound on some more of these issues at a later date.

I thank you.
11.00 a.m.

Dr. D. C. ESTWICK: Mr. Chairman, I want to make a submission on this Supplementary but I want to frame it within a context that outlines the telecommunications sector within a broader framework of one that underpins part of the process of economic development of the country.

Mr. Chairman, if we are to accept that within a new liberalised world where we expect a Government to take a step back and be involved in regulatory processes and not in the type of social aspects of Parliament where they are playing a more critical role in the provision of all services inclusive of telecommunications services, then I believe that there is somewhat of a conflict with respect to how Government manages this aspect.

Sir, it is alright to talk about liberalisation and to accept the international rules but at the end of the day Government has a responsibility to the people of this country to make sure that any development that leads to economic growth is appropriated in such a way that the people in this country, especially the people at the bottom, will have access to those services, so I want to put my submission in that context.

Mr. Chairman, I also want to refer to a statement that was made earlier by the Honourable Member for St. Philip South when he remarked again that everything that seems to be wrong, in his own mind-set, whether it is warped or not, is that the Democratic Labour Party is to be blamed for it and as a result in his fine style, we are supposedly to be blamed for retarding the liberalisation process in Barbados in terms of the telecommunications sector.

Sir, I want to remind the Honourable Member, that when the Democratic Labour Party signed the World Trade Organisation Agreement in 1992/1993 there was an

international movement in that direction. It was not only the Democratic Labour Party. Many of the territories throughout the region were engaged in that process and when the further signing of the new contract for extension of the licence occurred in 1991 the regional territories as well as Barbados were not in the World Trade Organisation set of agreements or in the liberalisation agreements, so I do not know how the Honourable Member would want to blame the Democratic Labour Party for that. There is nothing that is in any way static in those elements. Changes will occur and international changes will occur and as a result you have to move along with those changes and make adjustments as is necessary, so I do not necessarily want to respond any further to that.

Sir, I also want to go directly to this concept of liberalisation. The liberalisation process that this Barbados Labour Party Administration is engaging in is one that, even though on the surface it may appear to be a wise move and even though under the international dictates where it is said that such enhanced competition is supposed to introduce increased efficiency and reduce prices and as a result of this enhanced competition that you necessarily will get a better service that is more accessible to everybody, that is not necessarily so. There are many cases where that has been shown not to be the case. It has been shown with respect to ports and telecommunications worldwide.

In fact, if the Honourable Member understood the break up of 'Ma' Belle in the United States of America when there were multiplied fractures in that establishment he would recognise that if one compares today what one would call the actual rate – he is an economist, so he should understand mathematics – then and now when there is so much enhanced competition that they may not have been any move whatsoever. In fact, there is actually a move back towards amalgamation in the United States of America. So I would want the Honourable Member to be very cautious in understanding the logic that I am trying to suggest to him.

Mr. Chairman, in addition to that, what this Government is doing is essentially following a plan of privatisation. This liberalisation process fits directly into this Government's plan and establishes, as was shown in this House of Assembly on multiple occasions, a programme to continue to privatise in such a way that in an environment where there is no effective competition you are looking at a problem for the masses of people.

Mr. Chairman, I want to ask the Honourable Member to remember, if he utilises the definitions of the international experts with respect to competition, that he would need at least seven players in the marketplace, that is not Dr. Estwick's definition, if they are going to talk about true competition in a way to enhance efficiency, to enhance or decrease prices and to truly liberalise the sector.

I want the Honourable Member to appreciate that the Democratic Labour Party is not in any way against any activity that will allow for the best prices for services rendered. However, we are not going to accept a set of situations where there is an apparent liberalisation where they are many players who may very well have a set of interconnections at the level of directorships, at the level of service companies and at the level of other inter-company relationships in Barbados. So on the surface it may appear as though there is true liberalisation but I want the Honourable Member, if he is going to be honest with the people of Barbados, to come and explain to the people of Barbados who are the players in these various companies to demonstrate this so-called arm's length disconnection that would be necessary in true competition in Barbados. Once that is done and they can satisfy the people that there is no interconnection, no cross directorship, no cross investments and no sharing underneath the table, then the Honourable Member can come and tell the people of this country so.

Mr. Chairman, I want to revisit this concept of liberalisation further. Historically, the private sector has no record of protecting the interest of the masses. Historically, one relies on pressure groups and political parties to protect the interest of the masses.

11.10 a.m.

The private sector, in its interest – and I do not blame them, a profit-making one it is – seeks exactly to do that. They are not interested in making sure that a grandmother or a grandfather can speak for 30 minutes to his or her grandchildren in England or even next door. They are interested in a culture of profit.

Mr. Chairman, this Administration, by their own admission, by documents that are laid in this Honourable House, has embarked on a plan of privatising the social services that the people of Barbados depend upon in this country. Sir, we have evidence that was laid in the Honourable House which is clear for all Barbadians to remember, the move towards the privatisation of the airport, the seaport, the Barbados National Oil Company Limited, the Caribbean Broadcasting Corporation (CBC), the Insurance Corporation of Barbados, and the Barbados National Bank.

Hon. N. A. LYNCH: On a point of order. Mr. Chairman, this Government has never stated any policy about privatising the airport or the seaport of Barbados. The Honourable Member is misleading this Honourable Chamber and should withdraw those statements. It has never been laid here, neither has it ever been stated that this Government is privatising the airport or the seaport.

Mr. CHAIRMAN: The Honourable Member for St. Philip West, do you want to change the word privatisation to corporation?

Dr. D. C. ESTWICK: No, Sir. I will not do that because I want the Honourable Member for St. Michael South to take out the September 27, 1999, debate in the Honourable House where the Government made those comments, so I will not retract that. It is a document of the Honourable House.

Asides.

Hon. N. A. LYNCH: On a point of order. Mr. Chairman, there must be a ruling. Honourable Members cannot come to the Honourable House and say that one must look back and remember the debates. The Honourable Member must produce it.

Dr. D. C. ESTWICK: Mr. Chairman, that is an interesting point. If the Honourable Member wishes me to do so, I will. I have it in my hand and if the Honourable Member wants me to read it, I will do so for his recollection because as of late something seems to be wrong with the Honourable Member's recollection. Mr. Chairman, I will read it:

"Government will implement a privatisation programme – not a corporatisation programme – to provide more activity for the Stock Exchange of Barbados and to broaden share ownership. The institutions that will be involved are as follows:"

Asides.

Dr. D. C. ESTWICK: I will make it a document of the House.

Mr. CHAIRMAN: Please, let the Honourable Member continue.

Dr. D. C. ESTWICK: (i) Company involved in joint ventures in the Carlisle Bay Area;

(ii) The Airport.

Sir, remember the newspaper articles recently.

Asides.

Hon. N. A. LYNCH: Mr. Chairman, the Honourable Member cannot refer to a newspaper article but to the document.

Dr. D. C. ESTWICK: "(iii) Port, (iv) the Barbados National Bank."

Mr. CHAIRMAN: Honourable Members, the Honourable Member said he is going to make that a document of this Honourable House, please allow that. Please continue Honourable Member.

Asides.

Hon. K. D. SYMMONDS: On a point of order.

Mr. CHAIRMAN: The Honourable Member for St. Philip South, the Honourable Member for St. James Central is on his feet.

Hon. K. D. SYMMONDS: Mr. Chairman, there has to be some method in the way in which we do business. This issue has already been ruled on in this Honourable House during this Session. At that time, the Opposition walked out of Parliament and in their absence the Speaker of the House made a ruling that this particular issue was covered by Hansard and if it was to be a record of the House by which Parliament would be governed, the ruling was that Hansard would be the record.

It cannot now lie in the Honourable Member's mouth, two or three months after the time he walked out of Parliament, to come through the back door, to try to make the same point behind the Speaker's back, in the hope that you do not recall. There has to be something profoundly improper in that approach.

Mr. CHAIRMAN: Thank you very much.

Dr. D. C. ESTWICK: Mr. Chairman, this is with respect to speeches and with the Standing Orders of Parliament, and I have them in my head.

Mr. Chairman, with respect to speeches, if a speech is made by an Honourable Member, the official record is Hansard. When a speech is given by the Honourable Prime Minister, it becomes a document of the Honourable House as a Budget Speech. Therefore, it becomes a record of the Honourable House and as this is a document of the House, I have a right to quote from it and to speak from it.

Mr. Chairman, the Honourable Member will not, in any way, suppress what I am saying. Sir, this is a privatisation programme which the Government said they were going to embark upon.

Hon. N. A. LYNCH: On a point of order. Mr. Chairman, the official record of this Honourable House is Hansard. We have already ruled on this. The Honourable Member cannot quote from a document that he claims to be an official record when we have an official record of this Honourable House.

Asides.

Hon. N. A. LYNCH: Mr. Chairman, anyone can just come here and pick up a document and quote. We have already ruled on this in this Session.

Asides.

Mr. CHAIRMAN: Honourable Members, I will rule on that. The Honourable Member for St. Philip West, I have had consultation and will rule that it is in conflict with a document which was the Budget, which is the official document of this Honourable House. Hence I will not allow you to quote from it. Please continue. You have two minutes.

Dr. D. C. ESTWICK: Mr. Chairman, that may very well be true but I am still going to express why I believe that something is fundamentally wrong in this Parliament.

Asides.

Dr. D. C. ESTWICK: I am not going against anything that was already said. I am explaining my position.

Asides.

Mr. CHAIRMAN: The Honourable Member for St. Philip West, as I said, I have already ruled on that. You can continue in your presentation under the Bill that is being discussed. As I said, you have two minutes to continue. Thank you.

Dr. D. C. ESTWICK: Mr. Chairman, it would appear that as part of Government's strategy, this part of suppression of information...

Asides.

Hon. N. A. LYNCH: Mr. Chairman, the Honourable Member cannot impute those types of motives. That must be struck from the records.

Mr. CHAIRMAN: Honourable Member, please do not use those words. Nobody is trying to suppress you or anyone else in this Parliament. I will not sit here and allow anyone to be suppressed in any manner.

You have one minute to continue your presentation on the Supplementary being discussed here today.

Dr. D. C. ESTWICK: Mr. Chairman, I will still indicate, and the people in this country are listening, that one has to be very careful with what is being done in the Honourable House of Assembly.

Mr. Chairman, I will sit down on this matter. I have read Hansard as the official record of speeches in the Honourable House but a budget debate is laid in this Honourable House of Assembly by the Honourable Prime Minister – and I will have nothing else to say on that matter. I, therefore, will deal with this matter at another time.
11.20 a.m.

Mr. CHAIRMAN: The Honourable Member for St. Joseph.

Hon. D. D. MARSHALL: Mr. Chairman, we are gathered here today to debate a Supplementary Resolution which, while its specific importance is really only related to the provision of consultation services, requires us to again take sharp focus on the matters of telecommunications liberalisation in Barbados generally.

Mr. Chairman, it is quite odd that any member of Her Majesty's Opposition could argue that telecommunications liberalisation is a retrograde step. I believe that the Honourable Member for St. Philip West when he spoke about the matter of...

Dr. D. C. ESTWICK: Mr. Chairman, on a point of order. At no time in my presentation did I make or even allude to the fact that telecommunications is a backward step.

Hon. D. D. MARSHALL: Mr. Chairman, at no time in my presentation did I say that the Honourable Member for St. Philip West said so. I made reference to the Honourable Member for St. Philip West to move on and I think it is what some people call "previous". The Honourable Member for St. Philip West did say that there is a current trend towards amalgamation and it seems, therefore, to me that the Honourable Member for St. Philip West is arguing that amalgamation of companies in the telecommunications sector would be the equivalent of a move against liberalisation of telecommunications. Sir, in my view, it is not a reasonable conclusion to draw.

Dr. D. C. ESTWICK: Mr. Chairman, on a point of order. The Honourable Member is misleading the House. If the Honourable Member understood *laissez-faire* economic from classical economic times, liberalisation existed then and was unimpeded. The Honourable Member is misleading the House because we are now revisiting that period of time as though it is something new.

Hon. D. D. MARSHALL: Mr. Chairman, I believe that is home economics and not *laissez-faire* economics but I want to get back to the fundamentals of the debate. In today's world, there is purchase by Cingular of AT&T which is in effect resulting in a new corporation and it may well be that the Honourable Member for St. Philip West sees it as being a trend in the opposite direction.

Mr. Chairman, Her Majesty's Opposition, I would submit is in an invidious position because, far from moving this country towards trade liberalisation, they have locked us into a monopoly position. This Government had a plan for trade liberalisation which would see the telecommunications sector liberalised and it has already seen telecommunications cost plummeted in this country. It has seen a level of

penetration of mobile technology to the average Barbadian that was hitherto impossible. It has seen a large number of companies being able to focus on Barbados as being a sensible place to conduct business which would require high bandwidth simply because we have had prevailing high cost for a long time. This has been our plan but I would venture to say that no member of the Opposition can stand up here today and tell anybody what their plans were for liberalisation simply because there was no such plan. We must also ask the Opposition what was their vision. Sir, their vision of a Barbados that continued to be strangled and to see little prospect for an expanded economy based on a reduction in telecommunications costs.

Mr. Chairman, the average Barbadian now treats a mobile phone as commonplace as a ball point pen in his pocket. The average Barbadian is now beginning to understand technology because it is at his fingers. Barbadians have been empowered and their lives have been enriched because of the liberalisation of the telecommunications sector. Mr. Chairman, the world is moving at a rapid pace and Barbados, under the leadership of the Democratic Labour Party was in danger of stagnation but that danger has now happily passed.

Mr. Chairman, I celebrate with all Barbados the efforts that this Government has made towards telecommunications liberalisation because there are companies that have been in Barbados for years who have been feeling the pinch of high telecommunications cost and are daily testifying to the fact that a liberalized economy reducing their cost means more efficiency and profitability to those businesses. Sir, when companies are more efficient and more profitable, Barbadians remain employed.

Sir, there are also many companies coming into Barbados to do meaningful business in Barbados and employ Barbadians. Mr. Chairman, on the horizon, we have information technology companies that have come to Barbados within recent times and daily, I am receiving representations from them saying that they want to come to go down further.

Sir, for the longest time many people have assumed that Barbados, as the paradise as we know it, will continue to be a magnet for businesses. Mr. Chairman, in many respects we have been a magnet for business but the fact of the matter is that there are other countries in the region and the world that are also trying to attract business.

Mr. Chairman, it is a little known fact that Barbados has today perhaps the least available amount of bandwidth in the Caribbean. We are outdone in terms of bandwidth by places like St. Lucia and Trinidad who have far more bandwidth than we do. Mr. Chairman, we have put in place the

legislative framework but we also have to make sure that those other elements that are so important to our future are also put in place. We have been forward-thinking enough to recognise the direction in which this country has to go. I readily support the initiatives of the Minister of Public Utilities in pressing on with the liberalisation.

Sir, the matter of dominance is not straight-forward and this is why we need to bring in consultants. The basic idea is that there is a dominant carrier in the Caribbean who has certain obligations but the law recognises that a carrier may not always be dominant and therefore, ... in a situation where other people have come on the scene and who are now providing mobile services and so on, in large number, the time has come when we need to examine whether or not Cable and Wireless is still the dominant carrier.
11.30 a.m.

Sir, that is the essence of competition because there is an expected movement from one company to another in the face of competition. It is clear to me that the Honourable Member for St. Philip West would like to apply all kinds of theories that while they may be relevant for a market with 250 million people, bear absolutely no relationship to commonsense in a market of 250,000 people. Such studies, as the Honourable Member for St. Philip West may have quoted saying that you must have 7 carriers in order to have true liberalisation, that is nonsense in the Barbadian context.

Sir, in the context of 250 million, 100 million or even 10 million people, perhaps, that argument may hold sway but I would like to urge the Honourable Member for St. Philip West to apply the analytical thinking that he pretends to be noted for, to the peculiarities of the Barbadian environment and examine for himself whether he thinks that with a population of 250,000 people that we should have 7 mobile operators, 7 domestic line operators and 7 undersea cable operations. It is absolute nonsense and it cannot be accepted as a principle that is capable of general application.

Mr. Chairman, much has been said in recent times about the increasing costs in relation to various matters. I want to say that this Government has worked tirelessly to ensure that we provide a commercial environment that is efficient and because of the reduced cost in telecommunication, has been able to see businesses in Barbados remain viable.

Sir, I always ask that we remind ourselves that Barbados is not a stand-alone country. We are not the only country competing for international business. We are not the only country in the Caribbean that is competing for call centres and IT companies to come into Barbados but Barbados has significant competitive advantages and we stand in great danger of losing them unless full telecommunications liberalisation is realised.

Mr. Chairman, I suppose that we have always known that the liberalisation of our telecommunications sector would have been difficult. I do not know that there is anybody on This Side who thought that it would have been a walk in the park. It has been an exercise that has had challenges and counter challenges. Certainly, the players in the telecommunications sector have been very vigilant, they have been very careful to articulate their own positions, they have used their resources and it is clear that the level of effort that the telecommunications companies have been putting into the matter have stretched the resources of the Government.

I am sure that the Telecommunications Unit has received many kudos before but once again I want to heap great praise on their heads because when you take a battery of people from all of the various carriers and experts who come in from abroad, our Telecommunications Unit has performed amazingly, both in terms of being able to process all of the various requests, being able to analyse the impact of the requests, technologically, economically and socially, they have performed in an amazing fashion with limited staff.

Sir, I understand that the Telecommunications Units in foreign countries may have a staff of 40 or 50 people in one subsection but we have a Unit with under a dozen people that have been able to bring us this far and they deserve all of the credit.

Mr. Chairman, I support wholeheartedly this Supplementary and I look forward to the continued move towards liberalisation of telecommunications. We welcome the new Licencees in the area of the undersea cable because we recognise that in order to achieve full liberalisation we must not just have liberalisation of everything up to what we called the pipeline, but the pipeline itself must be liberalised and this will give us greater opportunities for competitiveness in terms of bandwidth availability.

Mr. Chairman, I lend my fullest support to the Supplementary.

Mr. CHAIRMAN: Honourable Member for St. Michael West.

Mr. C. A. MASCOLL: Sir, I join this debate because there seems to be confusion on the Other Side. Sir, from the time we were able to establish statutory bodies in Barbados, those statutory bodies were, in fact, corporatised. According to the law, the Companies Act in particular, such an entity requires a Seal such that it can conduct its business in conformity with the Companies Act.

Hon. D. D. MARSHALL: On a point of order. The Honourable Member is misleading the Honourable House.

He is applying a loose and free definition of corporatisation and trying to say that a statutory corporation is the same thing. Sir, as a matter of law, and I defy the Honourable Member or anybody on That Side to challenge it, corporatisation has to do with moving a statutory body, which does not have shareholders, which is established by statute, to being an entity established under the Companies Act of Barbados Chapter 308. That is what corporatisation is and if the Honourable Member wants to apply another definition to it, he must do so without misleading this Honourable House.

Mr. C. A. MASCOLL: I am happy for the thought that you need to have a Board of Directors but we know that the process before privatisation is one of corporatisation and that is known by all and sundry in this Honourable House.

Sir, the difference between privatised and corporatised has to do with the shareholder ownership. Privatisation simply means that private sector individuals own the majority of the shareholdership, and that is 51 per cent or more. In actual fact, a privatised company is corporatised. A corporatised company does not have to be privatised and that is a fact of life.

Asides.

Mr. C. A. MASCOLL: Therefore, we need to put this entire debate into context that, starting from, perhaps, the mid-eighties, there was a worldwide movement towards liberalisation which is an attempt to allow the private sector to have a greater share of the economic cake that would have been held by Governments throughout the world prior to the concept of liberalisation coming into vogue.

Sir, in fact, you are simply saying that rather than allow monopolies, which were predominately state owned, to proliferate the economic landscape, that you would introduce private sector entities into such areas of economic activity.

Therefore, I join this debate to try to distill some of the problems that appear to be coming from the Other Side.

Sir, we were told that under the Democratic Labour Party Administration there would not have been any liberalisation of the telecommunications sector until 2011 and that some contract was signed. It really does not matter. The thing is that the process worldwide, has hastened the move towards liberalisation, not only in developing countries but in the developed countries. Sir, that is not the substantive point that I want to make. My thing is that this Government has embarked on a path of liberalising telecommunications, in the financial sector which would include commercial banks as well as insurance companies. We have seen the full scale sale of the BNB, simply for the purpose of raising revenue to build the new Hilton Hotel. We have seen the attempt by the Government to now privatise the Insurance Corporation of Barbados and we have seen an almost total

acceptance of the intrusion of foreign investors in our financial sector market space.

11.40 a.m.

If this Government is so caught up with trying to liberalise and by extension privatise, why is it that this Government sought to get involved in a totally private sector controlled sector, like the hotel sector of Barbados? Why it is that this Government feels the need to have invested in excess of \$220 million in the GEMS of Barbados which is, in fact, in the tourism sector which is supposed to be controlled and directed according to the whims, fancies and the expectations of this Administration by the private sector?

Sir, getting involved in the GEMS of Barbados is at a variance with a desire to liberalise and privatise the financial, insurance and other sectors in Barbados, and it goes even deeper. Why would a Government that would have been preaching liberalisation and privatisation seek to sell the BNB and then invest in a hotel which is supposed to be in an area that should be controlled and dominated by the same private sector to which this Government is apparently accommodating its policy framework?

Mr. Chairman, liberalisation is supposed to be about the influence of the private sector in conducting the economic affairs of a State and it does appear as though there is contradiction. When you look at this Government's record with respect to liberalising certain sectors of the economy and then extending its arms and control in other sectors of the economy, where does it stand?

Mr. Chairman, I am therefore saying to what extent are we really convinced about this Supplementary, because, having already liberalised the telecommunications sector, what are we seeking to study? The importance of dominance in the market? Are we seeking to study whether or not Cable and Wireless will still have a sound monopolistic control? Why are we investing almost \$200 000 in the aftermath of an event that we should have studied prior to the liberalisation of the telecommunications sector, now to determine whether or not there is dominance, and whether a company that you took away a monopolistic power, will now still have monopolistic power because it can be conducted in other ways and by other means?

It is really hard to understand why in fact we have this debate this morning when we were promised a debate on the Caribbean Single Market and Economy but that is another story.

I therefore, Mr. Chairman, have real difficulty in understanding why we are here this morning discussing almost \$200 000 to go as professional fees to understand a market which we have already liberalised. What would

be the importance of conducting such a study at this stage? There is certainly no question in my mind that again this is misplaced Government revenue.

Sir, let me go to an issue that was raised early in this debate, because, Mr. Chairman, it was being suggested when the Honourable Member for St. Philip West sought to quote, but I have in my possession the Budget presentation of September 29, 1997, and this is a document of the House. In fact, this is the actual document that would have been used on the day of the Budget, and not the amended version that is published and put in a very tidy form for distribution.

I can therefore quote from the Financial Statement and Budgetary Proposals which was presented by the Rt. Honourable Member for St. Peter and Prime Minister on 29th September, 1997, which was laid in this House of Assembly. It does say that the Government will implement a privatisation programme to provide more activity for the Stock Exchange of Barbados and to broaden share ownership. The institutions that will be involved are as follows: Companies which are involved in joint ventures in the Carlisle Bay area, the airport, the seaport, the Barbados National Bank, the Insurance Corporation of Barbados, the Caribbean Broadcasting Corporation, the Barbados National Oil Company, the Barbados National Petroleum Company and the Barbados Mortgage Finance Corporation.

Hon. K. D. SYMMONDS: Mr. Chairman, on a point of order. Again, this has to be a form of offensively misleading the House. There is a ruling before this Honourable Chamber that this Chamber is to be guided by the Hansard.

If the Leader of the Opposition wishes, Sir, to be almost perverse in his approach, then the point has to be made to him that the Prime Minister came on the Floor of this Chamber and made it very clear that the document which the Leader of the Opposition now holds in his hands, and is quoting from the penultimate page, which is an appendage to the document, which was made clear by the Prime Minister is carrying a typographical error.

This has been part of this Chamber, Sir, from the time I came in here. I have been here for over a year and a half.

Asides.

Mr. CHAIRMAN: The Honourable Member for St. Michael North West, I would ask that you desist from that line of reasoning. Please continue.

Mr. C. A. MASCOLL: Mr. Chairman, let me therefore say that I now accept that there was a typo, where somebody mistyped the word, "privatise" for "corporatise".

Asides.

Mr. CHAIRMAN: The Honourable Member for St. Michael North West, you cannot treat to the Chair that way. You cannot tell me that I am making sport. You have to apologise to the Chair, please.

Mr. C. A. MASCOLL: I just started speaking.

Mr. CHAIRMAN: You started speaking at 26 minutes to 12 o'clock and it is ten to one. You have one minute more.

Mr. C. A. MASCOLL: Mr. Chairman, I apologise and I am finish speaking.
11.49 a.m.

Mr. R. St. C. TOPPIN: Mr. Chairman, I rise somewhat reluctantly to participate in this debate because I made a promise to myself back in March that the speech I made in this Chamber on that occasion would be my last speech on anything to do with telecommunications. However, Sir, for some reason some members of the public approached me and seem to believe that I am still playing a role in this whole area of telecommunications and have therefore urged upon me that I should from time to time make some comment on their behalf in issues relating to telecommunications. Therefore, on their urging, Mr. Chairman, I want to make a few short points in this debate.

Firstly, Mr. Chairman, I think that the public of Barbados needs to have a full status report on exactly where we are in relation to the liberalisation of the telecommunications sector. We get a little snippet here and a little snippet there, but the public needs to know exactly where we are in the process of liberalisation as there is a lot of confusion in the minds of the public as to where we are. People feel that this process is perhaps taking a bit too long and they want to know who is at fault, if indeed anyone is at fault.

Mr. Chairman, I want to make a few comments this morning that are really very well intentioned and I trust would be taken as such. I believe that the process could be well ahead of where it is. In that context, I want to raise an issue about the existence and functioning of a ministerial subcommittee on telecommunications. At present, Mr. Chairman, there is a ministerial subcommittee on telecommunications. I served on it. In fact, one could almost say that it was set up as a result of comments made by me at the time, and I certainly supported its coming into being at the time when it did.

Mr. Chairman, with the passage of time, I believe that a serious look has to be taken at whether that ministerial subcommittee has not outlived its useful life and whether or not it should not be disbanded. I want to really say that because you have to look at certain issues of this ministerial

subcommittee. Is it properly structured? Do the members of this ministerial subcommittee first of all have a genuine connection or any connection at all with the area of telecommunications?

More importantly, Mr. Chairman, the existence of this subcommittee is serving to ensure that there are now two processes running in parallel which in my view can only serve to confuse the issue. By that I mean, Mr. Chairman, that we have in Barbados at this time the law that empowers various institutions and individuals in the area of telecommunications to do various things. We have a Minister of Energy who is empowered by law to deal with telecommunications policy. We have another Minister of Commerce who, with the Fair Trading Commission, is empowered by law to deal with the regulatory aspects of telecommunications. Do we still need now to have as well, after the passage of so much time, the existence and functioning of a ministerial subcommittee on telecommunications? Do we still need it at this time?

Mr. Chairman, while that ministerial subcommittee was established with good intentions, I believe that it now serves to facilitate the operations of two systems running in parallel which can only redound to the benefit of the telecommunications provider. That is my humble opinion, Mr. Chairman. I also believe that it is fostering a certain culture and a certain mentality in the minds of the telecommunications providers that where there is an obstacle in the law in terms of what it may want to do, it can and does resort to this ministerial subcommittee on telecommunications. I think, Mr. Chairman, that is what is leading to some of the confusion that currently exists in relation to telecommunications. So it is my view, Mr. Chairman, that the time has come when that ministerial subcommittee could be abandoned. It has served its purpose and I think we need to move on.

Mr. Chairman, the second point relates to the issue of international licences. Very recently I asked the Honourable Minister of Energy if it was true that a decision had been taken to defer the granting of international licences until the Fair Trading Commission determines the matter of the application for a review by Cable and Wireless and I was told that yes a decision has been made to defer the granting of international licences until that is done. Mr. Chairman, with the greatest respect I cannot see the connection between the Fair Trading Commission hearing an application for a review, even if it is going to the Court of Appeal, and the granting of international licences.

Mr. Chairman, we heard much about the urgency to be attached to the granting of international licences. It is obvious, even to the blind, that the granting of international licences will redound to the benefit of the consumer and indeed to the entire country as a whole because the rates

would come down. What is the reason that they are deferring granting international licences until the review is heard by the Fair Trading Commission?

Mr. Chairman, I cannot speak to intent but what I will say is that the result of that has been and can only be that Cable and Wireless has been denied an increase for local rates by the Fair Trading Commission, but on the other hand it is being allowed to maintain in existence those higher rates for international services, which would be reduced if licences were issued because competitors could come into the market and prices would fall. So in effect Cable and Wireless does not have to worry one way or the other about the application before the Fair Trading Commission for an increase in local rates because the *de facto* position is that it is no worse off.
12.00 noon

Therefore, I would like to know from the Honourable Member, if he is minded in his winding up, to clarify the exact reasoning behind the deferring of international licences until the Fair Trading Commission hears the application review by Cable and Wireless, which is before it.

Mr. Chairman, the last point I want to make relates to the issue of metering. The Opposition likes to speak about metering. I want to repeat for their benefit that cost-based pricing has nothing to do with automatic metering. When I agreed with the concept of cost-based pricing, it was expressly stated at the time that it did not mean anything about automatic metering of rates. Therefore, the Opposition can continue to raise these red herrings for the sake of cheap political gains.

The Honourable Minister mentioned that there should be an option. I would like to have some clarification on it because I cannot see this as being as simple as that. I would like to know from the Minister if there are any places anywhere in the world where one would have an option, either to meter or to take a flat rate. I would like to know if there are any such places and how it works, because I can see tremendous problems for a company, knowing the extent of its cost, if it has to rely on some customers opting for flat rates, while others opt for metered rates, and those customers who take the metered rates hardly use their phones and, therefore, would hardly pay anything into the company.

I would, therefore, be forced to ask what would be the implications in a case like that for those customers who have opted for the flat rate. Would they have to expect that their rates would have to be carried up to compensate for the loss of revenue by those who have opted for metered rates and then do not use their service?

Mr. Speaker, with those few comments, I am indebted to you.

Rt. Hon. O. S. ARTHUR: Mr. Chairman, it is important that the Honourable House and the country should get on with its business in a serious way and I intend to speak briefly to this debate so that we can go on with our serious business.

I have just finished having a meeting with the Barbados Central Bank, where we are looking at the whole pool of our foreign reserves in the context of financial liberalisation and the substantial increase in the holding of foreign exchange by the banking system, and why people are using the foreign reserves of the Barbados Central Bank.

While trying to get those matters straightened out, there is no change in the overall pool but a diversion to the banking system. I also want to say that I have just spoken to my Minister of Tourism. While there is no price discounting for tourism, arrivals are up, but the receipts from the hotels are not bearing a relationship to the fact that there is no price-discounting this year. These are important matters that we are trying to manage.

There are some established financial institutions that have taken away large accounts from other banks and those banks cannot get money on the inter-banks markets and they have to go to the Barbados Central Bank to get foreign exchange at a discount. These are all important matters that require serious management.

In this debate I want the Honourable House to get on with its business. I want to at least lay to rest an issue which the Opposition has been raising in good faith and to treat to it in good faith. The Opposition has to do its work and if there is a matter in the public's record that it feels suggest a contradiction in the way in which Government has stated its policy or intends to pursue its policy, it is the duty of an opposition to do so.

In fact, in 1987, my presentation in the Estimates were based upon what was contained in the very last page of the Estimates, Appendix G, when the Democratic Labour Party, having campaigned in 1986 that they were going to abolish the Barbados Defence Force, included an appendix that indicated that the only statutory institution that got what it had asked for from the then Minister of Defence, Dr. Richard Haynes, was that of the Defence Force.

There were cuts in export promotions and industrial development. He gave the Defence Force exactly what it had asked for, and those things are fodder for opposition parties. That is the work of opposition parties.

Mr. Chairman, a resident of my constituency, St. Peter, who is the Honourable Member for St. Michael North West, I know he does not come to this Parliament with any

intention whatsoever to embarrass his parliamentary representative. He has a cohort in the Honourable Member for St. Philip West, who has an eye for these kinds of things. Sir, this matter is simple. In the body of my presentation in 1997, I indicated that the Government was going to pursue a nuance approach to the disposal of some of its property, or we were going to pursue a nuance approach to the transformation of some of the corporate systems.

In the body of my presentation, I said that both the airport and the seaport will be **corporatised**. In the summary to the proposals, it said that the Government will implement a **privatisation** programme, and the Opposition has seized upon the fact that in the summary of the proposals the word **privatisation** is used, to carry an argument that we need laid to rest; that it is not the intention on the part of the Government to privatise, as I said in my presentation.

Mr. Chairman, there is no intention on the part of Government to privatise either the airport or the seaport. What I said in 1997, in the body of the text, is what stands as Government's policy. I, therefore, would like the Opposition to accept that in good faith.

Mr. Chairman, corporatisation is not a new phenomenon in Barbados. There used to be an old Barbados Water Works Department. Honourable Members will remember people used to have canteen, donkey carts and so on, working for the old Water Works Department. The old Water Works Department was transformed into the Barbados Water Authority and essentially by a process by which a Government department that functions as a Government department within a Ministry, was given its own corporate identity. In fact, it was given by an Act that established it as an identity with powers under the Interpretation Act. Corporatisation simply means taking a Government department and transforming into a corporate entity but still owned by the public sector. There have been others as well.

Mr. Chairman, what we need to do is to take certain Government departments that are performing, and that should be allowed to perform commercial functions within the context of a corporate structure and allow them to function in that capacity, rather than to function as Government departments.

Mr. Chairman, I want to state for the record because this has to be said. Hospitals need not to be run as Government departments. That is what is holding them back. They have to send their business through a junior clerk, through to the registry, to a senior clerk, to an Acting Officer, then to a Senior Acting Officer, then up the chain. Sir, hospitals cannot be run as Government departments are being run.

I am also strongly of the view that any entity that is selling a commercial service in the public sector, even if

it is owned by the State, should be organised along proper commercial lines because they may need to be able to make an instant decision as the market requires. This cannot be done if one's business has to go through the Registry, through a senior clerk, up through the chain, which sometimes takes three or four months to make a decision which needs to be made within one day. Therefore, corporatisation is a simple process by which Government departments are transformed into their own corporate entity, with the hope and intention that in such a capacity, they would be able to carry out their commercial functions in a better way.

Mr. Chairman, I think everybody in Barbados would agree that an airport and a seaport provide commercial functions. Therefore, the intention is to stop having these entities reporting up through the system to permanent secretaries, then to ministers, but to let them have their own corporate structures.

Privatisation, however, means that an asset or property owned by the public sector will be sold to the private sector. 12.10 p.m.

There is a fundamental distinction between corporatisation which simply involves the transformation of a Government department into its own corporate entity still owned by the state and privatisation where the state sells something that was owned by itself in a majority fashion to the private sector.

Mr. Chairman, the body of my presentation on the occasion was very clear. The language that I spoke was that the Government intended to corporatise both the airport and seaport. I have never said or would ever say that the Government is going to put the airport and seaport in private hands. I understand the Opposition because there is a distinction between what the body of the text says and what is said in the summary.

The Opposition has drawn it to our attention, it needs a clarification and I am now giving one. I am giving a clarification by reference to what I said on the occasion rather than what the summary of the proposals purports me to intend. I am bringing to the attention of my constituent and now that the matter has been clarified, I hope we could get on with the business of the House.

Mr. Chairman, the truth of the matter is that the regulatory and security matter at the airport will still be the business of the Ministry but the commercial activities of the airport will, in future, be carried out by the airport under a Board as its own commercial entity because it is carrying out a commercial function. The Port always had its own corporate structure under the Port Authority Act and has a

Board. I do not think anybody in Barbados believes that the way in which the Port as a Board has functioned has been to the detriment of the concept of corporatisation.

Sir, there might, however, be a view that the way in which the Barbados Water Authority has functioned as a corporatised entity does not reflect happily on our experience in relation to corporatisation. In a way, the debate that has to be properly joined on this issue is the difficulty in a small society of transforming a Government department into a corporate entity.

It is a legitimate issue because in a small society there is always a great difficulty to address human resource matters when change has to be made to Government departments. Mr. Chairman, long ago when the old Barbados Water Works Department was transformed into the Barbados Water Authority, there was a change only in name but the personnel remained the same, the culture remained the same so that we now have a department that the culture has changed and this is the key.

Sir, we have an institution that is providing a service 24 hours each day but persons are employed on an eight-hour basis so any work done after a certain hour is double and triple time. There has been no fundamental change as part of the corporatisation of the Barbados Water Authority to get the issues relating to the changes in the culture of the institution.

Sir, the House, at some stage in dealing with corporatisation has to address the fact that if corporatisation is to lead to an improvement in the operations of institutions, we have to be more serious in addressing issues pertaining to the culture of the institutions as well.

Mr. Chairman, in some instances, it would mean that some people would have to be reabsorbed elsewhere in the system. I want to make the point that this Government intends to carry out the process of corporatisation at the airport, the seaport and the Queen Elizabeth Hospital but in every instance where there are persons who would ordinarily not be engaged in the new corporate entities, the Government is going to make every endeavour to reabsorb them in new positions in the public sector in other Government departments. The Government is not intending to use corporatisation as a means of shedding employment in the country but to use it, where necessary, for the purpose of reabsorbing people in the system. Sir, I give the country this assurance.

Mr. Chairman, all the institutions that are intended to be corporatised, people would be reabsorbed in the system, particularly those at the bottom, because the problems come with those at the bottom. If there are persons whom the new corporate entity will not engage, then the public sector will engage them. We are not going to use corporatisation to

open a 'hunting season' on poor people in this country. We want to allow entities owned by the state that are providing a commercial function to be able to perform that commercial function more efficiently.

Sir, this is an issue that the country has to address because there are other corporate entities in Barbados as well which have been corporatised long ago but there is a culture in them that does not allow them to function as commercial enterprises. For example, I hear that the Government is imposing cost-based prices on entities outside the public sector but we have never reached a stage in Barbados where we felt that commercial entities should be allowed to sell their services reflecting their costs.

I want to make the point again that Government still feels that there are entities providing a commercial function like transportation where the Government will continue to subsidise as we do in the Transport Board and where the Government will assume the responsibility for paying the debt. Sir, I make the additional point that in the case of the Transport Board, the Government will continue to give it an annual subsidy and in the case of the Barbados Water Authority that the Government will meet shareholder obligations. If these two institutions have to purchase new assets as they have had to do, then the shareholder has to make an equity injection or guarantee the repayment of the debt. We have done that in relation to the Transport Board where we have allowed it to borrow money to buy buses but Government is servicing the repayment of the loan that has been raised to buy the buses. This is what I call the resumption of a shareholder obligation in relation to a corporatised entity and, Sir, this policy is going to continue.

Mr. Chairman, I am told that the Minister has already dealt with the Honourable Member for St. Michael North West in relation to issues about water.

Mr. CHAIRMAN: Honourable Member for St. Peter, you have one more minute.

Rt. Hon. O. S. ARTHUR: Mr. Chairman, the Honourable Member for St. Michael North spoke to issues relating to subcommittee on telecommunications and called for it to be disbanded. Of course, the appointment of ministerial subcommittees is by the discretion of Cabinet and is often led by the determination of the Chairman of Cabinet. It is the prerogative of Cabinet to constitute itself into such subcommittee as are necessary to carry on business.

Sir, a subcommittee of Cabinet is generally formed when there is an issue that cuts across a number of matters so that only the bring-to-bear of an inter-ministerial approach can suffice. In the case of telecommunications, the responsibility for it resides in one Ministry but the

responsibility for regulations of telecommunications resides in another Ministry. Sir, from the outset you can, therefore, understand that in all matters relating to telecommunications because the regulatory function resides in the Fair Trading Commission and the day-to-day operation functions reside in another Ministry, that there has to be some inter-ministerial reconciliation of positions not as an *ad hoc*, spasmodic matter but of enduring permanent interest.

Mr. Chairman, I am asking the indulgence of the House to make this point but some clarity must be brought to this matter. The Government of Barbados has entered into a Memorandum of Understanding with Cable and Wireless, not because we like Cable and Wireless but for a specific reason. Cable and Wireless was given an exclusive licence up to the year 2011 by the Democratic Labour Party, and that was their right to do so. This is a country that must be governed by the rule of law and also in a serious democracy the enforceability of contracts is the only way in which predictability of investment and business decisions can be guaranteed.

12.20 p.m.

Sir, the enforceability of a contract such as an exclusive licence is a serious matter and if the Government wants Cable and Wireless to relinquish part of an exclusive monopoly that it has, it has to recognise that a monopoly is property and if it is earning \$20 million a year and we want it to give up 7 years of that monopoly in which it could earn \$25 million in profit each year from that monopoly, then we are asking it to give up property. If we are asking them to give up property, then we would either have to pay them or put in place a set of arrangements that make it reasonable for them to want to give up what is effectively a monopoly.

Sir, the Government of Barbados told Cable and Wireless that we need to liberalise the Cable and Wireless sector because it is not only vital for the ordinary Barbadian but our future economy depends upon it and that there are thousands of jobs that can come to Barbados if we had a different environment in this country for telecommunications, but your monopoly is preventing us from doing that and we want you to give it up.

Sir, therefore, we had to put in place a Memorandum of Understanding between ourselves and Cable and Wireless that would make it sensible for them to give up 7 years of property. We told them that rather than hold the monopoly to 2011, we want them to give it up by 2004. Hence, the Memorandum of Understanding that sets the conditions under which Cable and Wireless said that they are going to give up 7 years of a monopoly. The point is, they said that they are not going to ask us to pay them out for those seven years but let us agree to a process of restructuring that would allow us to be able to compete in a liberalised

market and embrace all of that in a Memorandum of Understanding.

Hence, the Memorandum of Understanding between the Government and Cable and Wireless is not to perpetuate Cable and Wireless' position in this country but, in fact, to allow the country to disengage from a situation where Cable and Wireless enjoys a monopoly in Barbados and specifies what we agreed to with them in relation to the process of adjustment that they would have to make to compete in a liberalised market.

Sir, one of the things they said they could not do if we are going go with liberalisation was to carry the same labour force and we agreed to that. They restructured the company and all of that was made known to the unions and they paid out many of their employees. In fact, my Cabinet has benefitted from that process of rationisation because their Human Resources Specialist was made available to me to function as my Minister of State in the Civil Service.

Sir, the Government has put in place a ministerial subcommittee of its Cabinet to oversee the implementation of all aspects of our Memorandum of Understanding with Cable and Wireless and until as such time as all aspects of that liberalisation process is completed, the Ministerial Subcommittee still has a purpose. The Ministerial Subcommittee comprises the Attorney General, because a Memorandum of Understanding is a legal document the Minister responsible for Telecommunications, the Minister responsible for Utility Regulation and I believe that the Minister of Education is on because this process started with the current Minister of Education, and a Cabinet would be unwise not to use its institutional memory in dealing with a matter that is current.

Mr. CHAIRMAN: Honourable Member you are asked to wind up.

Rt. Hon. O. S. ARTHUR: Sir, I heard the former Minister responsible for Public Utilities on this matter and I recognise that the Minister and Honourable Member for St. Michael North has great powers. I want to make it clear for this Honourable House that I did not fire the Honourable Member for St. Michael North from my Cabinet, he fired me. He was a Minister with whom I was well pleased but he fired me, and I want to say that for the benefit of the public.

I also want to say, for the benefit of this Honourable House, that he is at liberty to give me any such advice, as may be in his best judgement, advice rendered in good faith, as to how the Cabinet that he has left should be constituted. That is an independent's prerogative but I must tell him on this occasion that I understand that his advice springs from a wellspring of good faith but the Prime Minister is unable to accept it.

I am obliged to you, Sir.

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

Mr. D. St. E. KELLMAN: Mr. Chairman, I rise to take part in this debate but before I get into the meat of my speech, I must admit that the Honourable Member for St. Peter has behaved like Bill Clinton but on the wrong side of the Floor. He has been able to come and defend a position that his Front Bench could not defend and he has been able to put meat to the matter. However, he has made an interesting point where he admitted that he cannot trust his Front Bench to defend him and he had to leave his ivory towers to come here and defend himself. Sir, it is clear that after today we can expect the Prime Minister not to depend on his Front Bench but come out and defend himself.

I also want to say that since September 7, 1994, this Government has been entrusted with running this country and for ten years what we are now hearing from the Barbados Labour Party is what we see on television every night, provided one is listening to CNN or FOX. The Front Bench is behaving like the Republicans who want to blame people for what they have been governing.

Sir, I am saying that they have to understand that the mandate given to them is a mandate to run the country and not a mandate to continue to blame the Democratic Labour Party. I am also saying that they have to understand the commitment given to them by the people of Barbados and to stop blaming the Democratic Labour Party for everything.

Mr. Chairman, whenever they open their mouths they refer to 1991 as though they are stagnated in that period and cannot move forward from that period. This is now 2004 and we are fighting trade liberalisation, globalisation and the debate in this Honourable House cannot be between the Barbados Labour Party and the Democratic Labour Party. It has to be, where are we going to take this country? Every Tuesday I come to this Parliament to raise the debate, all I am hearing in this debate is about the Democratic Labour Party.

Sir, it is amazing that for ten years we had an opportunity as it relates to telecommunications and so on, we are still caught up with Caribbean Single Market and Economy and the protocols that have been there for ten years. This Government has failed to deliver and uplift the people of Barbados but all they are caught up in is the problems left by the Democratic Labour Party as though they were not given a mandate by the people of Barbados to move on.

Sir, I am saying that if you all do not understand the mandate that has been given to you, then I appeal to the

public of Barbados to give you a recall because we are ready to take the country forward.

Mr. Chairman, this particular Supplementary is very important. It deals with telecommunications which allows us to also deal with the Fair Trading Commission.

Mr. CHAIRMAN: Let me hear the Honourable Member in silence, please. Continue, Honourable Member.

Mr. D. St. E. KELLMAN: It deals with telecommunications which also falls under the Fair Trading Commission. We were given a mandate in this Parliament that anything that falls under the Fair Trading Commission must first go to them as a recommendation and not as a policy position by a Minister.
12.30 p.m.

Sir, we are seeing the authority of this Parliament being usurped by Ministers who seem not to understand their mandate. I am saying that it is an affront to this Parliament when you can pick up documents and see quotations showing the amount of money that people have to pay. I am saying, Sir, that the Minister can only say what he expects to recommend to the Fair Trading Commission and it can only be that the Fair Trading Commission holds a hearing because the Government department is no different to Cable and Wireless or the Barbados Light and Power Company. A recommendation must be made.

I am very happy today to hear the speech by the Honourable Member for St. Peter when he said that transport is seen by him as how it has always been seen by the Democratic Labour Party, that is, it is a social cost and it is carried by the Government and the people of Barbados.

I hope, Sir, that the Minister with the particular mandate would understand the dictate given to him by the Honourable Member for St. Peter today, and that he would stop walking around as if he controls a Cabinet and he alone could decide when bus fares would go up in this country. The Prime Minister is the Chairman of the Cabinet and we have heard the Prime Minister delivering a tongue lashing on the Minister in here today, telling him not to usurp his authority, and if he wants to recommend anything to bring it to the Cabinet of Barbados and he, as the Chairman, would make the decision.

Asides.

Mr. D. St. E. KELLMAN: Sir, this is about dominance and a Minister who believes that he can dominate the Prime Minister. Sir, \$200 000 is what you brought here to prove that you can dominate the Prime Minister and the Prime Minister had to leave his office to come and show, Sir, who is in charge.

Asides.

Mr. D. St. E. KELLMAN: Sir, this Minister is rather interesting, and please do not take this personally, but it is only after the death of his father that he has mouth. I was surprised when I listened to the radio coming here and heard this vociferous person.

Asides.

Mr. D. St. E. KELLMAN: Sir, the beauty about a person speaking is a person who can correct himself. The problem with you is that you cannot correct yourself and that is why you put your feet in your month all the time, so when I speak, you should listen.

Asides.

Mr. D. St. E. KELLMAN: The beauty about a good speaker is the ability to make an error to draw the Blue Peter Shark into the calm so you can hook it. I knew, Sir, that my Blue Peter Shark would come into the calm.

Asides.

Mr. D. St. E. KELLMAN: Yes, because it brings out a lot of water when you fry it, if you do not know how to fry it. At least you have learnt something as the Minister of Agriculture, but I learned that before I was the Shadow Minister of Agriculture. I learned that in my capacity as a fisherman so I can teach you a couple of things.

Asides.

Mr. D. St. E. KELLMAN: Yes, Shadow, I do not mind, at least I am making a contribution to my country. Do you imagine that, Sir, I am the Shadow Minister now for ten years and I can come in here and tell people what I have done to help develop Barbados. There are people who had mandates as Ministers, right on the Front Bench and cannot tell anybody one contribution that they ever gave to the Minister of Finance to enlighten this Government. They talk about I being a Shadow Minister but I have no problem with that because it is the contribution you give that matters.

Sir, we have to understand that if we want increases there is a way to do it.

Asides.

Mr. D. St. E. KELLMAN: The Honourable Member for St. Michael North assured me, and we both agreed, that the Fair Trading Commission should be in the interest of the masses of people in Barbados and it should give judgement as F-A-I-R and not F-E-A-R.

The difference between the Honourable Member for St. Michael North, Sir, and that is why he speaks so often

because he has a genuine concern for the masses of persons in Barbados and that is why he defends them. This is why whenever the Honourable Member for St. Philip South comes to Parliament, the Honourable Member for St. Michael North feels that he has to speak because he knows there is a conflict between the two opinions, one for the elite and one for masses. Sir, make your judgment but I will not say which one.

Sir, I want my good friend, who has good grounding to get back and think about the sugar industry days and stop thinking about the Board Room days. When he spoke about the days of the sugar industry, he was on better grounds, but now he speaks from the authority of the Board Room, he seems to have lost the teaching given to him by that Honourable gentleman that he and myself share and understand, that country teaching that has been delivered to him.

Sir, we have to understand that telecommunications must be seen as an input cost. The problem in Barbados is that had Cable and Wireless, in the beginning, seen it as an input cost, the Honourable Member for St. Philip South would not come in here and talk about how many cellular phones are out there now since liberalisation. Cable and Wireless should have taken the advice which was given to them by the former Leader of the Opposition and me. We met at their office and told them that what they needed to do was to reduce the cost because telecommunications had to be seen in Barbados as an input cost, and if they reduced the cost what they would gain is volume, and once they got the volume, they would be able to get the revenues and they would not have to increase the telephone cost to domestic users.

Sir, had they done that when we gave them the information, there is no way today, they would have to worry about competition. What they would have done, they would have been consumer friendly and they would have been able to put a cell phone in everybody's pocket and the players coming in after liberalisation, would not have been able to compete.

Sir, there is talk about how they would have been able to get Cable and Wireless to give up a monopoly. How can Cable and Wireless give up a monopoly and at the same time the players they have invited to operate with them, sit out there complaining every day. What we have seen in this country is an expansion of Cable and Wireless with some subcontractors.

I am saying that Cable and Wireless is still the monopoly with some subcontractors and we are only going to see a change when these players will be able to come on the market and dominate at a particular level.

Sir, we have to understand what is happening. Cable and Wireless must understand, in no uncertain terms, that they have to free up this market because, as I said before, what we are now dealing with is an input cost which is very important to the carrying forward of this country.

Telecommunications is not picking up a phone and quoting anymore. It is an input cost and it has to do with the cost of producing goods in this country. The only way we can reduce that cost, is by having liberalisation of the market in a true sense. This so-called liberalisation that is operating now is not really in a true sense. It is only impacting on the production cost of what is happening in this country. I am calling for the Rt. Honourable Member for St. Peter to have a chat with Cable and Wireless and tell them how they are impacting on the production cost of this country and, if we are to compete in this globalised world that telecommunications is an important factor in the production cost and we need to have it solved quickly, so that this country could get ahead and be able to compete in this globalised economy. It is not only competing in Barbados, we have to move it beyond Barbados. We must understand that, Sir.

12.40 p.m.

I thank you very much, Sir.

On the motion of the Hon. R. C. EASTMOND, Mr. CHAIRMAN reported progress to His Honour the SPEAKER and asked for leave to sit again and Mr. SPEAKER resumed the Chair and reported accordingly.

SUSPENSION OF SITTING

Hon. R. C. EASTMOND: Mr. Speaker, I wish to remind Honourable Members that we only have 50 minutes left in this debate when we resume.

I do humbly now beg to move that this Sitting be suspended until 2.00 p.m. today.

Hon. R. R. FARLEY: I beg to second that.

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

12.42 p.m.

RESUMPTION

Mr. SPEAKER: This Honourable House is resumed. Before the break, this Honourable House was in Committee of Supply, to that it will so revert.

Mr. SPEAKER left the Chair and Mr. CHAIRMAN assumed the Chair.

COMMITTEE OF SUPPLY

Mr. CHAIRMAN: This House is now in Committee of Supply. The Honourable Member for St. Philip West.

Dr. D. C. ESTWICK: Mr. Chairman, I want to take this opportunity to look at another aspect of this debate, to which I believe we need to pay attention.

Mr. Chairman, I think this international dictate that governments must necessarily take a step backward and allow market forces and prices to determine the direction that development should occur, is an error. It works beautifully for large developed territories but it certainly has not become an acceptable model for small developing countries, where there is not the type of inputs in competition that exist in some of these larger territories.

Mr. Chairman, I, therefore, want to put this concept of the liberalisation of telecommunications in the context of the economies. I want to look at it specifically from the premise of whether or not it truly introduces competition, whether the type of regulatory framework is in place to ensure that competition is effective, and whether those monopolistic economic characteristics are, indeed, removed. I think those are essential features that must underpin any type of legislation that looks to enhance this particular area.

Mr. Chairman, it assumes that the fracture of state or private sector monopolies governed by a regulatory framework will necessarily enhance the efficiencies. There is no guarantee that it will necessarily enhance competition. There is no guarantee that market forces, supply and demand, will necessarily allow for economic changes in terms of distribution of income in the society. That, again, is not necessarily true.

Mr. Chairman, I think we can look worldwide. The evidence has surfaced that wherever liberalisation has been tried, it has led to a worsening of economic conditions. It has led to the rich getting richer and the poor getting poorer. That is a fact and it cannot be disputed.

Asides.

Dr. D. C. ESTWICK: Mr. Chairman, it bothers me when we move into these platitudes and pious approaches that as long as a country liberalises, it necessarily is going to redound to any significant change in the economic and social stratification of that country. That is not necessarily true.

Mr. Chairman, I remember looking at the Fair Trading Commission's reports and looking at the large companies in Barbados that have built the capacities to become part of the liberalisation process through investments in these new

entities and operations, obviously in which the lower income or middle income groups cannot participate. Sir, the Fair Trading Commission reports referred to things such as price-fixing, price-gouging, unfair competition, cross directorship, *et cetera*. These are all elements that, through a historical set of perspectives, would have allowed for companies that are now participating in the process, to have developed the type of capacities to invest.

Mr. Chairman, I want to ask, why is it that liberalisation reduces the masses to the level of consumers? Why is it that liberalisation does not have connotations associated with it that look to enhance the ownership of the lower income and middle income groups in Barbados? I want to find out if it is not Government's responsibility that if it is introducing, through competition, that it is not competition that should occur amongst those that have and those already involved in big businesses but that it should also allow for mechanisms to have those persons who do not have that same type of capital capacity, to be part players in those entities. That, to me, is really through liberalisation. That is where I have my major concern with some of these concepts and some of the applications that are now being put together by this administration.

I want to remark that it is evident that 81 per cent of Barbadians earn less than \$3 100 per month. Am I supposed to accept that given the cost of living dynamics in Barbados, given the cost of electricity, water, telephone and food, that with that meager sum and with 81 per cent of the population, one could not have found a mechanism to change their historical position, which has always been that at the level of the consumer.

Mr. Chairman, I heard the logic that the consumers are going to benefit because they are going to have greater choices and cheaper access to service but, Sir, we are in the 21st Century. Should we not be looking for mechanisms to allow these individuals to have some input in ownership? For me, that is what this debate is about and not about reducing the majority of the people of Barbados simply to being consumers and to accept a service. I think that is the mercantile and colonial way. That may be the way of the thinking of the Barbados Labour Party. It certainly is not that of the Democratic Labour Party.

Mr. Chairman, within the legislation I would have wanted to see Government taking responsibility for looking at mechanisms to ensure that there would be new opportunities for ownership by those persons in the lower income and middle income groups in Barbados. That, for me, is true liberalisation.
2.10 p.m.

Mr. Chairman, I welcome any new jobs that are created and any new telephone rates but I want to know

who are the new players investing in the telecommunications sector in Barbados. Are Barbadians now the major players in the same businesses in Barbados that would have utilised a historical set of conditions to develop themselves and have the capacity to invest?

I do not understand if you are entering a process that does not alter the economic or social stratification of the country, yet you resile the individual to simply operate at the base of being a consumer, that one should clap their hands and be happy in Barbados. Sir, I do not intend to do so. The other Members of the Opposition do not intend to do so either.

I feel strongly that these processes need to be buttressed by Government introducing mechanisms to allow for a change in that historical ownership pattern in Barbados because I know the players are in the telecommunications companies in Barbados and they are not average men, middle income or low income people. Sir, they are the same groups that own the same businesses in Barbados from time immemorial. If this is considered liberalisation, I think we need to revisit the concept.

I want to caution this administration to look closely at where poor people have their monies invested and develop the strategies and structures to make sure that they can have share capital inputs as well. It is easy to dismiss the gardener, maid or teacher because they do not have thousands of dollars to invest but if we are to move this country forward, we must change the economic stratification.

Sir, this is the responsibility of the Government and not the responsibility of the private sector. If the private sector is to generate development and economic growth, then it is the responsibility of the Government to appropriate it in such a way that those persons at the bottom benefit as well and not benefit simply from a reduction in price.

Mr. Chairman, I want this Honourable House to understand that liberalisation is not necessarily a panacea for all the ills of a statutory corporation nor necessarily a panacea for monopolies. We must understand that there are many more facets to the process that affects the lives of people, the opportunities to take part in the economic development and the fortunes of that country in terms of the appropriation of profits and so on.

Hon. K. D. SYMMONDS: Mr. Chairman, I want to enter the debate briefly and to some extent relate to what the previous speaker said a moment ago. He touched on how we see the issue of liberalisation from a philosophical perspective. I say "we" because I do not think that this Government will find itself in any way seeking advice or believing that it needs to take counsel on the question of liberalisation from the Opposition.

Sir, there were two clear philosophical perspectives taken with respect to telecommunications liberalisation in Barbados. One would have tied our hands almost in perpetuity and the other sought to liberalise and create opportunity. As we go further, the issue which now arises is whether or not sufficient room has been given in the re-creation of this new liberalised sector for there to be a level of participation of the middle-class and working-class Barbadian.

Mr. Chairman, you are not blind, neither am I. You live in Barbados and so do I. We know that a number of people in this country cannot say that their only relationship with the sector has been to be reduced to consumers. We know that there has been a substantial benefit to the consumer but this cannot be translated to mean that the only relationship that the liberalised sector has with the people of Barbados is that they have been reduced to being consumers.

Mr. Chairman, the point must be made that cellular phone repair has become a subsector in the liberalised industry. It does not lay within the scope of reason for us to say to this Parliament that people in Barbados have been reduced only to the level of a consumer in perpetuity as a result of the telecommunications process. It is also true to say that the new companies themselves are characterised by the names of Barbadians, many of whom would say that they are middle-class people who have worked hard, put aside money and decided to invest in new opportunities that are being created.

Sir, I confess that I am totally confused because there is an inconsistency that comes from the Democratic Labour Party on this issue. The last time we discussed the question of telecommunications, the Honourable Member for St. Lucy castigated the Government on the Floor of the House because of the drop in rate yet today we hear that people are reduced only to being consumers. Sir, on that occasion, the Honourable Member for St. Lucy was heard to say that the drop in rates we speak of today, that consumers were suffering as a result and that they were being induced into buying cell phones at the expense of other things they could be purchasing for their own benefit. Sir, the Democratic Labour Party needs to have a clear position because it is confused.

Sir, this debate about the telecommunications sector cannot, in my respectful opinion, accommodate sophistry. The Opposition today offered us very structured forms of confusion. The Leader of the Opposition came to this Chamber and said there was no need for us to be engaged in an assessment of dominance because it is an issue that should have been dealt with long ago and it is now a question of wastage of money. I concede that I agree with the Deputy Leader of the Opposition who said the opposite thing to the Leader of the Opposition. Sir, the Honourable Member made the salient point that seven players in

a marketplace are ideal for us to be able to ensure true competition.
2.20p.m.

Asides.

Hon. K. D. SYMMONDS: Sir, I am not misrepresenting the Deputy Leader of the Opposition. He was speaking to an optimal situation and while I understand the optimal situation, and would be the first to tell him that the concept, while correct, cannot just be transplanted from the academic book because economies, like countries, vary from size to size and marketplaces vary also. Sir, the substance of the issue is not something that I am going to fight with him over, no matter how much he tries to provoke me to do so. I am not going to fight him about that but the point that I am making is that you cannot on one hand be heard to say that there is no need for a study and on the other hand you are saying to Parliament that you need to have a greater degree of competition and even more players within the sector.

Sir, I am going to tell you why this is so. There is an established case law in competition policy that governs this issue. So we are not here trying to reinvent the wheel. Competition policy is nothing new. It is deeply entrenched in, for example, the Treaty of Rome, governing the European markets. The European Court of Justice has issued innumerable decisions on this question. I do not know where the Deputy Leader of the Opposition sourced his information from but he is correct in principle but what he is saying stands in stark contradistinction to what the Leader of the Opposition said. The Deputy Leader of the Opposition is saying that for us to have the purest form of competition we should have the greatest number of players.

Therefore, we have to come back to the kernel of this debate which is the question of doing the necessary investigation, research or study on whether or not there is a dominant position held by Cable and Wireless in the truest sense.

Sir, it is clear from what I understand from the competition policy law, as I said I agree in principle with the Deputy Leader of the Opposition, that you can have a doctrine of complex monopolies whereby certain aspects of business, for example, the way they market their products and the way they came into the marketplace. For example, if you look at AT&T and Digicel, there are remarkable similarities with the way in which they came into the marketplace and the way they began to market their product. Did these things distort trade? What is the true position in the market today?

Mr. Chairman, therefore, when the Honourable Member for St. Michael North West pooh pooh the issue and say that we are about to squander public funds, he is speaking

out of an abundance of ignorance on the subject matter because we have to be certain as we move towards the next phase of liberalisation, what is the status in Barbados today.

Sir, this is not a case where we could have predicted three years ago the massive turnabout that has taken place in this country. I go further, Sir. There are studies, and I say this for the benefit of the Honourable Member for St. Philip North. I hope that the Honourable Member would be familiar with the case of Nalco and British Coal and if he is not I am going to help him to become familiar. There were two massive energy producers in England who were held to have had a joint dominant position in the marketplace. On the basis of a percentage of the market that they both shared, a parallel form of dominance came about. The tribunal there was forced to come to the understanding that you cannot only have dominance based on one pre-existing entity which held an abundance of rights, such as Cable and Wireless did and which we are now trying to unbundle and unravel, but you can have it as a result of a sudden and dramatic change in the marketplace where you have new entities springing up and taking over substantial percentages, so that they fundamentally transform the landscape in which we are operating.

Mr. Chairman, therefore, it should be pellucidly clear to anybody that we have as a matter of necessity, and I think that it is a moral imperative to the people of Barbados, that we conduct the necessary study that we can meaningfully and sensibly speak to what is the current position on the ground in Barbados today. Is there the continuation of a dominant player or has a new dominant player emerged or are they all now on a level playing field?

Sir, can you move to a new level of liberalisation where you are talking about fixed lines and introducing or maintaining universal access? It is all well and good to beat up on one player all the time but the people, Government and Opposition, of this country have all agreed that we should have universal access to the fixed lines. This may mean that, for example, in some parts of St. Lucy which may be less densely populated than St. James Central, Sir, a fixed line has to be installed with all infrastructure. Is there a loss to the supplier? If there is a loss to the supplier, then the supplier has to be compensated. Sir, can he be expected to continue to be compensated if there is no loss?

Sir, how do you determine what you are going to do? Sir, I wonder why we are having this debate. The only way that I understand it is that you have to conduct the necessary study of what the reality is on the ground.

Mr. Chairman, we have once again come to a situation in this Honourable Chamber where the most elementary of issues...

Mr. CHAIRMAN: On what do you rise, Sir?

Mr. D. St. E. KELLMAN: On a point of order.

Mr. CHAIRMAN: Continue.

Mr. D. St. E. KELLMAN: The Honourable Member is misleading the Honourable House by giving the impression that the population in St. James Central is greater than the population in St. Lucy and that is a gross error. If anyone looked at the population census of 2000, one would recognise that St. Lucy, in terms of population, is much greater than that of St. James Central.

Mr. CHAIRMAN: Honourable Member for St. James Central, continue, please.

Hon. K. D. SYMMONDS: The point that I am making is that once again we have come to a situation where there is no need for us to have a massive divide on the issue. I will never be able to believe that deep in the Honourable Member's heart that the Honourable Member for St. Philip West believes that the only relationship that we have as people with this new liberalisation sector is as consumers.

Sir, his own constituents are earning a living in new businesses, created by a private sector that has been invigorated. I think that once again we have allowed the temptation to become unnecessarily partisan to overcome us and I urge that we now get on with the business of allowing the Minister to proceed with the wrapping up of his debate so that we can throw the fullest support behind this very important measure.

I thank you very much, Mr. Chairman.

Mr. CHAIRMAN: The Honourable Member for St. Lucy. Let me remind you about this debate is on a money Resolution. The Honourable Member for St. Philip South has fifteen minutes to wind up his debate and you have eight minutes to do so.

Mr. D. St. E. KELLMAN: Sir, the impression has been given that the Democratic Labour Party entered into an agreement with Cable and Wireless and that agreement would have ended in 2011, with which we all concurred. However, we do not agree with the Republican view that the Other Side has the ability to change things and that Cable and Wireless is obligated to enter into an arrangement with them, and they are not obligated to enter an arrangement with the Government of Barbados. There is some political reason that Cable and Wireless would break the monopoly that they claim they have given up and that if we were in Government, it would not have happened.
2.30 p.m.

Mr. Chairman, one of the things that should never happen...

Hon. A. P. WOOD: Mr. Chairman, on a point of order. The Honourable Member is misleading the House. At no time this morning did anyone suggest that what the Honourable Member for St. Lucy just said is true. It was not even an insinuation and I would like the Honourable Member for St. Lucy to withdraw that or rephrase it.

Mr. CHAIRMAN: The Honourable Member for St. Lucy, you heard the Honourable Member.

Mr. D. St. E. KELLMAN: I heard him, Sir, and I am very grateful that you have reminded me what he said. The Honourable Member had to be asleep because up to about three or four minutes ago, the Honourable Member for St. James Central made the same point and I wrote it down here on my notes. I said to my comrade that is what I did not remember to reply to, and I will reply to it now. That is why I said to you that I did not want eight minutes and I will deal with it in two minutes.

Sir, the point is that what this House was not told is that Cable and Wireless wanted the Government and the people of Barbados to allow them to merge three companies, and that the only way that it could have been done, is if we give them permission to do it, so in one hand they beg us for something and they had to give us something in the other hand.

Sir, this foolishness that we could not change anything must be ignored by this Parliament. There was no special act by the Barbados Labour Party for Cable and Wireless to give up certain rights. Sir, I did not say give up any monopoly because you know my position on that, which is that Cable and Wireless is more dominant now than before because the fellows have entered the market and every day they still have to call on the Call-in Programme, like me, to beg for a piece of the action, so I do not know what monopoly has been given up. I am saying that Cable and Wireless wanted something from the Government of Barbados and the Government of Barbados wanted something from Cable and Wireless, and they entered a common agreement and that is the end of the case. This foolishness about the Barbados Labour Party being able to save the country of Barbados, went through the door when the Honourable Member for St. Philip South got up and denied that they said certain things.

Sir, I want to rest this case and I want to make the point that politics is not about cheap talk. The Government must understand that all the cheap talk that they have been putting down today that the people of Barbados expect them to move forward, put some policies in place and forget about the Opposition, because the people of Barbados dumped us since 1994 and it is a point that the Barbados Labour Party

seems not to understand. And if they do not know how to run the Government that we are able and capable with ideas and if you doubt that, read our column on Fridays and see the ideas that come on a weekly basis.

Mr. CHAIRMAN: The Honourable Member for St. Philip South, you are about to wind up your debate.

Hon. A. P. WOOD: Thank you very much, Mr. Chairman. Let me begin where the Honourable Member for St. Lucy just left off. I want to remind him that the people of Barbados, since 1994 have been giving us vote after vote of confidence in our ability to devise policies to run the country well. Therefore, I do not want him to all of a sudden come and tell us that we should find ways of formulating policies and executing them to run the country well, because that is what the electorate in Barbados has certainly got accustomed to since 1994.

Let me also remind him that in order to get where you are going safely, you must always make contact with history. I do not understand why the Democratic Labour Party is so ashamed of their record, especially during the period between 1986 and 1994...

Mr. D. St. E. KELLMAN: Mr. Chairman, on a point of order. The Honourable Member is misleading the House, Sir, by giving the impression that the Honourable Members on This Side were not capable of defending the policies of the Democratic Labour Party in the early 1990s.

Sir, you have been in here for a long time and, as you are aware, whenever the policies of the Democratic Labour Party have been attacked in the early 1990s, I have always defended them, because they are the policies that have been able to build this economy. Sir, as the Honourable Member said, in order to speak, you must always go back and in order to build an economy, you have to build it from a base. Therefore, the Honourable Member must understand that if he did not have a base, he would not have been able to help build the economy.

Hon. A. P. WOOD: Mr. Chairman, I was about to make the point that the Honourable Members on the Other Side get so highly offended when you have to remind Barbadians about their poor performance when they held the rein of power in this country. It gets under their skins and they respond in a very aggressive manner, Sir, but we have a duty, as an administration to remind the electorate from time to time where this Barbados Labour Party has brought the Party from, and there is nothing wrong with that, but I shall go forward.

Mr. Chairman, let me first all thank the Honourable Members who made contributions in this debate on the

Money Resolution pertaining to the engagement of consultants to review the dominance framework. I must admit that some Honourable Members on the Other Side did behave as though they got late notification about the particular item we are discussing today. If some Honourable Members spoke out of an abundance of profound ignorance, I will have to forgive them.

Mr. D. St. E. KELLMAN: Mr. Chairman, on a point of order. The Honourable Member is misleading the House. The Honourable Member cannot use those words in this Parliament. It is a reflection on the Chair and your ruling.

Mr. CHAIRMAN: Honourable Member for St. Lucy the Honourable Member has not said anything offensive. He said out of a lack of knowledge. Please continue.

Hon. A. P. WOOD: Mr. Chairman, thank you very much for your ruling.

Mr. CHAIRMAN: Please hold one second. The Honourable Member for St. Lucy, please, please, please let the Honourable Member continue to wind up the debate without interruption.

Please continue.

Hon. A. P. WOOD: All I would say is that if they spoke from a lack of an authoritative position, I would forgive them because they might have gotten late notification about the matter we were discussing.

Mr. Chairman, as the Honourable Member for St. Philip West spoke in his second contribution, I made a couple of notes.

Sir, I thank the Honourable Member for St. James Central for responding to them well, because when an Honourable Member could seek to give the impression that the liberalisation process which is under way in the telecommunications sector is reducing Barbadians to merely consumers of the services being provided in the telecom market is a little unfortunate, to say the least.

Mr. Chairman, for the benefit of all Honourable Members of this House, those on That Side who are unaware of the criteria which the Evaluation Committee, headed by the Chief Telecommunications Officer uses to determine which applicant should be successful, and those Over Here who might not know, just let me say these facts for the record.

Mr. Chairman, there is a very formalistic approach that is done before a determination is made, as to which companies become participants at various levels in the telecom sector. There is something called a request for

proposal which is put out. As a matter of fact, on November 1, we will be issuing request for proposals for companies which want to provide international services in Barbados. We are heading to the last stage. We did it when we wanted to attract players for the provision of mobile services and we did it when we wanted them to provide it in the domestic market, so there is the issuance of the request for proposals.
2.40 p.m.

Mr. Chairman, in that document, Request for Proposal, is detailed the criteria by which companies will be evaluated. The various criteria include legal, financial, technical, ownership structure and corporate social responsibility.

Mr. Chairman, notwithstanding the limited time, I am going to go slowly so that persons can understand the process. As part of the ownership structure criteria there is a sub-condition in there that local ownership of 25 per cent must be assured. Financial companies and individuals who can avail themselves of the necessary financial resources are free to align themselves with any company, be it local or overseas, and become part owners of the companies that participate in the liberalised telecommunications market. For example, the Barbados Light and Power Company Limited is a company with many shareholders, small persons like yourselves and me, not that I am actually one. Light and Power Holdings has aligned itself with a company called Leucadia National Corporation of Canada and have submitted a proposal in response to the Request Proposals to provide fixed wireless access. The valuation committee took that proposal and the others and having examined the proposals based on the five criteria came to a determination that the company should be given a fixed wireless access licence. The same thing happened in the case of the cellular licences. Local companies were tied to other companies satisfying the 25 per cent local ownership condition.

Sir, let me press on. The Honourable Member for St. Philip West made a claim that we have been reduced to consumers. Mr. Chairman, there is an individual in my constituency, he shall remain nameless, who was a very senior officer in an insurance company. He might have purchased a couple cell phones for his wife and probably for himself but this gentleman gave up his job as a very senior officer of an insurance company. He has about five outlets and is involved in the provision of a service, the sale of accessories, the sale of phones and the sale of phone cards. There are others who are more technically inclined than himself who are providing services in the repair of cellular phones.

Mr. Chairman, that is no idle boast. If you go around the country you would see the signs, this body is doing business on behalf of one of the main companies. The next company, a small person, is doing business on behalf of the

other company. There has been a proliferation of them. So the liberalisation of the sector has indeed created opportunities for a large number of small Barbadians in their own right to become business persons. I sincerely hope that they would move from one level to the next.

Mr. Chairman, it might have been because of the late notice of the issue we are discussing today, but we also had another unfortunate statement which came from the Leader of the Opposition, the Honourable Member for St. Michael North West, in which he was seeking to suggest that there is no need whatsoever for us to come in here and discuss the review of the dominance framework to the point that we would want to engage consultants at a cost of under \$200 000 to perform such a task. He went so far as to suggest that we are in the business, by this very act, of contributing to a misplacement of the Government's fund. That is a most unfortunate statement. Therefore, I would want to encourage the Honourable Member for St. James North to give the Opposition Members a little more time so that they can come better prepared so as to make worthwhile contributions which their constituents and indeed all Barbadians, when they voted for them, expected they would be able to make when they come into this House.

Mr. Chairman, the fact of the matter is that when a telecommunications market is changing its character, and I said that in my introductory remarks but persons do not listen carefully, and you had a framework in place which supported the form of the market at the time that there was no issue of who is the dominant or who was the dominant player before the liberalisation programme became fairly advanced. What we are seeking to do here by way of review of the dominant framework in Barbados is nothing unique to Barbados. What we need to do, recognising that the character of the market has changed and continues to change, is to establish clear criteria once again to determine dominance in this new market environment.

Mr. CHAIRMAN: The Honourable Member has one more minute.

Hon. A. P. WOOD: Mr. Chairman, the players themselves, Digicel, Cable and Wireless and AT&T, sat with us and they, like us, recognise that the dominant framework which might have been good at that time is in need of an overhaul. We need to put the process in a position whereby there is application of a more internationally accepted test for dominance which would satisfy the needs of all the telecommunications providers in the market in Barbados, be it in international telecommunications services, in fixed telecommunications services or in mobile telecommunications services.

Mr. Chairman, this exercise is one that should be completed before the Fair Trading Commission can

conclude its exercise on the price cap. So once again for the uninformed or the ill-informed this work is time-bound because the Fair Trading Commission has signalled to us that by January or so of next year they want to be in a position to complete the exercise on the price cap. This exercise would feed information into what they are doing. Mr. Chairman, as I said it is very unfortunate that the Honourable Member for St. Michael North West speaking out of a lack of information could make such statements.

2.50 p.m.

Mr. Chairman, I want to wrap up by thanking all Honourable Members who would have made contributions to this debate. I hope that I have cleared the air to some extent, so that now it is time to close, Honourable Members on Both Sides of the political divide, would recognise the importance of us engaging in this work, would recognise it is time-bound, and that we should give this Resolution our full support. I thank you, Mr. Chairman.

Mr. Chairman, I now beg to move that Head No. 46 stands part.

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

On the motion of Hon. A. P. WOOD, seconded by Hon. R. R. FARLEY, Mr. CHAIRMAN reported to HIS HONOUR the SPEAKER, the passing of one money Resolution in Committee of Supply and Mr. SPEAKER resumed the Chair and reported accordingly.

On the separate motions of Hon. A. P. WOOD, seconded by Hon. R. R. FARLEY, the Bill was read a second and third time and passed.

ORDER NO. 5 – THE CIVIL AVIATION BILL, 2004

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

Hon. N. A. LYNCH: Mr. Speaker, this evening I stand to pilot a piece of legislation that, in my opinion, has been long overdue. In our opinion, this particular piece of legislation will bring Barbados into the 21st Century with regard to our civil aviation development.

Mr. Speaker, this is an area that, in our opinion, has been underdeveloped and in some ways has been somewhat neglected by past Administrations in Barbados. We believe, in the past, that this area of our development did not receive the type of attention that it truly deserved. As a result, therefore, in a regulatory sense it has become underdeveloped and in terms of regulation, needs to be tightened substantially.

Sir, we also believe that we have been underdeveloped and neglected in this new global civil aviation environment, which could have contributed significantly more to the development of our country than it has done in the past. I speak of our own socio-economic development over time.

Mr. Speaker, in many ways, the civil aviation environment of which we speak, creates a wider environment for the development of the society, and in particular when speaking about a tourism-dependent destination I think Honourable Members can clearly understand and concur with the feelings that had our civil aviation environment been more developed, the prospects for tourism development and for wider socio-economic development for the country could have been basically advanced.

Mr. Speaker, this is an area that allows us to put a number of other initiatives in place which would project even further into the wider aspects of the economy. Sir, for one thing, a better regulated more open civil aviation environment would allow for Barbados as a tourism destination, to be marketed more effectively. In addition, the concepts of what we can do to develop our own airspace and underground development at the Grantley Adams International Airport or any other airport, would allow us to create a better basis for the Grantley Adams International Airport to become an even more significant player as a hub for the rest of the Eastern Caribbean and maybe even wider afield.

Mr. Speaker, the concept of aircraft deployment at the Grantley Adams International Airport offers substantial socio-economic benefits for the country. In addition, it tells us what we could do to facilitate the rest of the Eastern Caribbean in terms of our own knowledge or in terms of the concepts that have been created with the executives and personnel who have been operating in the civil aviation environment for Barbados. These obviously would be the leaders in the concepts of technology transfer and technical assistance, *et cetera*.

In other words, we believe that had this area been more focused on in the earlier years of its development and in recent times, Barbados would have stood a better chance of being further advanced in both our on-the-ground development and our maritime development but the important thing is that it has been basically under-developed. We also think this would have been a wonderful opportunity to better link the civil aviation environment, specifically with our tourism development.

Mr. Speaker, we do not believe this piece of legislation being tabled this afternoon is the 'be-all' and 'end-all' of how we could principally develop the civil aviation in Barbados. Sir, we believe this piece of legislation which has

taken a long time to come, is that first vital step to fixing this environment, which we believe can contribute much more to our overall development.

Sir, this piece of legislation fits with other related legislative initiatives that have been tabled in this Honourable House in the past, under this Barbados Labour Party administration. I speak specifically of legislation such as the Tourism Development Act, the Special Development Areas Act, the Shipping Incentives Bill and the Travel Services Bill that are to come. These pieces of legislation would give a wider understanding and a wider basis for development of travel and tourism, international transport and marine transport, as part of a complete fit to take Barbados forward into the 21st century.

Mr. Speaker, I refer to the opportunities that would be created when there is a better civil aviation environment, that is, the general state of the civil aviation in Barbados and how it relates to the global scene. Sir, even as a small developing country, we cannot, in anyway, be totally exempted from what happens within that global civil aviation environment.

Sir, in the recent past, the nexus between our Barbados civil aviation environment and our tourism development has allowed us the opportunity to speak to a number of other related initiatives and projects that fall under this banner. I speak specifically of the Grantley Adams International Airport Expansion Project, Grantley Adams International Airport and its hub importance in the Eastern Caribbean.
3.00 p.m.

I speak of civil aviation and the links with maritime development in particular cruise tourism and of airline development and what has been happening with the regional airlines in these jurisdictions.

Sir, the civil aviation environment globally is dynamic and developments are fast and furious. This is probably the most challenging environment that the civil aviation has ever faced particularly the airline industry globally. I hear people say that LIAT, BWIA and Air Jamaica are struggling but, Sir, every airline in every part of the globe at this time is struggling. Since September 11, 2001, the pressure on airlines became even more apparent as they have to make it through a morass of issues.

Mr. Speaker, the terrorists' acts on America in 2001 have weakened the airline industry. The war in Iraq, SARS and the increases in fuel prices have created an environment in which the airline industry is challenged.

After 2001, passenger numbers are seemingly bouncing back but even revenues are still lagging because people are still apprehensive about flying and low-cost competitors have forced prices down for many carriers across the globe.

Sir, many of the airlines we are seeking to attract and those which already fly here are filing for reorganisation. We are dependant on US Airways, a carrier out of the United States of America and this is the second time that they are filing for reorganisation. In addition, United Airways is also filing a second time for reorganisation under Chapter Eleven in the United States. We are presently speaking to Delta Airlines and they are also filing for reorganisation under Chapter 11.

Sir, the underlying theme is that a small, developing country, dependant on tourism for its survival and by extension on the airline industry and the civil aviation industry to carry it through, being in this challenging environment, speaks to what Barbados needs to do if we are to protect our future in this industry.

The scenario is especially crucial in the Caribbean particularly for Barbados as leaders in this environment because airlines fly Barbados and distribute passengers across the Eastern Caribbean because of our hub status, so when Barbados is under pressure, it creates problems for the entire Eastern Caribbean.

Sir, we need to pay substantially more attention to the regulatory environment in which we exist. We need to monitor more effectively the way in which our civil aviation environment develops around us and this piece of legislation is meant to take us in that direction.

They have been massive changes in the way in which we conduct business in this area and in the concept of how we monitor, direct and regulate the industry. Barbados has become a much more active player in this arena than we have been at any other time in our history. This is exemplified in the number of airlines now active in Barbados and the number of airline partners that we have at Grantley Adams International Airport.

Mr. Speaker, we are seeing more airlines landing in Barbados than we have seen at any other time in our history. There is more on-the-ground activity and passengers passing through our airport than at any other time in the history of Barbados.

Sir, I want to contrast the decade that the Barbados Labour Party has been in office to the period before.

Asides.

Hon. N. A. LYNCH: Sir, this is not partisan but to be able to make the points relevant to deal with this

environment and to revamp and upgrade it, one must be able to reflect on what has been happening in Barbados and look to see how we can move forward. Sir, it would not be uncharitable to say that the Democratic Labour Party never looked at the area in the way it should have. Sir, it is a fact of life and this is why the Barbados Labour Party is here today. The Democratic Labour Party neglected to look at a number of areas that were fundamental to our development.

Sir, in 1994, the total number of passengers handled at the Grantley Adams International Airport was 1.57 million. Sir, 297 000 passengers were chartered and 1, 277 000 were scheduled passengers, by the end of 2003, the total passengers traffic handled, had moved from 1.57 million to 2.13 million and this by itself tells a story. The Democratic Labour Party gets vex when we speak about where this Government has taken the country but, Sir, you cannot move forward unless you look back.

The real issue is that when we took over office in 1994, we took over from an administration which was bankrupt of ideas, money and the will to govern this country. This country needed to rely on people who had a vision for taking it forward. Sir, this is nothing to get vex about because it is a fact of life and it is recorded in the annals of history of this country.

Sir, without any apology I say that between January 2004 and August 2004, 1.6 million passengers were handled as compared to a similar period in 1994 when only one million passengers were handled for the entire year. We need to totally take control and better regulate our civil aviation environment which is that area that allows for the growth of tourism development and wider socio-economic development.

Sir, twenty-four airlines operated in Barbados during winter between 1993 to 1994, from January to December 2003, thirty-five airlines operated and from January to August 2004, forty-two airlines are now operating out of Barbados. Sir, again this tells a story of significant confidence in Barbados as a destination and of the confidence that our partners have in Grantley Adams International Airport which has been constantly voted the best run airport in the region in the last five years. Sir, it also tells the story of how people see Barbados and the facilities at the Grantley Adams International Airport.

In addition to the number of airlines operating at Grantley Adams International Airport, what is even more significant is the number of frequencies of landing at the airport. Sir, British Airways moved from five to eleven landings per week in the winter of 2003/2004 so not only have the number of airlines increased but the ones which have been coming to Barbados over time have increased the frequency with which they arrive.
3.10 p.m.

There are British Airways, Air Canada and Virgin Atlantic. All of these airlines are now coming to Barbados twice a day in some instances.

Sir, in addition to that we speak of private jets landing in Barbados. Sir, when we have over 200 private jets landing in Barbados during the winter period, it says something about the quality of Barbados as a destination.

There are some people who are offended when we say that Tiger Woods came here in a private jet. The world's most recognised human being, I repeat.

Asides.

Hon. N. A. LYNCH: In the past four decades there have been three sportsmen who have been the world's most recognised human beings. They are Muhammad Ali, Michael Jordan and Tiger Woods, the world's most recognised human beings. Sir, whether it is Michael Jordan and Tiger Woods, the point is, they were here together and they arrived in private jets and this says something about the success story that Barbados is.

Mr. Speaker, I heard that there were some negative comments about the incident. At the end of the day if our living is being made substantially through tourism development, that is a publicity and marketing that we could not pay for. I think that was a positive move. If some things were not correctly done, they should be corrected. The point is, those private jet landings and those people coming to Barbados certainly enhanced our equity as a tourism destination globally.

In addition to that, there are ongoing negotiations with a number of carriers to increase service into Barbados. We are in discussions with United Airlines regarding non-stop service out of Chicago and early next year United Airlines will commence a new service out of Charlotte into Barbados. We are also in discussions with a number of other airlines, with the possibility of service to Barbados. Discussions with Delta Airlines are ongoing with the probability of non-stop service out of Atlanta to Barbados. Those negotiations were stalled but we intend to speak to them again.

Sir, there are discussions with Jetblue and TED, which is an airline operated by United Airline. Sir, TED operates within the United States of America. We are considering Continental expansion and continuing discussions are ongoing with American Airlines. However, we have not neglected BWIA and Air Jamaica who are our regional partners.

Sir, this speaks to the confidence that airlines have in Grantley Adams International Airport. Mr. Speaker, this means that once Grantley Adams International Airport is

expanded, it is important to understand that Barbados becomes a more significant player when it comes to our hub status. Grantley Adams International Airport becomes more important as we speak about the development of Caribbean Single Market and Economy and the importance that regional air travel will play in being able to broker a true single market and economy.

I believe that with Barbados at the center of what happens in the Eastern Caribbean, particularly air routes in and out of the Caribbean, I think one can see how important this particular aspect of our business becomes and all of these initiatives have occasioned a revamping of Grantley Adams International Airport. Therefore, it allows me to speak to our airport expansion project and to bring Honourable Members up-to-date with that project.

Sir, in 1994, 16 years after the airport terminal was opened, there was deterioration in the physical plant at Grantley Adams International Airport. In addition to that, the peak flows of persons passing through the airport have outstripped the 850 passengers per hour that had been at the time contemplated for that particular terminal. We are now seeing more than double that amount at peak time per hour passing through the airport.

Sir, there was also a need for expanded parking positions at the airport because of increased landings and airline activity of which I spoke. There was also a need to look at the feasibility of the airport and the need for the expansion of facilities which included the organisation of the airport, essentially to deal with finances of the Grantley Adams International Airport.

Sir, during that period a committee was set up to look at some of the areas of the airport and a feasibility study had been approved in 1993. The objective was to determine the feasibility of expanding the existing facilities at the airport through the assessment of the facilities, demand, organisation and finances, *et cetera*. The consultants identified some of the facilities at the airport which were limited. The traditional uses of the airport were not readily available for continual airport development in a number of other areas.

Therefore, one of the more pressing needs was to ease aircraft parking problems with a view to immediately alleviating the situation as much as practicable and an airport parking position was added in 1996. We now have two parking positions and we are at the stage where we need two more to be able to meet the current demand.

Sir, the pavement works which started in 2001 is now complete. There has been improvement in electronic services and new electronic systems were installed. A radar display system was being displaced in 1998 and a new radar system

was being commissioned in 2000. The main air traffic control transmitters were replaced in 2001 and a new instrument landing system was installed in 2004.

Sir, an environmental impact assessment of the airport was undertaken to deal with noise level, radiation, aircraft emission and air quality in and around the airport. Studies were also undertaken to deal with effective sewerage disposal and a number of other areas and a new incinerator was commissioned in 1998. In 1998 the corporatisation of the airport was set up with the objective of accessing loans for the airport expansion and the refurbishment project.

Sir, I am generally looking at how one could effectively better manage the operations of the airport. The terminal expansion and the refurbishment work commenced in 2002, with the enhancement of legal framework, creation of airport safety zone and the upgrading of airport security systems. It is projected that in the future the airline industry will continue to grow. We believe that certain initiatives and plans must be developed and, therefore, the modernisation of our air traffic control equipment and systems will continue, with the purchase of a second radar to minimise disruption of air traffic flows and ensure reliability; the construction of the full-length parallel taxiway to eliminate aircraft backtracking on the runaway; the construction of additional parking positions; the development and upgrading of the airfield and gate signage; to move the airport fire station out of the airport safety zone and replace it with a modern station; the development of a new cargo facility and the development of a 24-hour cargo operation; the continuous upgrade of our airport security system; and the development of full hub operations at the airport with provision for easier transfer of passenger and their luggage.

In addition to that we are looking at the probability of the construction of air bridges for the completion of the expansion project and the provision of a larger airport multi-storey car park to accommodate the increased number of users.

Sir, the construction of a fly/cruise terminal to accommodate fly/cruise passengers and the overflow of passengers for the World Cup 2007. Sir, obviously, we project that there is going to be an influx of visitors, a great deal more than would have happened under normal conditions, for the Cricket World Cup 2007.
3.20 p.m.

In addition to that, Sir, the development and construction of the Aviation Museum for the Concorde and other related artifacts and memorabilia that speak to the development of civil aviation in Barbados will continue. This project will now be continued under the Barbados

Tourism Investment Incorporated, and the creation of the Aircraft Fixed-based Operations with hangers for private operators, *et cetera*.

Sir, it all speaks to a complete revamping of the way in which things are done at the Grantley Adams International Airport and expanded facilities. I just wanted to bring the Honourable Members up-to-date on the airport expansion project. Anyone who has travelled would know that the Arrivals Terminal is 85 per cent completed. We expect it to be completed by December of this year, so that for the winter season, people will now be arriving through a new arrivals terminal at the airport.

Sir, by December of 2004, the area that we now know as both departures and arrivals will become the departure terminal, including the Mall, *et cetera*. The new area to the west of that will become the new arrivals hall. It is 85 per cent completed and we expect to have it finished by December this year.

In addition, Sir, gates 7 to 10 are about 65 per cent completed. The contractor has paused on them and the bus-bays to the East of that Arrivals Terminal will be completed, we believe, by December 2004.

Sir, the Departure Lounge is 98 per cent completed and is in use. Those who leave through that Departure Terminal would know it has made Barbados look like an international airport. The mechanical room is 92 per cent completed. Gates 14 to 16 are 75 per cent completed. The retail areas and the food court are still very much under construction. The food court itself is 82 per cent completed.

Sir, upon arrival at the airport, you will note that there is a new ticketing area. A lot of the airlines have moved out of the area that ran along to the departure door. It is 97 per cent completed and it is already in operation.

The airlines operating areas are 55 per cent completed and the sites and services are about 98 per cent completed at this time. By the end of August 2004, expenditure at the Grantley Adams International Airport reached \$93.67 million, that is 76 per cent of the contract value.

Currently, the project is estimated to be 70 per cent completed when you take into account all of those components of which I spoke. At this time, it is still projected that the measured works will be completed within the Budget that has been projected.

Sir, this all speaks to an airport and to an environment that is really starting to take shape, relative to the amount of activity that we are seeing and the projected activity that should come into the Grantley Adams International Airport in the future. As I said before, it is projected that airline

traffic will continue to grow and that Barbados is not exempt from that.

Sir, one of the areas and I will move to the specific areas of why new legislation is being enacted ... All of this activity speaks to an environment that must be better regulated, but at the same time have a measure of liberalisation that allows for people and activities to grow.

Sir, in 1996, the Federal Aviation Administration undertook an assessment of Barbados' safety oversight capabilities. The visit formed part of the International Aviation Safety Programme which was instituted in 1992. The purpose of the assessment was a site audit to determine whether Barbados was in compliance with many of the international civil aviation organisation rules, with respect to safety oversight.

Safety oversight is really the mechanism by which states ensure that aircraft operators, aircraft and personnel registered in their state, meet the minimum International Civil Aviation Organisation safety standards under the 1994 Convention. The safety oversight takes place in the realm of legal, technical, operational, air worthiness and administrative framework. We also monitor the practices, procedures and standards related to operations of aircraft to ensure compliance.

Obviously, it was necessary to do this for the continued success and best opportunities for Barbados for Civil Aviation to progress. The FAA audit focuses on several main areas: aviation law, the existence of adequate aviation regulation, the adequacy of the Civil Aviation Organisation, the presence of qualified personnel, the adequacy of guidance personnel for inspectors, record keeping and continued surveillance.

Sir, although Barbados was not categorised then, since we did not have a registered operator flying into the USA, it was recognised that there were a number of deficiencies in our operation that needed remedial action, if we were to comply with these ITO regulations.

As a consequence, Sir, in 1997, a committee was established to revise the regulation and technical guidelines related to safety oversight. The Honourable Member for St. Michael North at the time, I believe, was the Minister of State, and would have been instrumental in establishing that committee. The objectives and the rules were clearly to look at how we could create a more modern up-to-date framework, and user-friendly framework for our civil aviation to meet the immediate needs, and allow for further expansion of aviation and the local airline industry.

An Attorney was retained and with the Cabinet's concurrence, produced a report. The Committee considered

the submissions by that legal advisor and produced a revised draft to the Bill in 2002 and the Cabinet was asked to agree that the Chief Parliamentary Counsel draft the Bill and that was done.

The real issue, Sir, is that the existing Barbados Civil Aviation Act and Regulations are a carry over from British Colonial regulations. They are difficult to administer and almost impossible to enforce in this new and very dynamic environment. The existing Civil Aviation Act is more than 20 years old and has served Barbados well in the past but, Sir, because of the rapid changing nature of the Aviation Industry and particularly in our circumstance, it is clear that greater demands have been placed on the system, and we needed a more modern framework for regulation.

It sets out a basic framework for regulating the aviation industry but it does not specify, in the existing Act, the duty of the Minister, the power to inspect, investigate and seize any evidence to detain an aircraft for safety reasons. It also did not contemplate the enforcement of the Civil Aviation regulations, other than through criminal proceedings.

Sir, to facilitate the development therefore of modern regulation, which may eventually be adopted by other Caribbean states, either in part or in whole, all of the various powers of the Minister and the Civil Aviation Department should be set out in this Act. Thus, the regulations can concentrate on operation and safety rules.

Sir, the current Civil Aviation Act has 28 sections divided into six parts, as well as one schedule. In summary the parts contain the following: Part I – Definitions, Part II – Regulation and Control of Civil Aviation, and establishes the responsibility of the Minister, Part III – Establishment, Constitutions and Functions of the Air Transport Licensing Authority (ATLA), Part IV – The Establishment and Control of Airports, Part V – The Liability and Damages by Aircraft, and Part VI – Miscellaneous.

The Civil Aviation Bill that we are piloting this afternoon has 91 clauses which are divided into 11 parts and addresses the following issues: It provides for the specific duties of the Minister which are not stated in the present Act; it sets out the powers of the Minister to exempt by regulations some or all classes of persons or types of operations; it sets out the powers of the Minister to exempt on a one-off basis where there is in the public interest and there is no effect to aviation safety...

3.30 p.m

It sets out the rights to the Minister and persons authorised by the Minister to do a number of things that we

think are important to the development of our own civil aviation in the future such as to inspect aircraft both in the air and on the ground, to seize anything as evidence, to investigate for safety, to detain the aircraft for safety, to make a demand for the production of any document or record and to copy the same and have access to the airdrome or the airport. It gives the Minister the authority to suspend or cancel a document on punitive grounds and sets out due process which will be different from the procedures for suspension noted in other areas.

It sets out the authority of the Minister to delegate to the Director of Civil Aviation technical direction on aviation. It gives the Minister, the Director of Civil Aviation or the Technical Director of Aviation the right to refuse to issue documents where they are not in the public interest because of the record of the individual or in the case of a company, the record of one of the principals being owners or shareholders. It gives the Minister or these designees the authority to suspend or cancel documents for safety, airworthiness, incompetence or where the document holder no longer meets the conditions to which the document was issued. It gives the Minister or these designees the authority to refuse to review a document.

It authorises the Director of Civil Aviation or the Technical Director of Civil Aviation to issue directives where there is an immediate safety or airworthiness need or where the information is time-sensitive. It sets out the authority for the Director of Civil Aviation or the Technical Director Civil Aviation to delegate certain duties. It sets out a penalty section for the process for administrative monetary penalties. It identifies the process for the expunging of records for administrative purposes. It identifies various liabilities and rules where a person or corporation is found guilty of an offence identified in the Civil Aviation Act. Provided the most serious offences are listed in the Act, the court may in addition to any punishment it may impose, order forfeiture of any aircraft used in the commission of the offence.

It defines an aviation document. It sets out rules with respect to documents or incorporation. It sets out the authority regarding airspace and restrictions to certain areas. It requires that persons found operating aircraft or carrying out maintenance of aircraft must either produce licences or otherwise identify themselves to the Minister or any other persons authorised by the Minister. It identifies rules with respect to multiplied series of flights with an unserviceable aircraft and sets out the process for making regulations.

Sir, all of the above were necessary for the satisfaction of the International Civil Aviation Organisation's international safety oversight requirements and regional safety oversight requirements.

Sir, apart from being audited by the Federal Aviation Authority, Barbados was also audited by the International Civil Aviation Organisation under the Universal Safety Oversight Programme in March of 2001. The result of this audit identifies similar deficiencies as the ones that were set out by the Federal Aviation Authority in its audit in 1996. Sir, a number of procedures could not be implemented because of lack of operational capability. In all, 45 recommendations were made for satisfying these deficiencies. Barbados was required to submit to the International Civil Aviation Organisation an action plan for the removal of these deficiencies. This action plan which is made to the International Civil Aviation Organisation audit team included dates and expected compliance by October 2001.

Sir, as recently as February 2004, the International Civil Aviation Organisation carried out a follow-up audit to determine to what extent the action plan submitted by Barbados has been adhered to. Sir, while being satisfied with the action plan, the audit team advised that the action plan would still be substantially unimplemented and would remain so until the legislation that we are speaking to today was enacted and until the required organisational structures were in place.

Sir, the following is a clause by clause description of the legislation. Part I speaks to the Preliminary; Part II, Regulations and Control of Civil Aviation; Part III, Aeronautics; Part IV, Establishment, Constitution and Functions of the Air Transport Licensing Authority; Part V, Airports; Part VI, Liability for Damage caused by Aircraft; Part VII, Security of Aircraft, Airports and Air Navigation Installations; Part VIII, Investigation and Investigators; Part IX, Board of Enquiry; Part X, Civil Aviation Tribunal and Part XI, Miscellaneous.

Sir, I believe that this piece of legislation gives Barbados the opportunity, as I said in my introduction, to create a basis for better regulation of the environment. What it also does is to create a basis for Barbados to further liberalise the environment in which we exist under the rules of civil aviation to allow for entities to grow within that environment. There is no contradiction between the concepts of being able to regulate and being able to have a more liberalised environment that allows for concepts of open skies and the like to allow for better participation in and around that area that would allow us to grow.

Sir, I believe that this piece of legislation will go a long way in improving the overall socio-economic standards of Barbados. As I said before, it is not perfect in any way. When we table legislation people expect it to be perfect the first time around, but that is not always the case, and so that is why there is the power of amendment. It will not answer all of the issues that we need to deal with within the environment.

Sir, some issues were raised regarding security at the Airport and whether or not the security of the Grantley Adams International Airport should have fallen at this time to the Police operation and not some separate force. Sir, the jury may still be out on a number of issues relating to how the Bill is actually implemented, but clearly in any environment once the legislation is tabled, it will allow itself to work its way into the fabric of the environment in which it is being tabled and in which it has to then receive practical application. Sir, nothing is perfect the first time around. We believe that this moves Barbados into the 21st century and will allow Barbados to grow in a civil aviation environment and, in a country dependent on tourism, gives us a fighting chance against other jurisdictions that have a lot more resources than we have, financial and otherwise. Therefore, Sir, with those words I commend this legislation to this House and ask that this Bill be read a second time.

I am obliged to you, Sir.

Dr. D. C. ESTWICK: Mr. Speaker, I rise to make a submission on this particular debate before this Honourable House, largely because I believe that the impact of this type of legislation, with regards to how we move civil aviation to a level at which it achieves international standards can only allow for much greater improvement in those particular sectors in Barbados that depend on the Airport for continued services.

However, Mr. Speaker, it is unfortunate that in the 21st century where we are looking at deregulation and liberalisation that we still introduce pieces of legislation that tend to be somewhat Government heavy. We seem somehow to be creating a paradigm where, even though Government is establishing a private sector entity by establishing the Grantley Adams International Airport Inc. with a Chief Executive Officer – it is a company and I would assume that it falls under and is directed by the laws that fall under the ambit of the Companies Act – it is not giving autonomy to the Board of Directors to function independently of Government where they see it fit.
3.40 p.m.

Mr. Speaker, I would believe that the Board of Directors must necessarily have some autonomy to function independently of Government where it sees it fit. Sir, I am concerned that we would introduce a piece of legislation where we have a Government Minister having the capacity directly to interfere and to reverse decisions that a Board or a private company can make.

Mr. Speaker, it is, indeed, an anomaly and a dangerous one in a trade liberalised world for a Minister to have the power to dictate to the Board of Directors of a private company. I am not a lawyer but it smacks as though it is an anomalous position, which I would hope that one of the

Honourable Members on the Other Side who is trained in law would explain to the people of Barbados why it is that we are moving towards private enterprise and liberalisation but that a Board of Directors of a private company must take directives from a Minister.

Mr. Speaker, I gradually looked at section 8, page 10 of the document, where the directors cannot even select their own assistants. Sir, can you imagine that the Minister has to designate the assistants for the director? This does not make any kind of sense. As I said, it is an anomaly. It is one that can only lead to confusion in a matter of time.

Asides.

Dr. D. C. ESTWICK: Mr. Speaker, I have made the point that it is an anomalous position.

Mr. Speaker, after all of the talk, it has taken this Government ten years, after two sectors that are important to the development of this country, those being the International Business Sector and Tourism, to look at the type of developments that should occur at the airport, in order to enhance – and not my words, the words of the Honourable Member for St. Michael South – the opportunities for further development in Tourism and International Business.

I would have thought that any enlightened, forward-thinking administration would not have taken ten years to come to this Honourable House to look at ways and means of expanding the airport and of putting mechanisms in place to put it up to international standards.

Mr. Speaker, the reason I say this is because it is a facility that is integral to the development of tourism in Barbados, which is supposed to be the major engine of our economic development. That does not make sense to me. Obviously it has a major impact on the International Business Sector of Barbados.

Mr. Speaker, this administration seems to be stuck into its concept of what is a tourist, what is tourism and what is tourism development. I have before said that in a colonial mind-set, one that is set in stone in the minds of many of my Honourable colleagues on the Other Side, they still believe that tourists should only come from Europe or from the United States of America.

Asides.

Dr. D. C. ESTWICK: Sir, after ten years I would want the Honourable Members to tell me what mechanisms have been put in place to look for new movements of traffic of tourists from Africa, who would use Barbados as a

transshipment hub, whether it would be for trade or for tourist purposes, whether they go to Latin America or to America. Sir, after ten years, I am now hearing this talk about making Barbados a hub, yet it is a hub where the old established colonial lines are established and followed as if we have no brains.

I am now hearing talk after all these years about maybe there needs to be a Caribbean airline to look at moving tourists from Africa to Barbados. If we were serious or if we understood how important it is to look beyond colonial trade and air routes, we would have been trying to put in place, a long time ago, utilising Barbados as an effective trade and an effective hub for tourist traffic.

Mr. Speaker, the amount of time that it takes to move a tourist from Germany, through the numbers of stops, then to the United States of America, would be about 14 to 20 hours. That time could be cut in half if negotiations could be completed to allow for the quick movement across Africa and using Barbados as a pitching hub to go straight to United States of America or to Latin America.

Mr. Speaker, until we move away from the thinking that it is only British Airways, American Airlines and those other carriers that move along traditionally established lines, which have colonial links and not try to establish our own, we will not be able to move the industry much further than it is at present.

Mr. Speaker, I have heard much talk about arrivals, and I have already had my say on that, on tourist traffic and on the number of carriers. Sir, I have called for the Barbados Central Bank's reports which shows that we have not yet surpassed the 1996 levels with respect to the contribution of tourism to the Gross Domestic Product (GDP) of this country.

Mr. Speaker, I do not mind all the ranting and raving, superlatives and hyperboles, I deal with the facts as they are. Sir, the same reports will also show that while they are talking about the increases in tourist traffic, the spending by tourists has declined in 2002, 2003, and had a very moderate increase in 2004.

Mr. Speaker, I heard there were 24 aircrafts operating in Barbados in 1993. I have heard the boast of 42, and yet we have not passed the 1996 level in terms of tourism contribution to the Gross Domestic Product (GDP). Sir, something has to be wrong. What is wrong is the fundamental mismanagement in the tourism sector because of instability at the head, the changing of three or four ministers in a short period of time and the removal of management about 19 different times.
3.50 p.m.

Mr. SPEAKER: Honourable Member, I have given some latitude to you but you are overdoing it now. This Bill does not relate to tourism. You may mention tourism as the Minister did but, surely, you are into a debate about tourism and I am suggesting that you discontinue.

Dr. D. C. ESTWICK: Mr. Speaker, you always advise to make the link and I will do so. If I am to accept improved conditions at the Grantley Adams International Airport as one of the fundamental premises within the Bill we are now discussing, to enhance the facilities, to expand the infrastructure, to enhance the security and meet international standards, it could, therefore, be only to move people through the airport. Sir, many of the people who come through the airport are tourists and have a direct impact on tourism in Barbados and by expansion must have a direct impact with respect to the numbers on a cumulative basis.

Mr. Speaker, I hold my point that this debate is integral and is part of the belly of tourism in Barbados. The expansion must necessarily redound to an improvement in the number of tourists coming to Barbados, otherwise it is not worth it.

Sir, I want to revisit a salient and critical point. This Administration continues to introduce management practices that are paradoxical under the Companies Act of Barbados. Sir, the Board of Directors has autonomy to make decisions because it is not a statutory board. I want it to be explained to me and the people of Barbados what is the advantage of neutering and silencing a board and having them subordinate to a Minister unless it is for allowing the Minister to introduce and play politics in that institution. It is fundamentally important because it is a departure that I consider not to be a wise one.

Hon. N. A. LYNCH: Mr. Speaker, on a point of order. I hate to interrupt the Honourable Member but he is totally confused. I was going to let him go on and confuse himself even more but I think it necessary to stop him. The Honourable Member is mixing up the issues of the Grantley Adams International Airport as a company and the Air Transport Licensing Authority (ATLA). The Minister gives direction to ATLA but he does not give direction to Grantley Adams International Airport as a company. Sir, the Honourable Member is mixing up the two pieces of legislation.

Dr. D. C. ESTWICK: Mr. Speaker, I would have to pull this Bill and make a few quotations. Sir, the Minister can give directions to the Board of the Grantley Adams International Airport Inc. The Minister is an official that helps and directs policy. I refer to page 8 of the Bill which says that the Director shall be assisted by such number of public officials as may be designated by the Minister. Sir, the Minister

should never have powers like that. It is top-heavy and gives the Minister too wide a set of discretionary powers.

Hon. N. A. LYNCH: Mr. Speaker, on a point of order. The Honourable Member is again mixing up the two companies. The legislation speaks to the Air Transport Licensing Authority which is not Grantley Adams International Airport Inc.

Dr. D. C. ESTWICK: Mr. Speaker, I think that these Bills should be made public because sometimes there is the attempt to bury deeply some truths and I am not going to get caught up in those types of innuendos.

Mr. SPEAKER: Honourable Member, could you withdraw that remark please?

Dr. D. C. ESTWICK: Mr. Speaker, if that is your ruling, I withdraw the remark. I want to make a comment because if we are going to operate in this Honourable House by rules, I also believe that those rules need to be applied across the board. If I am using offensive language or using insulting language to a member, I am breaching the rules on page 34, section 8, number 5. Sir, if I am imputing improper motives to a Member, then I will leave the matter there and go by your ruling.

Sir, I want to go back to my statement that the powers of the Minister over the Board of Directors of a company in this sense, is too far-reaching.

Hon. N. A. LYNCH: Mr. Speaker, on a point of order. I need to clarify this matter for the sake of the House and to put it in perspective. Sir, the Civil Aviation Bill makes no reference to any private company or any company established under the Ministry of Tourism. In the definition section on page 10, "authority" means the Air Transport Licensing Authority and this is what the Minister gives general directions to. The Airport Licensing Authority is not a private company because it is not a company established under the Companies Act. Sir, there is no reference in this legislation to any private company or to Grantley Adams International Airport as a company.
4.00 p.m.

Mr. SPEAKER: Honourable Member, I would prefer that we do what we say here by the truth as far as possible. It is for all Members who are supposed to be honourable to make truthful and sincere statements especially when they have Bills and records before them.

Dr. D. C. ESTWICK: I recall that the Minister, in his presentation, indicated that in 1998 the Grantley Adams International Airport Inc. was established and I want to ask the Minister if there is any entity that will act as an

overriding management component? Is the Minister saying that the authority functions individually? Is he saying that the authority is not in anyway directly related to the company that he indicated was established?

Asides.

Dr. D. C. ESTWICK: I do not think that any one on This Side would have a problem with any enhancement infrastructure at the airport. I do not believe that is something that we think is not positive. One of the things which is important to us is the time frame within which such was done and we want to know about the type of delays that we have had with the completion of the project. I also want to know if the contractors who have been hired to complete this particular job if at anytime whether we believe that the normal practices and the type of traditions of how labourers are treated in Barbados were held.

Sir, I was called on two occasions to visit labourers at the airport site and I was appalled to find out that there is this sense by the contractors that Barbadians should be treated in a way that they may have been accustomed treating workers in other parts of Africa. I was there when statements were made with respect to monies being paid and the statement was that one worker's pay could pay 3 or 4 workers in Africa.

Sir, I was also there when I was asked to look at some conditions of work and I remember meeting certain officials from the Barbados Workers Union where one cringed when workers were asked to go down into holes and spray foundations without gloves or masks on. There were several other situations but I mentioned those.

Sir, I also know about those persons who got injured at work and nothing was heard about them. I want this administration to understand that they cannot bring contractors into Barbados to treat Barbadians as second and third class citizens in their own country.

Asides.

Hon. N. A. LYNCH: On a point of order. The Government does not bring people into Barbados to treat Barbadians like second class citizens. That is wrong. I do not know how the Honourable Member could even impute that or say that.

Sir, the Government brought contractors here to build the airport. Bidding was done through a process and the contractors who are building the airport are the ones who won the contract. If there are issues relating to labour relation breaches, there is the Barbados Workers Union and entities in Barbados that have been established to deal with those

issues. Sir, to say that the Government brings people into Barbados to treat Barbadians badly is an erroneous statement and it should be struck from the record. The Government did not bring anybody here to treat people badly.

Dr. D. C. ESTWICK: Mr. Speaker, I understand the point being made by the Honourable Member and I want to say that it would be the responsibility of the contractors to honour their mandate to treat people in Barbados with decency.

Sir, I want a clarification. In this Honourable House I heard statements being made that you are not supposed to impute improper motives to the Government. I want to know which ruling is that, what page is it on and what is the definition of government being used. I can say without fear that you cannot impute motives to an Honourable Member under the Standing Orders of this Honourable House but Government is not the Cabinet. It is the executive arm, which is a hybrid of the Cabinet as well as the public service in general. Therefore, when I speak about improper motives, are you telling me that I am speaking negatively of the Permanent Secretary of the Ministry of Health as well as the Permanent Secretary of the Ministry of Housing and Lands? Sir, I want a ruling because it does not make any sense to me.

Mr. SPEAKER: Honourable Member, as you know, not all rules are written down. There are certain practices which as normal and proper decent human beings, we do not attempt to make certain insinuations against people generally. I do not think that any politician should want to do that.

Dr. D. C. ESTWICK: Mr. Speaker, I understand your explanation because I really want to get it clear in my mind.

Sir, the Honourable Minister and Honourable Member for St. Michael South and the Honourable Member for St. Peter spoke and I want to know whether or not there was any attempt or thought of Government privatising the airport.

Mr. SPEAKER: The Honourable Member for St. Peter has not spoken on this matter. Also, the matter related to privatisation, and I refer to the Rule of this Honourable House. I will not allow it anymore. I am referring to Rule 28.4 and you can also refer to Rule 28.11. It says clearly that "It shall be out of order to reflect on any vote of the House or attempt to reconsider a matter upon which the House has come to a conclusion during the current session except upon a substantive motion."

4.10 p.m.

Dr. D. C. ESTWICK: Sir, I am glad that last part has been read, apart from a motion being moved. It would

mean that one may just have to revisit the way one deals with those particular situations.

However, there are some individuals in the public domain that take what we do in Parliament rather seriously, but there are some of us who seem to believe that this is a House where we make sport, where we take matters lightly, where we tend to chuckle at this and chuckle at that...

Mr. SPEAKER: Again, Honourable Member, that is a clear insinuation, just to want to imply that Honourable Members of this House do not take matters seriously and I am asking you to withdraw that statement, Sir.

Dr. D. C. ESTWICK: Mr. Speaker, that is your ruling, and I withdraw it but the Members who listen to the debates can hear. What I would want to say is that if there is a serious attempt to make tourism as an international business sector competitive, Sir, then it is important that we take a very good look at the various ports that service them. It is also important that we do this with the interest of the people in the country. I would have to therefore assume that means whatever occurs there has an end result of enhancing the economic development of Barbados.

As I have said, I do not believe that any Member of the Opposition has a problem with enhancing the infrastructure of the Grantley Adams International Airport. What may be an area that needs consideration, Mr. Speaker, is whether or not that enhancement project has allowed for the type of involvement of subcontractors and other small players in Barbados to take part in some of the opportunities for revenue generation.

I would want to find out whether or not there were opportunities provided for small contractors in Barbados to benefit. I would also want to find out what proportion of workers are Barbadian and non-Barbadian. I would also want to find out if there are no carpenters, masons or other artisans in Barbados who are Barbadian, who have applied for work and have not gotten work, or who are unemployed now and could have gotten work at the airport. I would like the Minister who has all the details to explain those things to me because that is the nuts and bolts of the matter.

Sir, if we are going to enhance the infrastructure, then Barbadians must benefit, not just from saying we have a nice pretty airport that tourists can travel through. I also want to know about opportunities for vending. I would like to find out from the Honourable Member for St. Michael South if those opportunities are given out to Barbadians on a first come first served basis.

Mr. Speaker, with such a wonderful project, as you pass by, you cannot help but wonder the expansive nature of it, I would like to find out if the Concorde is part of the

developmental process. It is parked there and I believe that Barbadians need to know how much it costs them on a monthly basis to maintain it and whether it had one visitor yet, apart from the Honourable Member for St. Michael South.

Asides.

Dr. D. C. ESTWICK: Sir, I believe that if the development of our civil aviation product is used effectively, it can have a significant impact upon our economic development. When I heard the Honourable Member speak to the traffic that would have passed through the airport, I agreed that if we are going to operate within the international paradigm that some changes need to occur, and were long overdue.

All I am questioning, Mr. Speaker, is whether or not those developments, given the essential nature of tourism and international business to our economic development, should have occurred long ago. I am well aware of the problems that this country has, with respect to its balance of payments and its foreign reserves. Sir, if international business and tourism are the two major engines of foreign reserves earnings in Barbados, I would want to believe that this Government should have paid attention much earlier to the type of developmental projects to propel those two sectors forward.

As I have said earlier, I do not believe that you have individual development without assisting or having the masses included in that development. I believe that it is the Government's responsibility to put the mechanisms in place for that to occur. I am not convinced at this point in time that with respect to our tourism product that this Administration had put the mechanisms in place to allow for much greater participation of Barbadians in terms of ownership. I do not believe that has occurred in international business. In fact, I think that there has been a call to allow Barbadians to establish offshore businesses here, as part of a mechanism to expand.

Mr. Speaker, if this Administration would look closely at revisiting and changing the established relationships between America and Europe, with respect to trade routes, air transport routes and look very closely within the context of CSME, to have control over the movement of our tourist traffic and not depend on whether American Airlines travel, or whether U.S. Air, or British Airways will be taking a step forward.
4.20 p.m.

Sir, when we get to appreciate that there are many tourists who can fly straight across the Atlantic Ocean taking five or six hours and we can put those types of routes in place, then we look seriously to making Barbados the type of

transshipment hub that the Honourable Member spoke about. If that occurs well then there is opportunity for exponential growth and development with respect to those areas and as a result such infrastructural developments with respect to our civil aviation product would be a good thing for this country.

I thank you, Mr. Speaker.

Hon. K. D. SYMMONDS: Mr. Speaker, I would ask you to forgive me for beginning on a somewhat light note. As I listened to the Honourable Member I reflected a little bit on a discussion which took place with President Bush when he was talking about his son. Sir, it is perhaps not always the very best thing for someone who holds responsibility for a foreign policy to comment in this way, but that discussion occurred to me because I saw it only a couple days ago on CNN. It does not originate with me, I just report.

Sir, President Bush, as he was talking about his son, said that from time to time people will misuse language. He reflected on, as he put it, a story where the current President as a youngster would have been writing an essay or something like that and in an attempt to use the word circumnavigate, he said that Magellan set out in 1759 to circumcise the world as opposed to circumnavigate the world.

Sir, the concept of the circumnavigation occurred to me because as I listened to the Honourable Member for St. Philip West, he was like Magellan, he was circumnavigating but in this case the kernel of the debate. This debate is not about any of the things that the Honourable Member spoke to. It is really a matter of law. It is a simple matter of trying to bring the Civil Aviation Act, which is an Act of considerable antiquity and which served this country well for over 20 years but which is virtually useless to Barbados today... I did not think that it was that difficult for us to grapple with that deficiency.

Sir, I want to break it down, because if for one painful stretch of the imagination one could conclude that the Honourable Member represents the general public, and I hope that he does not, then we have a lot of breaking down to do to make this thing very simple.

Sir, we are talking about an Act where we are looking at the security of aircraft and airports and at the security of air navigation installations. We are talking about basic things. The Honourable Member asked the question which is fair for most people because many people who would believe or would have been led to believe by the Democratic Labour Party – thankfully, I hope that this has been put to rest now – that there has been some talk about privatising the airport.

Sir, you could become a victim of your own rhetoric. This morning the same Honourable Member was talking

about privatising the airport and today he talks about why is Government involved in the airport. Sir, he asked the question why should the Minister have so much power on what he calls a privatised board. Sir, first of all, there is no privatisation taking place, I want to make that clear again. The word privatisation by sleight of hand is now being used by the Other Side when corporatisation should be used.

Sir, the Minister of necessity must retain an interest if we are going to be speaking to the question of a restricted area at the airport, if we are going to be speaking to the question of whether or not I can carry, for argument sake, firearms or ammunition into an air navigation installation such as the Grantley Adams International Airport and if we are going to be dealing with an issue of people granting or not granting their consent to be searched. In effect, we are talking about the endangerment of people's safety. The airport must always be seen by Government as one of those preserves in which the Crown must take an ongoing, committed and unswerving interest in the protection of the public's safety and well-being. Sir, I believe that explains the question asked by the Honourable Member as to why it is necessary that you have to have ministerial intervention or the power to intervene.

Mr. Speaker, we have to go further. I believe that the existing Civil Aviation Act is really only a framework for aviation regulation. Therefore, the question has to be asked how useful is it today and to what extent does it deal with the nitty-gritty issues that we will face on a day-by-day basis at the Grantley Adams International Airport.

Sir, post-911, it became very clear to all and sundry that there would be an increasing need for authorities not only the authorities here... All of us who have travelled abroad know that the authorities around the world are now more concerned about their right to inspect and they are more concerned than ever about their right to investigate a situation which appears even at first blush to carry with it or portend a threat to security or a threat to safety. I do not believe that I am incorrect in saying that, Mr. Speaker.

We all know that people, post-911 especially, are now concerned about making sure that there is a legislative framework which can allow an authority to not only search but where necessary to seize goods or any other documents or what have you for furtherance of bringing to rest the concern about which the intervention was made. It is a fact that there is now more than ever before an urgency about the power to detain an aircraft for safety reasons. Therefore, that again must speak to the question asked by the Honourable Member as to why it is necessary for the Crown through the person of the Minister responsible for International Transport to be able to intervene in these issues.

Sir, I firmly believe that if we are going to be talking about some of the examples I just gave to this House that the Crown must preserve the power to have access to airports. We are talking now about aviation safety. It is as basic and as fundamental as that. Sir, I do not for one moment believe that if the Honourable Member for St. Philip West understood clearly what this debate was about that the tone that has been advanced would have been the tone to which we were treated today.

Asides.

Hon. K. D. SYMMONDS: He said that I cannot determine that for him and that perhaps tells the tale because there is none so blind as he who will not see.

Sir, the fact of the matter is that I do not shy away from living in hope and I do hope that once he comes to understand he would also come to agree that governmental intervention is necessary, because if he does not come to agree then the only inference that we can be able to draw is the political inference that the Democratic Labour Party is so foot-loosed, fancy-free and careless about this situation that if they were to be returned to power they would try to undermine the level of security which we are trying to preserve. Sir, I do not want to conclude that but if he wants to provoke me to conclude that, I will.

I go further, Sir. We are also talking about a piece of legislation which speaks to the creation of a regulatory framework. I believe that it is both good law and good sense to say that the essence of a sound regulatory framework has to be the retention of control over the power to certify, the power to licence and the power to authorise by way of documentation and to follow up on that documentation in a systematic and ordered way.
4.30 p.m.

Mr. Speaker, this is not rocket science. There is no system... Again this is the second time I am on my feet making this point. We tend to rush to find political divides where none should exist in what is really a developmental issue, in which all parties should be able to join hands.

Mr. Speaker, the Ministry of Transport and Works has to issue licences so that if an accident were to happen or an incident were to take place which would endanger one's safety, that we would be in a position to corroborate factually and to collate evidence on the basis of who was driving what vehicle, and whether that vehicle was on the road lawfully and legally. As we know, insurance companies do it. It, therefore, follows, as day follows night, that it is only a matter of commonsense that it should happen with civil aviation as well. If the Honourable Member had understood that to which he spoke, he would have seen that the Bill is trying now, for the first time, to build the certainty of law into this framework.

Mr. Speaker, I want to hear the Honourable Member for St. Philip North, the Honourable Member's neighbour, because perhaps he might be able to bring greater and legal understanding. The question of certainty in one's licencing, certification and documentation is nothing with which one should find difficulty, and I would hate to think that only in Barbados this kind of foolishness takes place.

Mr. Speaker, I believe it is the technical director who, in a right-thinking, well-structured society, must always retain the right to refuse or to issue a certification, that is, the document which certifies airworthiness or air safety.

Sir, one must understand that a technical director, a director of civil aviation or a minister with responsibility, is that person who must retain the right to issue the necessary certification of airworthiness. That is what this legislation is about. This legislation is not about allegations of persons having to push their hands in a hole, of persons not wearing a mask, of how many toilets are built at the airport; of how long it takes to build them, or if the Concorde hanger has a roof over it.

Mr. Speaker, Hurricane Ivan came and went. It has damaged the structure. Fortunately, it did not damage the Concorde. Is the Government to be blamed for that?

Mr. Speaker, the strange thing about this country is that we do not trumpet with pride the fact that we, little Barbados, are one of four countries which has the Concorde. We do not trumpet the fact that we are now in a position, before any other country in this region, to build an aeronautical museum to take the tourism plant into a whole new dimension.

Mr. Speaker, we are now hearing that the Concorde has no covering over it, and that is unfortunate. The Honourable Member who likes to talk about travelling but is often travelling, knows as well about the Concorde in New York. If he does not know, he speaks of tourism often enough to know that another Concorde in New York is exposed near to the sea, where one can take a ferry cruise and go around it.

Mr. Speaker, this is not going to be the sort of structured revenue-generating tourist attraction that we are going to have in Barbados because the Barbadian brains were better in developing the project, to make sure that it was something that was more certain and more authentically a tourism product. We do not hear that. We only hear the most negative, disgraceful and despicable spin that could be put on it. I do not know if that is what excites, titillates or is called politically-sexy, but I think it is highly irresponsible.

Mr. Speaker, this legislation appeals to me because of the fact that it is creating offences of strict liability. Sir, for

those persons who are not legally trained, it simply means that there is now a greater burden on the accused. Some of the offences of strict liability are fundamental to the question of our tourism safety and of this country's integrity in the eyes of the international world.

Sir, I pause to say that we have to put all of this in the context of the fact that tourism is the major bread-winner in this country. Therefore, if we are seeking to bring the millions of visitors to this country that the Honourable Member for St. Michael South spoke about, homeporting, so that they leave from here by boat but when the boat comes back, they then board a plane a few miles away and are gone again. Therefore, if we are benefitting by meshing the work of both the airport and the seaport at the same time, then every ounce of our effort, every sinew, every fibre, must be bent towards making the tourism product as apt and as appropriate to deal with the levels of international standards that are being thrown up, and we have to do it.

Mr. Speaker, that, therefore, means that when we talk about the offences of strict liability, the Deputy Leader of the Opposition should be happy to associate himself with the fact that a Government is coming to Parliament to make sure that unlawful interference with the operation of aircrafts is now a strict liability offence in Barbados. Sir, we are talking about the unlawful interference with the operation of an aircraft and about knowingly making false representation about the safety and airworthiness of the vessel.

Sir, when one thinks about the fact that persons could get away with such an offence, that it is known in the practice of Barbados that people could take multiple flights with vessels that were not properly certified or sufficiently certified as being airworthy, we are then saying that Government has harnessed a potential runaway train and has turned the situation around.

Mr. Speaker, for this we come to Parliament, not to be praised but to be pilloried. That is the world in which we live today. That is why I do not shy away from using the term irresponsible because I think that we have to stand for something at sometime.

Mr. Speaker, another strict liability offence is that of misusing another person's certification, where one can have another set of documents and that, by an act of fraud, one perpetrates for one's narrow ends but in so doing, endangers the well-being of persons who would be travelling on that vessel.

Mr. Speaker, another strict liability offence is that of placing a greater burden on he who stands accused. I find no fault in that. That is what this debate is about. As my friend,

the Honourable Member for St. Philip North furtively poured through the legislation, in the hope of being able to spring to his hind legs to say something, I want him to reflect on that. Sir, it is not beyond him intellectually to part company with his friend from St. Philip West, and his training and understanding of the law would allow him to do so.

Mr. Speaker, I want to speak to the question raised by the Honourable Member for St. Philip West and again, I think the Honourable Member acts out of too much enthusiasm and sometimes with insufficient research and restraint. I tell them all the time try not only to follow what is happening on a basketball court in their constituency, try not only to be at a fete or at a dub on Friday nights but try to understand the other dimensions of politics, which is that what is happening in the Caribbean inter-relates and correlates on a day-by-day basis with what is happening here.

Sir, in 2002, a Spice Island Accord was signed in Grenada. It is a public document signed a year before the Honourable Member came to the Chamber, so he should have been politically conscious at the time. I will treat him with sufficient respect to believe that he had matured politically by 2002, otherwise we would have to conclude that it was on a fluke that he has found himself in here, and I do not believe any of us got here by fluke.

4.40 p.m.

Sir, in 2002, the Spice Island Accord was signed by the Governments of South Africa, Barbados, Dominica, St. Lucia, St. Vincent and the Grenadines for the purpose of exploring areas of collaboration in aviation.

Mr. Speaker, the South African Minister did not hide the fact that he was undertaking in 2002 to follow-up with the Governments of these countries in the Caribbean. The foreign Ministers are meeting at Villa Nova in St. John and the discussions yesterday and today were taking place because we have a dilemma. Sir, not only has South Africa Airlines committed itself to come to this region but the Government of Barbados was one of the first to make itself available, so too did the Government of Jamaica, Trinidad and Guyana. Sir, today we are hearing from the Honourable Member for St. Philip West that it should have happened earlier than today and that it took ten years to happen.

Sir, I do not know where he lives but in the world that I live, I know that aircraft do not fly east to west, that it is a mammoth undertaking to get it done and so they fly north to south.

Sir, we beat ourselves up about transportation in the Caribbean but it is far worse in Africa and let us not fool ourselves that it is as easy as waving our hands and

getting up in here and spouting hot air to get South African airlines to fly here. Sir, the point is that the work has been done and if the Honourable Member was *au fait* with what was taking place in current affairs, he would know that since 2002 arrangements have been put in place.

Sir, I go further because it is a fact that two airlines, Earth Airline, and Cecilia Airlines, both out of Nigeria with whom we have been maintaining discussions have applied to offer direct services to Barbados. The only hold-up is that though they are committed, the capacity to take the route is not yet in place and we have to wait. Sir, the same situation also applies to Brazil.

Sir, when an airline flies, it is not because the Democratic Labour Party or the Barbados Labour Party wants it to fly but there has to be a monetary benefit. Honourable Members on the Other Side talk about reckless expenditure and about holes being blown through the deficit but they never say that it is remarkable that oil in Barbados went to \$55 a barrel but the cost was never passed on to the consumer.

Mr. Speaker, to put the Honourable Member's discomfiture to rest so that he may sleep well tonight, I want him to know that both South African Airlines, Earth Airline and Cecilia Airlines out of Nigeria are actively pursuing this undertaking. There are also others from Latin America as well.

Sir, when a plane passes through Barbados, it also has to return and there must be people on board so we have to make sure that we can fill the seating capacity. These are things that one has to build over a process of time and this is also part of the problem as well. I want to go back to the Act and say that we are trying to rectify deficiencies in an existing piece of legislation which any reasonable person would conclude is grossly deficient.

Sir, in today's world a higher standard and duty of care are being brought to bear on air traffic regulatory authority.

Barbados is no different because we do not live isolated in a little bubble away from the world. If it is a process that the rest of the world has to deal with, we must also deal with it as well. We are trying to make sure that when an assessment is made by the relevant group that the worst case scenario does not apply and we then hear that Barbados' conditions on safety are bad and an advisory or warning is issued against the country.

Mr. Speaker, it is a proactive step when legislation is changed as fundamentally as we are trying to change it in order to ensure that the livelihood, humanity, safety of those who visit our shores and the integrity of this country is protected. It is a sad day when the Deputy Leader of the Opposition would condemn us for doing these good deeds. I ask the Honourable Member to reflect on that.

Mr. Speaker, I thank you.

Hon. R. C. EASTMOND: Mr. Speaker, I beg to move that further consideration of this Bill be postponed.

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

ADJOURNMENT

Hon. R. C. EASTMOND: Mr. Deputy Speaker, this concludes Government Business for today. I beg to move that this House be adjourned until Tuesday, November 2, 2004, at 10.00 a.m.

Mr. R. St. C. TOPPIN: I beg to second that.

The question that the House be adjourned until Tuesday, November 2, 2004 at 10.00 a.m. was put and resolved in the affirmative without division and Mr. SPEAKER adjourned the House accordingly.
4.27 p.m.

CONTENT

MINUTES

Hon. R. C. EASTMOND 1

Confirmation of Minutes of the Meeting of
Tuesday, October 19, 2004.

ANNOUNCEMENTS BY HIS
HONOUR THE SPEAKER**Mr. SPEAKER** 1

PAPERS

Rt. Hon. O. S. ARTHUR 2

1. Duties, Taxes and Other Payments
(Exemption) (Barbados Tourism Authority)
Order, 2004.
2. The Exchange Control (Authorised Dealers
and Depositories) (Amendment) Order,
2004.

Rev. J. J. S. ATHERLEY 2

Annual Reports and Financial Statements of the
Caves of Barbados Limited for the periods ended
December 31, 2001 and December, 31, 2002.

GOVERNMENT NOTICES

Mr. R. C. EASTMOND 2

Orders No. 2 and 7 on today's list of Government
Business be withdrawn.

NOTICES OF QUESTIONS

Mr. R. D. JONES 2

4. **To ask the Minister of Education,
Youth Affairs and Sports: Will the
Minister state:**
 - (a) How much money has been spent to
date on the infra-structural component
of the Educational Sector
Enhancement Programme,
(EduTech)?
 - (b) At what stage is the programme?
 - (c) What is the schedule, if any, for the
completion of the project?

2. **Will the Minister also state:**

- (a) Whether there are any plans to
introduce this programme at the Christ
Church Girls' School;
- (b) If so, when will the infra-structural
work commence?

3. **To ask the Minister of Public
Works:**

- (a) Is the Minister aware of the low
visibility at the junction of the
Bannatyne Gardens and the
Newton/St. David's Road, and the
problems that can stem from such low
visibility?
- (b) If the Minister is so aware, will the
Minister state what plans, if any, his
Ministry has to address the problem
and when will such action
commence?

SUSPENSION OF STANDING ORDERS

Hon. R. C. EASTMOND 2

Standing Orders Nos. 6, 16, 18, 20, 42(5), 43, and
44 were suspended for the remainder of the
Sitting.

GOVERNMENT BUSINESS

ORDER NO. 6 – COMMITTEE OF SUPPLY 2

ORDER NO. 6(a) – RESOLUTION THAT THE SUM
OF \$194 452 BE GRANTED FROM THE
CONSOLIDATED FUND AND BE PLACED
AT THE DISPOSAL OF THE GOVERNMENT
TO SUPPLEMENT THE ESTIMATES 2004-
2005 AS SHOWN IN THE SUPPLEMENTARY
ESTIMATES NO. 3, 2004-2005 3

Hon. A. P. Wood, 3, 24; Dr. D. C. Estwick, 6, 24;
Hon. N. A. Lynch, 7; Hon. K. D. Symmonds, 8,
21; Hon. D. D. Marshall, 9; Mr. C. A. Mascoll,
10; Mr. R. St. C. Toppin, 12; Rt. Hon. O. S.
Arthur, 14; Mr. D. St. E. Kellman, 17, 23; Dr. D.
C. Estwick, 20; Mr. Chairman, 23.

ORDER NO. 5 – THE CIVIL AVIATION BILL,
2004 26

Hon. N. A. Lynch, 26, 34, 35; Dr. D. C. Estwick,
32, 34, 35; Mr. Speaker, 34; Hon. K. D.
Symmonds, 37.

SUSPENSION 19

ADJOURNMENT 40

Hon. R. C. Eastmond, 40.

SPEAKERS IN THIS ISSUE

- ARTHUR, Rt. Hon. O. S. (St. Peter)**
ATHERLEY, Rev. J. J. S. (St. Michael West)
EASTMOND, Hon. R. C. (St. James North)
ESTWICK, Dr. D. C. (St. Philip West)
KELLMAN, Mr. D. St. E. (St. Lucy)
LYNCH, Hon. N. A. (St. Michael South)
MARSHALL, Mr. R. D. (St. Michael West Central)
ROETT, His Honour I. A. (St. Michael Central)
SYMMONDS, Hon. K. D. (St. James Central)