
THE

House of Assembly Debates

(OFFICIAL REPORT)

FIRST SESSION 2003 – 2008

HOUSE OF ASSEMBLY

Tuesday, February 1, 2005

Pursuant to the adjournment, the House of Assembly met at 10.00 a.m. on Tuesday, February 1, 2005.

PRESENT

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

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

Mr. D. J. H. THOMPSON, LL.B. (Hons.)

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

Hon. Dame Billie MILLER, D.A. B.C.H. (Senior Minister, Minister of Foreign Affairs and Foreign Trade)

Hon. G. W. PAYNE, LLB.

Hon. R. C. EASTMOND, J.P., B.A. (Hons.), Dip. Ed., LL.B. (Hons.), L.E.C. (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. R. St. C. TOPPIN, LL.B. (Hons.)

Mr. D. St. E. KELLMAN

Hon. Miss H. E. THOMPSON, LL.B. (Minister of Housing, Lands and the Environment)

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, J.P., B.Sc., M.Sc., M.Phil. (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, BSc. (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 Reverend Canon Ivan Harewood.

Mr. SPEAKER: The House is now in session.

MINUTES

Mr. SPEAKER: The Minutes of Tuesday, January 25, 2005.

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, January 25, 2005, 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. 10.20 a.m.

ANNOUNCEMENTS BY HIS HONOUR
THE SPEAKER

Mr. SPEAKER: I am to report to this Honourable House that I am in receipt of the Report of the Auditor General for the Year 2004.

I am to also inform Honourable Members that we have not as yet received from the Auditor General, the copies for Members. We expect that when we receive them this week, we will pass them on to the Members.

PAPERS

Hon. R. C. EASTMOND: Mr. Speaker, on behalf of the Prime Minister, I am commanded to lay the following:

1. Report on the Barbados General Election, 2003.
2. Duties, Taxes and Other Payments (Exemption) (Caribbean Regional Environmental Programme) Order, 2005.

Hon. R. C. EASTMOND: Mr. Speaker, I am commanded to lay the following:

Annual Report and Financial Statements of the Fair Trading Commission for the year ended 2003.

Hon. Miss H. E. THOMPSON: Mr. Speaker, I am commanded to lay the following:

1. Annual Report of the National Conservation Commission for the year April 1, 2001 to March 31, 2002.
2. Financial Statements of the National Conservation Commission for the year April 1, 2001 to March 31, 2002.

SUSPENSION OF STANDING ORDERS

Hon. R. C. EASTMOND: Mr. Speaker, I beg to move the suspension of Standing Orders Nos. 6, 16, 18, 20, 42(5), 43 and 44 for the remainder of today's Sitting.

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

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

Mr. SPEAKER: Government Business is now the order of the day, Order No. 6.

ORDER NO. 6 – THE TRAVEL SERVICES

(AMENDMENT AND VALIDATION)
BILL, 2005

Hon. N. A. LYNCH: Mr. Speaker, I rise to speak on the amendments and validation to the Travel Services Act, in particular this amendment and validation Bill, 2005. I would wish first and foremost to put this particular amendment and validation into context.

Sir, I believe that when we speak, most people link it to the development of our tourism industry. I do not want to engage in wide tourism debate today, but to speak to the concept of travel, the movement of people in and out of Barbados and its importance to the economy, which will have some tourism implications.

Suffice it to say, Sir, that as the travel industry and the tourism industry grow, and the economy expands, I believe it is very relevant to that development, that we should continue to refine areas of product development and services under our travel and tourism services. Of particular importance, Sir, is the issue that as these industries grow, diversities of services are now being created. In addition, as industries grow, they tend to bring along with them, a number of areas that people would not have originally had thought about, in the context of travel and tourism. Therefore, it is important that we continue to add more people to the role, relative to the development of products within the wider setting of travel and tourism.

Sir, the movement of people in and out of Barbados has become very relevant to us in more recent times. We tend to view travel mostly in terms of people inbound to Barbados, such as people coming in for business or leisure purposes and in an international context. As a matter of fact, we have not paid as much attention to the critical area of inter-regional travel, as it relates to the development of our tourism industry and our wider economy.

I repeat, Sir, inter-regional travel, the movement of Caribbean nationals and residents for business and leisure purposes has not been referenced enough in the development of our tourism industry and in the development of our wider economy, and it really has credence in the development of those industries. This has resulted in the underdevelopment of that particular sector, over time.

Sir, there are agencies like the Caribbean Tourism Organisation and others, our own internal efforts, and the efforts of some Governments in the region to shore up that area of development in our tourism and hospitality industries, the reliance more on Caribbean nationals and inter-regional travel, as part and parcel of the industry.

Sir, I must confess that even with the best of efforts, we have not seen this area grow as much as we should, regionally. I must say, however, that in Barbados, we have seen more growth in the inter-regional travel sector in recent times, than some of the other jurisdictions around us. Sir, even within that context, it has not grown as much as it should have, in the area of leisure.

Sir, last year, we saw that our Caribbean tourism figures recorded growth by as much as 8 per cent, in terms of Caribbean Nationals coming into Barbados. One of the areas, Sir, that I think we fall down on is that even though it has grown in that way, we still see more movement for business than we see for leisure travel.

The effort, Sir, to view this region as important for leisure travel is important for the continued development of Tourism and International Transport, as well as the development of our wider economy. Clearly, Sir, to be able to do that, we need to do the following:

1. Continue to refine the bulk of laws that we have under our travel services.
2. Establish reliable inter-regional airline connections.
3. Design specific programmes to encourage people to see the Caribbean as a place where they can spend leisure time.
4. Shore up our accommodation sector in a way that caters more to the people in the region, rather than only catering to people who come from international jurisdictions.

Sir, Caribbean nationals must be educated to believe in the Caribbean as a place of leisure, simply put, and not only to look at it as people travelling from one place to another just to do business. They must be encouraged first and foremost, to vacation at home, and then to start dealing with the whole issue of how we travel about the region.
10.30 a.m.

I have said in this House already that most Caribbean people when they get vacation they travel to Canada and the United States of America to shop and to do all types of things. None of them ever seem to do the same thing that the people in the international jurisdictions do like taking in concepts of leisure. Caribbean nationals must be encouraged to vacation in the region if we are to continue to shore up our fortunes in the travel and tourism industry. This is going to become even more relevant as we seek to create this CARICOM Single Market and Economy.

The existing legislation that we are seeking to amend today, a Bill which came into vogue in 1983, has as its main objective, the registration and control of persons providing

travel services and matters relating to travel. Sir, by way of this amendment and validation, we are seeking to bring these travel services and these persons into the 21st Century, so as to be able to give them an opportunity to do better within the context of the wider ambit of travel and tourism in the region. This legislation provides for the registration of travel agents. It also includes definitions of travel agents and tour operators.

Sir, I want to speak first to the issue of the travel agent because I believe that this is one area of operations within the wider context of tourism development and travel that has been misunderstood and under-appreciated in terms of how it has helped us to develop our tourism industry, our leisure industry, our hospitality industry and wider aspects of our economy. I believe that we have not spent a lot of time on travel agents, given their relevance to our economy. With the advent of the internet and the electronic ways of doing business transactions I have heard people say that travel agents would become obsolete in very short measure, as the service they provide would not be in such a great demand as it was in the past.

However, I think that travel agents and travel agencies have proven that is not necessarily so. With the coming of the internet and with the ease of doing business electronically, travel agents and tour operators, particularly those who package parts of travel, provided they upgrade their services to the customers have been able to stay around for a long time. However, that does not mean that in the future when people become much more competent and feel more at ease with the electronic movement that travel agents may not disappear. What I am saying is that the use of the internet and electronic transactions have not rendered, up until now, many of those travel agents or at least the service that they provide obsolete.

Sir, what has happened is that we have seen in some jurisdictions the growth business providing travel services because people have at their disposal concepts to do things electronically and are to manage the process of packaging electronically even better. Most people, lazy anyway, do not want to rely on their own efforts to go and look for anything on any electronic means and many of them are relying on travel agencies to provide that service for them.

Sir, travel agents are required under the existing law that was passed in 1983 to obtain a licence to do business, to establish trust accounts at a registered bank for the collection of money of which agents and tour operators are the trustees and to provide security by way of a bond executed and guaranteed by a commercial bank or an insurance company.

Sir, travel intermediaries become even more vital as they provide an important service. Their contribution in

creating for Barbados a better opportunity to be a regional hub is another effort that has been pretty much underestimated. People come into Barbados to be dispersed into other jurisdictions in the region and Barbados has now become the centre of the travel movement for the Eastern Caribbean. They, by their own efforts and by what they have done to facilitate the movement of outbound traffic, has kept that flow of traffic by the larger airlines into Barbados that have shored up the number of filled seats on many of the international airlines coming into Barbados. Therefore, the issue is not how many people we bring but the facilitation of the movement of people out of Barbados. Once airlines continue to show high occupancies, people will continue to travel, so these airlines will continue to do business with Barbados.

Sir, because there are not many large international airports around us in some of the smaller islands, Barbados has become the hub for that particular movement. Therefore, it is important that we recognise that and try to create an environment so that these travel intermediaries can continue to do business.

Sir, the law also speaks to fees paid in respect of travel services licences which are specified in that Travel Services Fee Order of 1983. Right now under that Order a travel agent pays \$500 to be registered and \$250 for the annual renewal of the licence. A tour operator pays \$100 for registration and \$50 annually for the renewal of his or her licence.

The original intent of the legislation was to make the Act applicable to both travel agents and tour operators. Section 3(1) of the existing Act states that no persons should carry on a business unless he or she has obtained a licence for that specific purpose. No similar provision was made under the Act for tour operators. However, the Ministry continued over time to register and to issue licences to tour operators following payment of the requisite fees that is stated under the law.

Sir, it is therefore important that we seek to amend this legislation not only to speak to the issue of travel agents but also to speak specifically to the actions of tour operators. Under these amendments, tour operators and travel agents are defined differently and separately within the law. Both the Act and regulations provide for licences and matters relating to tour operators.

Sir, to really draw the distinction between the two, it is important to note that while a tour operator is a person or an entity that packages aspects of travel, hospitality and leisure for a client, a travel agent executes areas relating to air travel. A tour operator in an expanded form also deals with issues of accommodation, leisure, business, water sports and tours. Therefore, there is a need within the legislation to create a strict definition separating the work of a travel agent from that of a tour operator.

Sir, under the existing laws we were lumping the providers of some travel and leisure services under the banner of tour operators when these people were not carrying out tour operator functions. For example, they were only providing for one component of travel or of a visit to a country, they could provide transport services or water sports services. In many instances, we were seeking for them to create bonds and the like for people who were not trustees for clients' money under the Act. Therefore, it is important that we separate the people who are not collecting money and holding it in escrow for their clients as opposed to those who were doing such. Mr. Speaker, the Travel Services Fee Order had also incorrectly extended payment of fees to tour operators and thus the Validation Order to regularise this situation for people who have been paid as tour operators since 1983.

10.40 a.m.

Mr. Speaker, as I said before, the distinct definitions within our environment relative to tour operators and the providers of some aspects of travel services such as water sports, are also given. International tour operators as opposed to local tour operators within our context are people who will package travel services for persons overseas and as trustees will hold money in escrow and will pay it to the providers of the service on the ground in Barbados. We also wanted to have a clear distinction between them and our own service providers in Barbados because previously we were lumping all of them under one specific banner.

Mr. Speaker, in relation to the specifics of this particular Bill, the draft Act has 24 Clauses which seek to amend the Travel Services Act, Cap. 337A. I will go through those Clauses which are of critical importance to us. Sections 2 to 6, inclusive; Section 8 to 21, and Section 26 and 27, Cap. 337(A). We have also inserted a new Clause, 4(A). Section 21 repeals and replaces section 23 of the Act.

Sir, Clause 2 deals specifically with the definition of travel agents, tour operators and travel services. It is now being replaced by a new definition and also the concept of what is called a general sales agent, who only acts on the behalf of an airline, selling travel to a client.

2. "General sales agent" means a person to whom an airline has delegated authority to act on its behalf for the purpose of providing sales of passenger air transportation."

Sir, there are a number of Clauses which refer to tour operators and these are inserted throughout the draft Act,

separating and drawing a distinct definition between tour operators and travel agents.

“Tour operator” means a person who is engaged principally in development, planning, promotion and marketing of travel services and accommodation;

“Travel agent” means a person, including a general sales agent, engaged in the business of providing travel services to the public on behalf of the persons who provide such services and “travel agency” has a corresponding meaning.

“Travel service” means transportation of passengers by air or sea.

Mr. Speaker, Clause 5 strengthens compliance with local tax laws by inserting a new Clause 4(A), requiring certificates to be issued from the Commissioner of Inland Revenue, Comptroller of Customs, Director of National Insurance, before either issuance of a licence through a travel agent/tour operator or the renewal of the same.

4A: “No licence shall be granted or renewed under this Act unless the applicant provides, at the time that he makes an application, certificates from

- (a) the Commissioner of Inland Revenue;
- (b) the Comptroller of Customs; and
- (c) the Director of National Insurance

where appropriate,

- (i) attesting that the last day of the month prior to the month in which the application is made liabilities for the payment of taxes payable under the Income Tax Act and the Value Added Tax Act and National Insurance contributions payable under the National Insurance Act have been discharged; or

- (ii) the applicant has made satisfactory arrangements with the authorities to pay any outstanding taxes and National Insurance contributions; and that the payments are being made as agreed.”

Clause 6 amends Section 5 to ensure that companies that are 75 per cent-owned by Caribbean nationals may be eligible to apply for a travel agent or tour operator licence. This is particularly important clearly within the context of the Caribbean Single Market and Economy and on the cuffs

of us now signing onto the three countries which would be, for the first time, signing onto the Caribbean Single Market and Economy.

- 6. Section 5 of the principal Act is amended by inserting in subsection (3)(b) immediately after the words “Act”, the words “or a national of a Member State of the Community”.

Sir, before the law spoke to this particular area being reserved for Barbadian nationals but now companies that are 75 per cent owned by Caribbean nationals will be able to apply for a tour operator or a travel agent’s licence.

- 9. Section 9 of the principal Act is amended in subsection (3) by deleting the words “responsible for finance” appearing immediately after the word “Minister”.

Here the Minister responsible may now introduce fees by order for the renewal of licences.

- 10. Section 10 of the principal Act is deleted and the following substituted:

“10. (1) Every travel agent and tour operator shall display the licence of that agent or operator in a conspicuous position at his principal place of business.

- (2) Where the travel agent or tour operator has more than one place of business, he shall display a duplicate licence issued by the Registrar in a conspicuous place at each of his places of business”.

- 11. Section 12 of the principal Act is amended by deleting the words “responsible for finance” appearing immediately after the word “Minister”.

Hence the Minister responsible for travel services may now introduce fees by order of issuance for duplicate licences.

- 14. Section 15 of the principal Act is deleted and the following is substituted:

“15. (1) The Registrar shall, during the month of February in each year, publish the *Official Gazette* and in a daily newspaper, printed and published in Barbados, the names of travel agents and tour operators who possess valid licences issued under this Act.

- (2) Where the Registrar Honourable Senators cancelled or suspended the licence of a travel agent or tour operator, notice of such cancellation or suspension shall be published in the Official Gazette and in a daily newspaper printed and published in Barbados”.

This is to enhance the publicity given to annual list of approved travel agents and tour operators by insertion in a daily newspaper, as well as to provide for publications and cancellations of suspensions of licences of either one of these providers.

16. Section 17 of the principal Act is amended by inserting immediately after the words “travel agent”, the words “or a tour operator”.
17. Section 18 of the principal Act is amended
- (a) by inserting immediately after the words “travel agent” the words “or a tour operator” and
 - (b) by inserting after subsection (2) the following subsections:

“(3) Where a decrease in the amount of any security is not made good within the time stipulated in subsection (2), the Registrar shall suspend the licence of the travel agent for a period of 60 days.

(4) Where the travel agent

 - (a) makes good the decrease referred to in subsection (2), before the expiry of the period of suspension, the Registrar shall revoke the suspension immediately.
 - (b) fails to make good the decrease, referred to in subsection (2) by the end of the period of suspension referred to in subsection (3) the Registrar shall revoke the licence”.
18. Section 19 of the principal Act is amended by inserting immediately after the words “travel agent” the words “and tour operator”.
19. Section 20 of the principal Act is amended;
- (a) in subsection (1) by inserting immediately after the words “travel agent” the words “and tour operator”;
 - (b) in subsection (2) by inserting immediately after the words “travel agent” the words “tour operator”; and

- (c) by inserting immediately after subsection (2) the following:

“(3) All audited financial statements shall be submitted to the Registrar by travel agent or tour operator not later than 4 months after the end of each financial year.

(4) Where a travel agent or tour operator fails to comply with the provisions of this section, the Registrar may suspend the licence of the travel agent or the tour operator.

(5) Where the travel agent or tour operator whose licence has been suspended fails to submit the audited financial statement within the period of the suspension, the Registrar shall revoke the licence”.

21. The principal Act is amended by deleting section 23 and substituting the following:

23. (1) Subject to sections 18 and 20, the Registrar

- (a) may suspend a licence where the licensee;

- (i) fails to comply with a condition specified in the licence;

- (ii) is convicted of an offence specified in section 26, other than in paragraph (a), (e) or (g) of that section;

- (b) shall revoke a licence where a licensee

- (i) is convicted of an offence specified in paragraph (a), (e), or (g) of section 26.

- (ii) fails to collect the travel tax required to be collected by the Travel Ticket Tax Act or to pay the amounts collected to the Commissioner within the time prescribed by that Act;

- (iii) whose licence has been suspended fails, by the expiry of the period of suspension, to remedy the matter that led to the suspension.

2. Where the Registrar decides to suspend a licence the Registrar shall give the licensee 14 days's notice in writing, that the licence is to be suspended unless the licensee can satisfy the Registrar that there are good and substantial reasons why the licence should not be suspended.
- (ii) Where after expiry of the notice referred to in subsection 2, the licensee fails to satisfy the Registrar that the suspension should not be effected, the Registrar shall suspend the licence.
- (ii) The Registrar shall, in writing, give a person whose licence has been suspended or revoked, the reason for the suspension or revocation.
- (ii) (1) All licences issued to tour operators by the Registrar of Travel Services on or after the 20th June, 1983 and before the date of commencement of this Act, that were purported to have been issued under the principal Act and would have been unlawfully issued if the Act had authorised the issue of these licences, shall be deemed to have been lawfully and validly issued.
- (2) All fees charged and collected by the Registrar of Travel Services between the 20th day of June 1983 and the date of commencement of this Act, in respect of the licences referred to the Honourable Member for St. Thomas in paragraph (1), shall be deemed to have been lawfully charged and collected under the principal Act.

Sir, I believe the legislation is more than clear because for the first time it draws a distinct difference between a tour operator and a travel agent within our environment. It offers an opportunity for a number of persons to get into the sector. Sir, there were a number of persons who were not playing in the sector before but who could have provided services but being lumped under the definition of travel agent, most of them were never holding monies in escrow for persons and were being asked to provide bonds, *et cetera*. Many small operators who would have wanted to provide a specific service under travel service were never allowed to do so.

This piece of legislation continues to aid us in helping to revive a number of services and a number of products within the wider product-base of our travel and tourism industry that can only allow for better governance and better transparency and to allow us to give people at every level, within this sector, the opportunity to be a participant.

Mr. Speaker, though the Honourable Member for St. Lucy is not in his seat, I know that he always smiles whenever we discuss this issue of community and how these communities play within the tourism aspect. I want to say by way of introduction of this piece of legislation that more people, through this expansion of services, are being allowed to play or to participate better in our tourism and travel sectors, at levels at which they would have never before participated. I think that at the level of ownership, we are seeing more people providing accommodation mostly but also getting involved in providing a number of other services.

Sir, I do take the point of the Honourable Member for St. Lucy and will agree that the issue of more community strengthening and involvement can only bear well for a sector which continues to grow and continues to provide the bulk of living to all Barbadians.

Mr. Speaker, with those words, I ask that this Bill be read a second time.

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

Mr. C. A. MASCOLL: Mr. Speaker, I rise to make a contribution in this debate and I have a number of concerns because the innocence of the amendment is perhaps what is most troubling to me. It does appear exceedingly innocent but I query some of the amendments and contents.

Mr. Speaker, we now have in this Act a person called a general sales agent, which means a person to whom an airline has delegated, on its behalf, for the purpose of providing by sales, transportation to passengers. Sir, I am having difficulty in trying to distinguish between what is a general sales agent with respect to this Act, as compared to a travel agent.
10.50 a.m.

There is no clear definition and distinction, as far as I am concerned, between a general sales agent and travel agent. I have been looking into the Laws of Barbados to find a definition that is broader than a travel agent and I am having severe difficulty in understanding the distinction as it relates to the Act. Would a general sales agent for the purposes of this Act be conducting business only related to air travel, air transportation? Sir, the answer is no because the airline now has the capacity to delegate on its behalf.

Therefore, an airline is now in a position almost to hire anyone and describe the individual as a general sales agent and give such work to that individual. The airline does not have to go through a travel agent as described in the Act. This means there can be further consolidation of work and perhaps vertical integration where airlines can now have greater say within the travel agency sector. I do not know to

what extent that is beneficial or to what extent an amendment is justified in light of the fact that a general sales agent is simply someone to whom airlines have delegated authority.

Sir, this is where my difficulty lies. What really is the distinction in this Act between a general sales agent and a travel agent? I am yet to be able to distinguish it except that I do not like what it portends for the potential of the airlines to further consolidate within this sector. What if Avis, Hertz or some other car agency comes into Barbados, it appears to me that given the worldwide contacts that such a powerful car rental service would have that potential to be able to influence an airline into giving such work to a general sales agent as opposed to a travel agent because a general sales agent is someone to whom the airline simply has delegated the authority to act on its behalf. Therefore, I cannot yet see the distinction between a general sales agent and a travel agent.

Sir, I think there is a definition of general sales agent internationally and while in this instance a general sales agent can be a travel agent, a travel agent cannot be a general sales agent. I am yet to understand and appreciate where we are going with such an amendment.

Mr. Speaker, let me go further to the whole question of what a tour operator means. I have said at the start of my speech that there is an uncomfortable innocence surrounding these amendments because in the original Act, Cap. 373A, a tour operator means a person who in the course of business supplies his own non-scheduled travel transportation to the public, purchases or acquires from another person rights to travel services for the purpose of resale or deals with travel agents or other tour operators for the sales of travel services supplied by another. This is a long convoluted definition of what is a tour operator.

It is true that in the amended version, a tour operator now means a person who is engaged principally in development, planning, promotion, marketing of travel services and accommodation. This is a substantial difference to what a tour operator used to be as compared to what a tour operator will become in this new legislation. The fact that a tour operator can now get involved in development of travel services and accommodation means that this individual can play a very broad role within the sector and is not limited to having his or her own non-scheduled travel transportation and supplying that to the public.

Sir, a tour operator can also now get involved in planning of travel services and accommodation. Again, this is a very wide-reaching responsibility for a tour operator as compared to what a tour operator was under the old legislation. A tour operator can also get into promotion and marketing of travel services and accommodation.

Mr. Speaker, I wish to suggest that this redefinition of tour operator must be with something in mind in terms of the future because this is a radical departure from what a tour operator was under the old legislation. It is now a broad all-inclusive definition of a tour operator such that in the foreseeable future, given the extent to which the Cricket World Cup is intended to influence our tourism, it means therefore, that a tour operator now so broadly defined, cannot be confined by definition to a local. It also means that the skills required in trying to develop travel services and accommodation would be skills not so easily found within Barbados and, in fact, may not even be easily found within the region.

Therefore, I suspect that such a redefinition is to allow for the greater involvement of tour operators from extra-regional sources rather than to develop tour operators within Barbados. Sir, the expertise required to get involved in developing, planning, promoting and marketing of travel services and accommodation cannot now be said to be existing within our current structure in the travel services sector. It is a completely different requirement for a tour operator as compared to the earlier legislation. Unless this amendment is a recommendation of the local organisation responsible for travel agencies, unless this amendment has been engaged in with respect to discussion with these relevant authorities, I can see the extent to which the tour operator now so defined, will be from extra-regional sources and become a major challenge to the existing tour operators within Barbados.

11.00 a.m.

Mr. Speaker, tour operators really control the tourism sector. Those of us who have been involved in tourism would know that you would go overseas and you try to get "Go Go" or some other large tour operator to become involved in marketing Barbados...

Sir, because of their capacity – and they also have the right to be able to send tourists to the rest of the regional destinations – they are many times in a very strong bargaining position, with respect to what can be offered on accommodation and even sometimes in travel, but especially in accommodation, so that tour operators can in fact play off countries in the region against each other.

Therefore, at the end of the day, they very much determine the price charged for a room, more so than the actual owner of the hotel. Tour operators are known to be powerful in terms of determining the overall performance of the industry, with respect to revenues and not just about arrivals.

Mr. Speaker, I therefore see the extent to which this amendment appears innocent but when really investigated more fully, may have more severe implications for the sector

than at first appears. We know from the start that the amendment is to allow for a greater participation of tour operators within the region, that is, our travel agents. Sir, if Barbados is seen now to be attractive to Trinidad, or Trinidad is seen to be attractive to Barbados, then it is possible to have travel agents located, if the numbers are large enough, at the source of our tourists.

Therefore, it would not be impossible to see a Trinidadian company, or a travel agency being established in Barbados because of the extent to which it will have business. It may, in fact, be better served located within Barbados and try to exploit and derive such benefit.

Mr. Speaker, in light of that, I can also see a case in which there will be even greater involvement or desire of involvement on the part of travel agencies and tour operators from outside of the region. Sir, to that extent, I think that in some ways, this legislation is seeking to accommodate what the future holds for us, especially with respect to that very large event called, Cricket World Cup 2007.

This cannot simply be an amendment being made to this legislation without a specific task in mind because again, one could well understand the extent to which tour operators within Britain, Australia, India, Pakistan and the cricketing playing countries, may want to be part of the process, in the year 2007 and, therefore, may in fact be invited to be involved, especially the British Tour Operators, in the whole concept of development and planning. It is known that a local has to be involved to the extent of 75 per cent of the business, but it does not deny the involvement of persons from outside of Barbados and particularly, outside of the region.

Mr. Speaker, let me go further, because we are well aware of the amendments that were made prior to this legislation and the previous debate, with respect to what constitutes a national of a Member State within the community. We know that in order to accommodate the whole process of CSME that we have had to insert within several parts of our laws, a national of a Member State of a community, now becoming truly a national of Barbados.

Sir, we have here provisions for certification, that is, the Commissioner of Inland Revenue, the Comptroller of Customs and the Director of National Insurance must be involved. There have been experiences here locally with travel agents who have taken funds from individuals and were not able to deliver tickets at the point of sale. In this business, unlike the purchase of a pair of shoes, you can pay for a travel ticket by increments. You may wish to organise a trip overseas in August for December, and you may make a contribution early in order to capture a better price.

Sometimes, in fact, you may just be securing a seat because, it is also known in circles that the later you decide to travel, once you can get a seat, the lower will be the price, so you can actually sit beside a person on an airplane, going to the same destination, and pay half of the price of the individual sitting next to you because of the timing of the purchase. Therefore, because you have waited and you have taken the risk and the chance at the last moment, it may be possible to pay much less than someone who may have secured a ticket much earlier.

There are several instances and examples that may not have been made public, in which travel agents in Barbados might have collected monies on behalf of clients and were never able to satisfy the clients at the point of purchase. They would have held such funds over an extended period of time and could have utilised those funds, because there would have been a gap between the actual desire to travel and perhaps a down payment on the ticket and the time in which you travel.

Therefore, a travel agent may very well be able to clock a seat on an airline, without passing on the necessary funds to secure that seat. In light of the fact that they may prefer you to make a down payment, there is a potential for them to have on their deposit, some of your cash and other persons cash that they have not delivered.

Then, because of that circumstance, they may speculate and feel that in light of the fact that they have been able to secure your funds earlier than the time required to pass it on to the airlines, they have a certain degree of freedom to utilise funds that are not necessarily theirs and, therefore, find themselves in difficulty.

Other professions also suffer such fate and we know other professionals have suffered such fate in Barbados but the thing is, are we clear on the extent to which even a value added tax is paid and when you make the payment as an individual seeking to purchase a ticket, even though you have made a contribution towards a ticket already. Are we really clear on those kinds of issues, and the extent to which they can compromise the integrity of the travel service sector?

Sir, there are examples out there and, therefore, perhaps we need to be looking to resolve some of the difficulties that have been experienced. There are several persons who might have worked at a travel agency over time and then developed the expertise or contacts to be able to establish their own but, may not have the security of the older or more established travel agency.

Again, it points me back to what really is the role of a general sales agent in this new legislation. I am not convinced, I did not hear any real explanation as to the

distinguishing feature between a general sales agent as it relates to this legislation, as opposed to a travel agent.

I repeat, again, there must be a reason for the inclusion of such a person and giving that person a responsibility to sell tickets on behalf of an airline, having secured the authority of the airline so to do. Therefore, there must be something else that is not being told. I cannot see why such an agent would be inserted in this process.

Mr. Speaker, there are other areas in which there would be concerns, such as the question of the provision for the submission of financial statements to the Registrar by agents, and the tour operators. Again, because of the nature of this industry, accounting or bookkeeping, whatever we may describe it, will not be as easy for a travel agent as it might be for a shopkeeper because of the lack of synchronisation between the actual desire to have the product, the delivery of the product and the means by which they can make payment over time for it. I am simply saying that when an individual who might have the expertise decides to establish a travel agency, that there would be far more complicated accounting procedures that would have to be undergone than the individual may at first suspect.

11.10 a.m.

As a result, it may become a hindrance to persons with the potential to be travel agents to have to put in place an accounts department to be able to deliver financial statements to the Registrar at the appointed time. So in actual fact you are doubling here in an environment in which tremendous pressure is being placed on a travel agent with expertise to be able to provide financial statements on time and accurately in order to have access to licences, a provision that never quite occurred before but is now part of this new legislation.

Once you see the Objects and Reasons for the Bill at (c), which provides for the submission of financial statements to the Registrar by travel agents and tour operators, you can rest assure that this would not be encouraging to small persons wishing to get involved in the travel business because it adds a dimension to their cost that perhaps they would not be able to meet because they have to rely on airlines to provide businesses for them. Therefore, the extent to which they can generate such business to justify, as a small company, having to have an accounts department of such magnitude to be able to provide financial statements cannot be underestimated as a deterrent to an individual seeking to get involved in the travel services sector.

I am saying that the legislation, without recognising it, may in fact be encouraging the establishment of larger travel agencies in Barbados or the consolidation of the existing travel agencies in Barbados. In fact, it is well-known that

one or two travel agencies over the last two years have been experiencing difficulties financially, particularly those who might not benefit from certain levels of Government work, and were seeking, in light of the impending competition, to get out of the travel agency business. There are some well-known agencies across Barbados that have consolidated. In recent times we have also seen the movement of staff from some of these very well-established travel agencies in Barbados, to a more recently established agency on the West Coast which apparently was able to offer better remunerations and therefore to attract away a wealth of experience from some of the well-known travel agencies in Barbados.

In essence, I am saying that the capacity of the business to be able to deliver at that level of efficiency and effectiveness will be influenced by the size of the company in this instance. Therefore, the provision for financial statements, albeit laudable in the sense of having or ensuring that persons are doing the right thing, may in fact serve to be a deterrent especially as it relates to small travel agencies.

I can well understand that because in this instance, the real issue is not the level of profitability of the travel agency as a contribution to Government's revenue. It is not how much money a travel agency would make because in all fairness travel agencies of these kinds should be thinking in terms of being very small entities and perhaps establishing a company for purposes for being able to get certain provisions under the Income Tax Act but there should not become overburdened with trying to put sophisticated systems in place.

I am saying that in this instance Government will be able to get a major source of revenue from the sale of tickets from a travel agent more so than from any corporation tax or taxes paid on profitability. To put such a condition in place for travel agencies at this stage is not so wise. It is a further deterrent to the establishment of travel agencies which should really be for small people because it is not a major industry with respect to capital requirement and involvement. Therefore, it is not right to come now and institute Object (c) in this Act to put this substantial burden on small entities to get an accounts department working effectively and efficiently to be able to provide financial statements, when it is really Government's desire to get revenue from the sale of tickets more so than the profit margins that may be made.

Mr. Speaker, this legislation may force travel agencies to consolidate and may force the larger agencies to absorb the smaller agencies in Barbados, given the requirements of the legislation. I can see it happening. It is tantamount to asking very small businessmen to be highly efficient in the delivery of financial statements and then see it as a

requirement for access to a licence when it is really another way of taking them out of the system.

Mr. Speaker, I think this legislation should be revisited. I understand the need for companies to keep audited accounts but I also understand the pressure that would be brought to bear on small entities in providing such accounts.

Mr. Speaker, the other thing is the extent to which persons may wish to get involved in this process. For VAT purposes, you require sales to be \$6 000 per month or \$72 000 per year, so you have to be careful that you are not forcing this sector away from the small travel agencies toward the larger entities on the basis of requirement for VAT purposes. I can see instances in which an individual getting involved in this industry may be forced to keep all kinds of records.

Mr. Speaker, we need to understand this concept because the sale of a ticket or the price of a ticket by a travel agent is not value-added by the travel agent, the travel agent is simply facilitating a transaction on the behalf of an airline. So when you look at the sales of a travel agent and you decide that the sales would be calculated in accordance with the price of the ticket, you are going to grossly overstate the performance of that agency because the agency has not priced the ticket or has not added significant value to it, in fact, it may be a commission on top of what the airline is offering in terms of price. Therefore, in doing the books of the travel agency, you have to be conscious that you are not double counting because you are identifying sales of the travel agency with respect to the price of the ticket and not necessarily with respect to the value that has been added by way of the commission that has been granted for the sale of the ticket on behalf of the airline. That is a matter that must be considered. You cannot say that a small travel agency is doing all of these sales when, in fact, it is not. Therefore, you have to be careful not to miscalculate the overall worth and value of such an agency.

11.20 a.m.

Mr. Speaker, I, therefore, have difficulty with trying to force this kind of pressure on a sector that ought to be now a sector of opportunity for small businesses, rather than to impose further deterrence on this sector. Sir, as was said before, the innocence of this amendment must be seen in the context of what will happen in Barbados, that is the potential for larger players to get involved in the travel agency sector and for tour operators to become involved in the overall business in Barbados. This is a matter that has to be addressed within its full context.

Mr. Speaker, I would confess that the Honourable Member for St. Michael South did indicate at the very start of his presentation that he did not intend to have any major debate on tourism and, therefore, would have set the

parameters for this debate. I understand only too well what the Honourable Member's position would be, even though he has not explicitly stated it. Therefore, I intend to live within the parameters or the confines established by the Honourable Member.

Mr. Speaker, let me, therefore, end by saying that the first thing that is required is for a real understanding of what are the qualifications of a general sales agent in this legislation. I am not clear what a general sales agent is, except that it is an individual who an airline has delegated its authority to sell its services but with regards to qualifications, it is not stated within the Act.

The other concern which I have before expressed is that it strikes me, therefore, that an entity that is already large enough to have a proper accounting department, that is already large enough to run efficiently, may simply say that it has a general sales agent within my ranks and therefore, would give the work to that general sales agent and keep the revenues or the potential profit within the company, rather than sending it to a travel agent.

It would also be the case where you cannot expect a small travel agent to be able to compete, with an entity that has simply delegated an individual as a general sales agent and to whom the airline has passed on such authority for sale of airline tickets and, therefore, can far more effectively and efficiently deliver the services at more effective costs as well.

Mr. Speaker, I see the provision of general sales agent as running counter to the intent of the legislation to have a thriving travel agency sector over a number of years, especially in light of the potential for growth and development of the sector with the appearance of Cricket World Cup, 2007 on our landscape.

Mr. Speaker, I suspect that this radical departure from the definition of a tour operator in the previous legislation must be of concern for local players in the sector. This redefinition offers a substantial degree of freedom and scope for tour operators outside of Barbados to become involved in the development planning, promotion and marketing of the travel services and accommodation. In light of that, I see it as providing a loophole through which, not only regional but foreign extra-regional tour operators may be better accommodated within our major services sector and to that extent, I also see the re-definition of a tour operator as a major concern for us in this legislation.

With those remarks, I wish to thank you.

Mr. D. St. E. KELLMAN: Mr. Speaker, after listening to the Governor of the Central Bank of Barbados last week

and now listening to the Minister of Tourism and International Transport, it is clear to me that there is chaos in the economic planning in this country as it relates to tourism and to the finances of this country.

Mr. Speaker, the Governor speaks of an expansion and the Minister speaks of a contraction. It is, therefore, clear to me that as one looks at the amendment to this Bill, one can only see contraction and not expansion.

This is a world of mergers and it seems to me that Government believes that if it could limit the financial services to a 'two-few', that they would be better served. Sir, the evidence is that wherever there are mergers and contractions, the number of persons employed in those areas are also limited.

Mr. Speaker, it is clear that the only thing I can see coming out of this Bill is a contraction as it relates to the number of persons that have been employed in this industry. Sir, we have to understand that Government cannot give aid to any one supplier and that legislation cannot be used to frustrate those individuals who were previously employees and who have sought to become employers, where people now can use their connections with Government so that they can bring legislation within this Parliament to frustrate the efforts of those small people who would want to make a contribution to this country.

Mr. Speaker, it is contrary to "*Kellmanomics*" for the simple reason that we in this country have to understand that we have to expand the output of this country and not to contract it, which is what is happening today.

Sir, what worries me is that there is a clear divide between the Governor of the Central Bank of Barbados and the policy makers of the Barbados Labour Party. When one listens to the Governor of the Central Bank, it is clear that she understands what has to occur to solve the problems within the economy of Barbados but the advice given...

Mr. SPEAKER: Honourable Member, please.

Mr. D. St. E. KELLMAN: We are speaking about this Bill and its impact, Sir.

Mr. SPEAKER: Well, if you are, you are beyond me.

Asides.

Mr. D. St. E. KELLMAN: Well, that is no problem with me, Sir.

Mr. SPEAKER: Could you please get back to the Bill?

Asides.

Mr. D. St. E. KELLMAN: I am listening to you, Mr. Speaker.

Mr. SPEAKER: Please proceed.

Asides.

Mr. D. St. E. KELLMAN: Mr. Speaker, one has to understand the relationship between what was said in this Parliament today and the advice given by the Governor of the Central Bank, as it relates to output. Therefore, when one analyses what is going on in this country and matches the two statements, one would find that there is a serious conflict.

Mr. Speaker, those of us who represent the people of Barbados must understand and will understand what I am saying today because at the end of this amendment the "too-few" will continue to expand. They will erode everything on the West Coast and South Coast, and those employees who have branched out and have looked to Government for aid, would find themselves begging the "too-fews" again to be re-employed.

Mr. Speaker, tourism is our business, let us play our part. But it is clear to me, as I have seen it in water sports, with taxi operators, in BTs operators and with ZM buses, that whenever an opportunity is created for a small man to be able to get something, Parliament would bring legislation to frustrate that effort. Sir, if that is the role of the other 29 Honourable Members of Parliament, then they can count me out. I do not want to be added to that equation. I want to see an opportunity for everyone in Barbados. Tourism is the pie and everybody must have a share in that pie. We, as a Parliament, must stop frustrating the people.
11.30 a.m.

We must understand that we are not now only frustrating people but the country. We do not seem to understand the importance of cost accounting. We have to understand that delivering the product at the right price is the important thing and not repairing or painting the building but expanding it that is important to this economy. If we do not understand this, the country will go nowhere and we would continue to borrow the way we are because we are not creating output. We are living on borrowed time and we do not understand it. We believe that when a piece of cake is to be shared that it must be shared among the "too-few" but, Sir, what we need is an expansive relationship.

Mr. Speaker, when we had the sugar industry the small holders had an opportunity to be part of the sugar

industry but now that we have the tourism industry, which everyone has to depend on, we want to limit people because we believe it is a market for only those who have capital and that those from the labour class who manage to save a few cents and call it capital to own a little business, we want to frustrate the efforts of those persons.

Sir, we seem not to understand what we are doing. We call ourselves parliamentarians and are not in that particular grouping but we were sent here to represent them. We were not sent here to represent a minority but to represent everyone. I am calling on all the Members on the Side of the Government to understand that they are limiting the development of the masses of people in Barbados under a system which needs to be changed.

Mr. Speaker, we talk about changes in this country and we go to all kinds of frivolous things that would not enhance the lives of the citizens of Barbados but when it comes to real change, we try to reverse it. This is exactly what is happening. We are trying to reverse real change and we have seen a system where a "too-few" had dominance and is now being attacked by the masses of people in Barbados. We are using Parliament after going out there and asking the masses to give us votes, which put us here, we are now using the same road to destroy those people who send us in here. Sir, sooner rather than later, instead of there being 100 businesses involved there would be only between one and six, then we will hear how well tourism is doing but the question is, who would it be doing well for.

Sir, the tour operators must understand that capital is not the only thing. It is clear to me that this Bill is influenced by capital. Who can pay the piper can call the shots. This Bill is not going to happen because it calls for a fight and if I had anything to discuss for the balance of my life, it is going to be this Bill. It is not whether Barbados should become a Republic or not, this Bill is the important thing because it deals with the development of the masses of people in Barbados and if I do not fight against it, it will contract the economy and not expand it.

Mr. SPEAKER: Honourable Member, if you relate your general comments to the actual Bill it would be more effective.

Mr. D. St. E. KELLMAN: Sir, we have to understand that whether one pays \$500 in the first year and another pays \$250 in the subsequent year is not important. The tour operator only pays \$100 yearly but that is not the problem. The biggest problem we are correcting is ease for the small man to become part of the tourism business. This is what we are correcting. No one should be fooled because it is frustration that is being put on the backs of the masses to make sure that a clique remains in a particular position. Sir,

people will use all kinds of tactics and can cloud it in all sorts of ways.

Sir, earlier I call you as a referee when the Honourable Member for St. Michael South started to speak about tourism in the region. Mr. Speaker, I could not believe my ears because the Honourable Member seems to know how to put in the plug at the right time hoping that he could divert attention from the main issue. It is quite obvious that the Honourable Member felt that once he spoke about gathering tourism from the region, that automatically he would divert my attention from the main issue so that I could accuse him of copying another of my ideas.

The Honourable Member for St. Michael South is known for cursing good ideas. Sir, you know you cannot curse in here.

Mr. SPEAKER: So you will withdraw that word.

Mr. D. St. E. KELLMAN: Sir, I never said he cursed in here. I said he is known for cursing good ideas. I never said that you allowed it.

Mr. SPEAKER: It is a matter of semantics. You said the Honourable Member is known...

Mr. D. St. E. KELLMAN: Right. I told you that he cannot curse in here.

Mr. SPEAKER: I do not think we understand each other.

Mr. D. St. E. KELLMAN: You have to watch your bat and pad. You are pushing your bat at a ball that is not there, Sir. Do not defend the Honourable Member because he can defend himself.

Mr. D. St. E. KELLMAN: Sir, we have to understand that tourism must be protected but not for the "too-few" and that it must be protected for everyone. We have to understand that this is a very competitive world but we must not allow one person because they have the capital to believe they can own everything in Barbados. If that company falls through, this means that the whole of Barbados will fall.

Sir, the sugar industry is now recognising that if the small holders were treated correctly that the industry would have been better served especially now that the Euro is rising because, Sir, it is capacity that is important.

Sir, I am drawing an example. The reason the large contractors and processors allow small holders to grow

chickens for them is that they know that if all are put in one location and there is a problem with disease that the entire industry could be wiped out. Sir, why are we bringing a Bill to wipe out the whole tourism industry? Why not spread it, instead of limiting it, Sir?

Sir, I am calling for us to spread the industry and not limit it. It is up to the other Members on the Other Side to defend the case which has been put on the Table. Sir, it is clear that a case has been put and that they have to defend the case. I thank you, Sir.

Mr. SPEAKER: The Honourable Member for St. Philip West.

Dr. D. C. ESTWICK: Mr. Speaker, I always believe that when I come to this Honourable Chamber, I come to do a serious job on behalf of the people of this country and I am not going to be sniggering about serious matters nor 'making sport'. I am very serious about debating this Bill today because I believe it has implications for the survival of the travel agents in Barbados as well as implications with respect to how the definitions can be applied under the new amendment.

I believe very strongly that the definitions as would now be found in the amendments are very confusing indeed and I will make it my business to attempt to explain those definitions to the people of this country and what are the meanings.
11.40 a.m.

Mr. Speaker, a travel agent undergoes a rigorous, analytical procedure regarding their capacity to function as a travel agent by IATA, before they are given a licence to do business. Prior to issuing that licence major due diligence is done, with respect to the travel agents capability.

Sir, under that same IATA Agreement, a licence issued to a travel agent, if my memory serves me correctly and my research is correct, that travel agent cannot be a general sales agent. If we accept that a travel agent cannot be a general sales agent, then I have some fundamental problems with the new definitions, as expressed on page 2.

Sir, let us look at the original Act, and I will read from that Act what is the definition of a travel agent.

"travel agent" means a person who carries on the business of selling to the public travel services provided by another person; and "travel agency" has a corresponding meaning;

Therefore, a travel agent sells travel services, Sir, which is a broad set of services. It is not just the sale of a

ticket. If we look at how travel agents in Barbados operate, not only do they sell cruise tickets, but they sell a whole range of other inputs.

Mr. Speaker, let us look at what happened under the new amendment. The new amendment speaks now to a travel agent as a person including a general sales agent, when the same amendment on page 2, defines a general sales agent in this manner.

"general sales agent" means a person to whom an airline has delegated authority to act on its behalf for the purpose of selling passenger air transportation;

Sir, in order to take the general sales agent and to insert that sales agent within the definition of a travel agent, then what it is in principal doing, is allowing without reservation, general sales agents to get involved in business activities that they could not have got into before.

If I am incorrect, Sir, I would want the explanations to be clarified by the Honourable Member because, all of a sudden now, a travel agent includes a general sales agent whereas, under the IATA rules, a travel agent cannot be a general sales agent. There is something amiss with this and I think the Honourable Minister responsible needs to come to the Honourable Chamber and explain this situation.

Sir, one of the other areas of concern to me is the fact that the travel agents in Barbados have been under pressure. There were 21 travel agents in Barbados in 2003, and in the year 2003 two businesses closed. In 2004, four additional businesses closed. I want to ask the Honourable Minister if we are now seeing a reduction in the number of travel agents in Barbados, and if it is now a move by the Government to define a travel agent to include a general sales agent that was not in the original law, and if this would mean further reduction in business for travel agents, Sir, because it now allows an airline to utilise their sales agents or themselves to get involved in travel agent services provision.

Asides.

Dr. D. C. ESTWICK: The definition allows for this, Mr. Speaker, and I think the Honourable Member needs to read with some measure of clarity. He has no profound understanding of his own piece of legislation.

Mr. SPEAKER: Please, no need to go there.

Dr. D. C. ESTWICK: The point I want to make here is that, it used to be that travel agents could retain 9 per cent of the sales, and that was reduced to 6 per cent. In addition

to that reduction, they have to get an annual audit as required under the law. Further, they now have to get Customs clearance, Income Tax clearance, and NIS clearance.

Sir, this is a sector that is obviously under pressure, because we have been seeing reduction in the number of businesses in operation. I want to ask the Honourable Member if this means that there is an environment for further growth, or whether the mechanisms being put in place are designed to undermine and allow for further reduction in the number of travel agents operating in Barbados that will allow bigger players, and players who were not traditionally within the travel agent service operations to get involved.

I would also want to ask the Honourable Minister a question with respect to the bond. If a travel agent today, via electronic means, can automatically transfer revenues to the airline – additionally, because of electronic nexus, airlines know automatically how many sales are made in a travel agency on a daily basis, I want to understand if a requirement of approximately a maximum of one week, for the transfer of funds to an airline – why is it that the bond is so high? Why is it that the bond of \$100 000, if my research is correct, is significantly greater than that for a tour operator who handles a lot more business and there is greater risk? Sir, the payment for tour operating services are sent into Barbados sometimes weeks or months in advance, yet there is only a \$10 000 bond, but a travel agent must carry a \$100 000 bond when there is obviously a much greater risk, with respect to the time it takes to execute or utilise those funds, whether or not they are in escrow. I do not know.

Sir, I also want to ask other questions. If an airline gets 94 per cent of the profits, why is there no bond? What guarantee exists for the consumer? Is it because of the size of the airline that you think it would not go out of business and the consumer would not be affected? I do not think that is a reasonable postulate, Sir, because we have seen worldwide, many airlines and people who had a contract for service, had that contract compromised because of airline failure, so I am not going to hold that logic.

Sir, I simply want to understand why for the entity that gets the largest percentage of the revenue, there is no bond, and the second entity, which is a tour operator that carries a larger risk than the travel agent, in terms of the amount of time you have to hold the money, why that bond is only \$10 000 and the bond for travel agents is \$100 000.

I want the Honourable Member to explain these anomalies to me because I see them as anomalies. Sir, if we are about to enter into CSME and FTAA, I want the Honourable Member to explain also to me how this amendment will allow for a travel agent or a tour operator to

become more effective, in terms of capacity building for competition, which is what we should be doing.

Sir, we should be looking not only for efficiency but, we should be looking to allow them to compete more effectively, not put more tiers of administrative regulations on them. This is not what I think should be happening. As a result, I want the Honourable Member, in his most inimitable style, full of hyperboles, to explain it in one of those attacks of conscience.

11.50 a.m.

I also want to look at another area of concern. The Honourable Minister explained at the beginning the importance of this particular sector with respect to the movement of people to and from Barbados and its implications to the general economic development and growth. I want the Honourable Member to explain what growth he is talking about in the sector because the numbers have been declining with respect to the number of travel agents operating in Barbados. I want to find out if it is as a result of not only the administrative elements, because I remember distinctly the Honourable Member for St. Michael North West explaining that many of these new additions can add additional cost that has to come out of six per cent of every sale. That does not seem to be an environment that is going to foster growth and development.

The only logic I can find in this amendment goes right back to the definition. A travel agent, now automatically includes a general sales agent, but before a general sales agent only had the authority to sell passenger services, so there is a fundamental problem with this amendment. This amendment is designed to allow other players to get into the travel agent area of business, there can be no other explanation, none whatsoever.

Mr. Speaker, it is always important to repeat, I do not mind those who talk about repetition, because learning requires frequency and recency, so before I sit I want to tell the public of Barbados again what is wrong with this amendment. The original Travel Services Act, Cap. 373A defines a travel agent as a person who carries on the business of selling to the public travel services. Under the new amendment a general sales agent is defined as a person who has been delegated by the authority of an airline to sell passenger air transport.

Mr. Speaker, when you go now in an amendment and add to a travel agent a general sales agent, I really want the Honourable Member for St. Michael South to explain that definition and what it means to the potential loss of business because of competition to travel agents because all of a sudden now a general sales agent can act as a travel agent.

Under the International Air Transport Authority (IATA) Rules, a travel agent cannot be a general sales agent. So unless I am mistaken, I will sit quietly and wait for the Honourable Member for St. Michael South to explain these situations to this Honourable House.

I thank you very much, Sir.

Mr. R. L. SEALY: Mr. Speaker, the amendment we are carrying out here today on the ten-year old Travel Services Act, to my mind, presented an excellent opportunity for the Honourable Member for St. Michael South, the Minister of Tourism, to maybe answer a charge that has been made both inside and outside of this Chamber and in this very debate by the Honourable Members for St. Lucy and St. Philip West.

There is a feeling that only a few are benefitting from our tourism industry. Again, travel services in the context of tour operators, destination services and destination management, and as it relates to our tourism product is an area where clearly one can see ordinary Barbadians getting a chance to have a stake, to own a stake or to have an entity that truly benefits directly from our tourism industry.

Mr. Speaker, I was rather glad when I heard the Honourable Minister say at the beginning, I was on my way here, that this would not be a tourism debate in his traditional way. Mr. Speaker, we have heard that debate from him. That brief is dog-eared and tired. He has used it at least on five occasions since I have been in here. We have heard that same old speech about arrivals and airlifts, but if we want to see ordinary Barbadians benefitting we must take the debate beyond that.

Mr. Speaker, it would mean nothing to a youth in the Gaza Strip or in the West Bank to hear about the arrivals in airlift to Jerusalem. Jerusalem is a highly sought after destination and many tourists go there, but how does it impact on others in the occupied areas. Just like in apartheid South Africa, Sun City was very attractive but what did it mean to the residents of Soweto. Therefore, to come in here and talk about arrivals and airlifts and not speak about how the youth in Carrington Village, Martinique Road and St. Lucy will benefit does not make any sense. Mr. Speaker, I really thought that we were on the verge of hearing something meaningful from the Honourable Member for St. Michael South.

Mr. Speaker, the consolidation taking place within travel services is of concern to the Honourable Members on This Side. We have spoken about it already on previous occasions but it needs to be reiterated here today. Too many travel agents are struggling. Many have had to give in to one man. Who is this man and why it is that he should own all of the entities offering travel services in Barbados? How much sense does that make in the context of trying to empower and

carry Barbadians forward in the context of entrepreneurial development and in the context of local Barbadians developing their skill here and going into the wider theatres since we are talking about the CARICOM Single Market and Economy and the hemispheric free trade area. That is where I thought we would have located the debate.

Mr. Speaker, I associate myself with the concerns that were made on This Side, for example, the air to sea transfer programme and the participants of that programme.

They land on an aircraft at the Grantley Adams International Airport, hop on a bus and are taken straight to the side of a vessel berthed at the Deep Water Harbour. What opportunities are there for these people to interface with Barbadians so that they can have an opportunity to enjoy some of the 'sweets'? Too much money that comes in here goes back out in the pockets of our visitors. That is something that I really feel the Ministry of Tourism would be well-advised to look at. Arrivals and airlifts are fine, but if the people are coming in and taking back out what they are bringing in, it is not impacting on the country in a positive way. Mr. Speaker, the brand new spanking airport is a travel service too because it speaks to the promotion of persons travelling by air. I wait with bated breath to see how the concessions that would be given out to persons who are given opportunities to offer vending and other services at that facility are going to go because I heard some rumblings, and I am speaking under the definition here of a travel service...

Mr. SPEAKER: Please, Honourable Member. The Chair is not so naive that you could say that you want to speak about such and then say that you are referring to travel services. What the Bill is about is clearly before us. 12.00 noon

Mr. R. L. SEALY: Mr. Speaker, as I said, I sincerely hope that travel operators and other persons would be afforded the opportunity to provide other services within the context of our tourism product and that we would try to widen it and not narrow it to a few. Sir, we say that tourism is our business and the only way that it is going to become a reality and not an idle mantra, is if persons are given the opportunity to have an actual stake in the industry.

With those few words, I am obliged to you.

Hon. Miss H. E. THOMPSON: Mr. Speaker, there are a few points which I would want to make on the legislation before this Honourable Chamber. I want also to speak to some of the issues that were raised by Honourable Members on the Other Side.

Sir, in my view, though put in a most convoluted way, the Honourable Members on the Other Side are seeking to ask two questions which are: Does the legislation, as it is framed, concentrates travel industry business within the hands of a few, therefore, excluding competition in the market? The second question relates to a far more tightly-worded legal issue and speaks to the question of whether or not the language in the interpretation section of the amendment, by including general service agents and defining them to act as travel agents, constitutes an inherent conflict of interest and gives to the general sales agents, who also operate as travel agents, an unfair advantage. I think those are the issues before this Honourable Chamber and the Honourable Member who brought the legislation today will have to look at the language to determine if that is, in fact, the import and the consequence of the amendment. If that is the case, then the Honourable Member would have to determine whether or not that is, in fact, the impact that one wants to have.

Mr. Speaker, a general sales agent is designated by an airline to stand in that airline's place and to act for that airline. That has been the traditional purview and scale of operation of the general sales agent. Sir, ordinarily, as a general sales agent, I would not have a scale that includes general travel agency operations or general travel service operations. My field of operation would be narrow. It appears that the legislation is now allowing that general sales agent to operate as a general travel agent, in which case the question would be: Is the competition between that general sales agent/travel agent fair and equal to the person who is designated as the travel agent only? That general sales agent would have an exclusive relationship with the airline and can, theoretically, sell more quickly and have greater access. Therefore, it would appear that the general sales agent would be put in a conflict position and would have an unfair advantage over someone who is a travel agent only.

Sir, that is the issue which is before the industry and I think that is the issue which the Opposition is seeking to put before this Honourable House, though it has not been framed in that way, is a question of the definition section and whether that is what the Government wants to do. When the Honourable Member returns to his seat, he will answer that question and what the legislation is intended to say. In addition, some lawyers will have a field day over legislation like this because this is the stuff of which lawyers are made.

Mr. Speaker, I can say though, unequivocally, that the Government does not intend to concentrate the business in the hands of a few. What the Government wants to do, is to ensure that there is proper regulation of the industry and that the playing field is opened for all. We are not intending to give any particular group or individual an unfair advantage over others.

Mr. Speaker, we also have to recognise what is happening. The airline industry has become a highly competitive industry, not only because of the number of persons working as travel agents in the field but also because of the advent of the internet, direct sales and the frequent use of 1-800 numbers, including the fact that individuals can always go on line, totally ignoring the services offered by the travel agent altogether, book their own tickets, seek out their own services or pay with their credit cards or at the airport counters. In fact, the whole issue of having to go to your travel agent to receive a paper ticket in your hand, is now almost an obsolete concept. What are now being used are what are called e-tickets, where one would arrive at the airport, book in at the counter, hand in one's passport and receives one's boarding pass.

Mr. Speaker, therefore, the industry has changed dramatically and what we are now having is a three-sided fight with the consumer playing a direct role and acting as his own agent, accessing services on his own, without the role of the travel agent.

Secondly, the travel agencies are providing a service, and there are some of us who like that service. I, for instance, like to call up my travel agent, who is a very handsome man and has been a friend of mine for years and say to him, how can I get to such a place, what is the shortest route, what is the least expensive. Sir, I enjoy the human contact but for others, it might be more important to them for them to dial 1-800 number and wait. Sir, for me, I do not want that. I want a voice on the other end who would respond to me and would deal with my questions. Sir, the point remains that by getting direct access to services, people are able to save money by cutting out the middleman, *et cetera*.

Thirdly, there is the airline industry itself. This industry is undergoing rapid and phenomenal changes. There is entry into the marketplace of the low-budget carriers which are reducing tickets and slashing fares almost down to zero, using smaller aircrafts in a way that the larger and traditional airlines with much bigger overheads cannot compete. There has been an increase in fuel charges, therefore, resulting in an increasing cost to airline tickets and airline services.

In addition, there is now being imposed on airlines a higher operational cost arising out of the September 11, 2001 terrorist event, the new thrust towards anti-terrorism protection. Hence the cost of operating an airline from the security measures alone is considerably increased.
12.10 p.m.

Sir, one of the points fundamental to this discussion which has not been made today is that facing these expenses in the industry, airlines are seeking to cut out travel agencies all together. This has nothing to do with quality of service

but with the bottom line. It has to do with the fact that when a travel agent writes a ticket for a person that a commission is payable by the air carrier or sea carrier to the travel agent who makes a profit in that way. If the carrier can cut out the travel agent and deal directly through the GSA, on the computer or through 1-800 number, their margin of profit is considerably increased because they are not paying the travel agent.

Sir, consumers are going to have to make up their minds about what they want. Do we want the personalised service and the range of services offered by the travel agent, book on the internet or to call the 1-800 number but, Sir, not everyone can cope with that. Sir, my parents would not be able or prepared to cope with the internet or the 1-800 number, so there is a role for the travel agent who can seek out the services you want to access at reasonable prices.

Sir, moreover, there is a role for the Government to play because as long as travel agents exist, they are employing people, hence the protection of the travel agent for the preservation of jobs is of critical importance to industry and to us in Barbados. I wish to urge the Honourable Member for St. Michael South, who brought the legislation today that people in the industry are urging that Barbados should consider legislating the commission and benefits which travel agents are entitled to enjoy. Sir, in that way, we would secure and protect jobs, secure the role of the travel agent which does not preclude the operation of the GSA, or the direct sale to the consumer but involves protecting the jobs of those who are involved in the industry.

Mr. Speaker, the protection and legislation of commissions to travel agents have taken place in countries like Belize and Argentina without adverse impact on the industry and without a substantial falloff of the carriers going into these countries. This is something that we might want to contemplate in the future for protection of the industry without seeing a consequential reduction in the number of carriers that come to Barbados.

Mr. Speaker, moreover, it would prevent the arbitrary reduction in commission to the travel agency by air carriers. We have to understand that the travel agent is in a position of powerlessness *vis-a-vis* the airline or cruise lines because they are big operators in position of power. If they say to the travel agent that their rate will be reduced, make an arbitrary, unilateral decision, without consultation, discussion or agreement by the travel agent, it has implications for the number of people that the travel agent can employ and whether or not they can make up their own operation margin. Sir, to meet their operation cost they have to charge a service fee to the consumer buying the ticket or the prospective traveller.

Sir, we need to discuss these issues and have a broad picture as to how the industry is changing in the light of technology and competition with the entry of new players into the marketplace and what the likely directions are for the future of the industry.

Mr. Speaker, as more tourists come to Barbados and as Barbadians travel more because frequently when we talk about tourism and speak in terms of travel and activity in the airline, for whatever reason, we only hear the statistics about arrivals. Sir, for instance, I would like to know how many Barbadians are travelling every year and where they ago.

I would like to know if they travel by air or whether they prefer long-stay or short-stay holidays. Is the cruise business out of Barbados by Barbadians increasing? How are we spending our money in the travel industry? This kind of analysis needs to take place if we are to draft policy and if people in the industry are to understand the dynamics in the marketplace.

I am not aware if the Minister of Tourism keeps statistics of this sort but it would be good, if the House for its information has access to this kind of data and these kinds of statistics.

Sir, in making this legislation concerns occur because with Cricket World Cup and the increased travel expected in and out of Barbados. Sir, issues of revenue generation and who would be accessing that revenue and benefitting from it, are of concern to the Chamber and Barbadians. If there are new international players coming into the marketplace as is being alleged, then the likelihood of profit being repatriated from Barbados to other countries would be a cause for concern?

Sir, I am pleased to say that the legislation as presently worded seeks to constrain the entry into the market by large players. It indicates that there must be a majority shareholding in companies by CARICOM nationals seeking to carry out certain types of travel related activity. Sir, by seeking to insert that amendment, it is clear that the Ministry is cognisant of trying to find some level of protection for the Caribbean operators so that they are not competing against persons and entities far more powerful than themselves and who have the capacity to exclude them from the marketplace altogether.

The question also arises as to what level of international interest will there be in these aspects of services. With trade liberalisation clearly, more and more, various spheres of economic activity are going to attract entrance from outside and it is then a question of how the local market and operators are going to seek to protect themselves to remain competitive in an open marketplace.
12.20 p.m.

Equally, an issue has been made over the new definition of a tour operator. I must confess, Sir, that I did not see it as sinister, lacking in innocence or an attempt to bring in international operators and give them a large share of the pie. I did not at all interpret it in that way because, essentially, when you read the definition section, it only seeks to indicate what tour operators are presently doing at this time. There really is no mystery to this because of the language.

“...who is engaged principally in the development, planning, promotion, marketing of travel services and accommodation.”

These are the kinds of activities that tour operators carry on at this time, including local, indigenous – because sometimes we do not say black – and we use the euphemism ‘the small black man’, and so carry on. I can identify people from my constituency who operate as tour operators and they are not international citizens. They are Bajans. Therefore, even though the Minister has not explained why they would have thought to change the language from the way it was in Chapter 373A to the present structure, the two rolls seem so varied, in reality, the language in the present amendment only captures activity which is already ongoing.

I think, Sir, that I have sought to raise the issues of concern as I understand them and I would wish to hear from the Honourable Member for St. Michael South what is his view on the language, and the import of the language because that is what the debate is about. Does it seek to consolidate power in the hands of a few, and does it allow GSAs to operate as travel agents? If it does, would it put them in a conflict of interest position and does it give them an unfair advantage?

On the question of protection, Sir, the reality is that the business place, the marketplace, or the economy, however we define it, is changing locally, regionally and internationally. It is in transition. There is a high level of competition and the intervention of modern technology changes the way that business occurs for all of us. It is therefore going to be critical that persons who are in the business as travel agents seek to retain a competitive advantage, in relation to what they do.

Sir, already I see local travel agents putting themselves in a position to deal with the competition. Last night, I saw a travel agency advertising very vigorously on television. Yesterday afternoon, I heard another travel agency marketing its services in a very powerful and dynamic way and getting testimonials from people who had employed and used, apparently with tremendous satisfaction, its cruise services and various other packages.

Therefore, part of what we are seeing, Sir, is almost like labour pains. As the economy changes and the dynamics of doing business change as well, people are stretching and adapting to the present circumstances in order to be able to make a living. The travel industry, Sir, is perhaps one of the most rapidly changing industries at this time, given the level of competition in the marketplace, more aggressive marketing, and a number of other reasons.

I believe, Sir, that the Honourable Member for St. Michael South in his comments will need to give reassurance to the country, as to the Government’s intent and purpose with the amendment before the Chamber today, and also seek to give us some guidance on whether the language captures what it is he intended or whether the framing of the language defeats the purpose that is intended.

With those few words, Sir, I am much obliged to you.

SUSPENSION OF SITTING

Hon. R. C. EASTMOND: Mr. Speaker, I beg to move that this House be suspended until 1.30 p.m. today.

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

The question that the House be now suspended until 1.30 p.m. was put and resolved in the affirmative without division and Mr. SPEAKER suspended the House accordingly.
12.26 p.m.

RESUMPTION

Mr. SPEAKER: This Sitting is resumed.

Mr. R. D. MARSHALL: Mr. Speaker, I just want to make a very short intervention as debate on this Travel Services (Amendment and Validation) Bill, 2005. The Honourable Member for St. James South in her presentation did extremely well as she spoke on the matter pertaining to the contribution made by the travel agents in this country. In essence what she was saying is that at the end of the day whatever becomes of the travel industry and the travel agents is based on the amount of service that is put in by these players in the industry.

Sir, the travel industry is no different from the insurance industry that I came from where success of the industry is based on service. Sir, people believe that we are seeing the last days of the travel agents. In the past travel agents were paid very good commissions but over the years we have seen these commissions being eroded in that the airlines were cutting back on the amount of commissions paid to these agents. As a result, we have seen a number of travel agents leaving the business.

Mr. Speaker, I believe that this is not intentional by the airlines but eventually we will see the demise of these travel agents who play a very important role in that they give the personalised service that is needed out there. Sir, I have a good example of that. Last year while my daughter was in The Bahamas doing an audit, she took sick and wanted to get home. She kept calling 1-800 number trying to get a flight out but to no avail. She called me late in the night, Mr. Speaker, and I was able to get hold of her travel agent in Barbados who was then able to get her on a flight home early the next morning. What I am trying to say, Sir, is that it is that one-on-one service that is very important in the business.

Sir, many of these travel agents used to work for the same airlines in their offices but they were encouraged by the same airlines personnel to go out there on their own and bring in business on behalf of the airlines, just like what an insurance agent does. Now that everyone is talking about downsizing and profit margins, every day you are hearing that there is a cut in the commissions paid to the travel agents. Mr. Speaker, I know of travel agents, who, years ago, would have built the airline industry. For example, the proprietor of *Going Places*, Hazel Norville, before she sold her portfolio, worked in the airline industry for British Airways. These are people who would have built the industry. They have encouraged people to come and work for them but as I said, they are slowly going. Sir, I believe that anything that can be done to help to stop this decline in the industry would be good because at some time in the not too distant future, we will see these travel agents becoming a thing of the past.
1.40 p.m.

Mr. Speaker, travel agents play a very important role in the industry and it is going to be a sad day when we cannot have that personal service which the travel agents give to the travelling public.

Mr. Speaker, I am obliged to you.

Mr. R. D. JONES: Mr. Speaker, as I make a very brief intervention on this amendment to the Travel Services Act, of course, I am moved by the contributions of all Honourable Members and of the need to support and to protect important segments of the entrepreneurial class of Barbados. One would recognise that persons who are being referred to as travel agents and tour operators, as has been said, have emerged out of the belly of the wider tourism product. As a result of that, one then recognises the particular talents needed to develop those entrepreneurial skills and abilities. Sir, the wider travelling public is aware of what they are doing. In fact, those of us who are involved in sports, recognised the invaluable service which they provide for sporting organisations across the length and breadth of Barbados.

Mr. Speaker, therefore, even though we might be involved in a dinosaurian stance in seeking to protect travel agencies from the onslaught of technology because technology in itself is playing a role in diverting human traffic away from travel agents' offices. It is quite easy now to go on line, as long as one has a valid credit card, and book a flight. One can book all related services relevant to one's movement either by air or by sea. Therefore, we are nostalgic about this class of entrepreneur in Barbados. There are realities which are causing change to take place. Sir, change in itself is an inevitability. It is not always sometimes good but it takes place.

Mr. Chairman, as I was listening to the Honourable Member when he spoke of his daughter and to the difficulties she experienced, I have had a recent experience where the travel agent was able to elicit a very focused response. We had a football team in from St. Vincent last weekend for a match. There were some difficulties regarding those players, which, within a matter of a few minutes, were resolved by the travel agent on Saturday, working on the behalf of those players who were coming from St. Vincent.

Therefore, in this regard, we recognise the magnitude of the service they do provide. We recognise that proximity of service to individuals. It would be a sad day if what I would call that proximity of service is eroded and replaced by a computer mouse operating on a server in an airline office somewhere. But that is a reality. I think, nevertheless, we can still have a mesh with both because there will always be human beings who will not relate to the technology to provide service for them. Therefore, there will be some travel agents who will survive but they must be sharp, efficient and effective, and must give value for service. If they can do that, they will still be able to survive what can be seen as part of the turbulence of the travel related services and sectors, either here in Barbados or across the wider world.

Mr. Speaker, I have some concerns as we look at the landscape of Barbados relative to persons involved in these services. I think that we in Barbados, in this industry, have been looking across the wider world and have been copying many of the behaviours in the wider world relative to their business. There is a view that the larger one becomes, the better one would be, with greater economies of scale, *et cetera*. I believe, especially in small economies like ours, it is, to some extent, a fattening of the calf because regardless of how large our domestic operators become, they are minimal in the wider marketplace but if they fatten themselves, someone else could take over what they are doing.

Mr. Speaker, we also have to be careful that as companies in Barbados become larger and larger, that there

are not dislocating or destroying others who would provide an important service in the country. One might say that only the fittest should survive and that is the language of the jungle. Some persons refer to capitalism as espousing the language of the jungle and it is not a language to which I particularly would like to relate.

Mr. Speaker, in these small economies rather than one person seeking to take over everybody else and to control every aspect of the travel agency destination management facilities in Barbados, that you can have a horizontal alignment of persons involved in the travel services sector, where there would be a certain degree of synergy while operating. Therefore, all persons in Barbados would express some satisfaction with their share of the pie, rather than what we are now having where one or two large players are beginning to emerge or have emerged, and are using every knowledge and expertise to stifle out the creativity and various methods used by others to ensure that there are able to survive, to provide for their families and their workers.

Sir, we thought, to some extent, that the world should be leaning more and more towards small, sharp and efficient businesses but this, in truth and in fact, is not what is happening. Therefore, we, in this Parliament, have to be careful as we seek to make amendments that, in fact, we are not assisting those persons in displacing a whole mass of others, as they seek to fatten themselves off of the wreckage of those particular travel agencies or destination management companies.

Mr. Speaker, this is only a caution as we move forward into the new world with the various structures that we are seeking to provide.

I thank you, Mr. Speaker.
1.50 p.m.

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

Hon. N. A. LYNCH: Mr. Speaker, a number of relevant matters were raised during the debate and I want to thank Honourable Members on Both Sides for the enlightened comments they brought to debate. This is a piece of legislation, not as some Members on the Other Side would seek to suggest is going to cause such great disruption within the industry, is not intended in any way to create a distinct advantage for one set of parties over another. As a matter of fact, if the legislation is taken within the context as to why it was tabled here in the first place, we would see better protection for those of us who use travel services in the country and also serve as a basis for some to expand their businesses rather than this concept of mass consolidation which would push people out of businesses.

Sir, it would be instructive if by means of analysing the legislation, we look at the Objects and Reasons for this legislation in the first place. I want to say in my closing remarks that the Minister of Tourism and International Transport consulted with the governing body for travel agencies in Barbados. We consulted with them before the legislation was tabled and it is clear that they had concerns which we sought to deal with. Sir, maybe all concerns were not dealt with but if we go back to the Objects and Reasons, the aims and objectives underlying why this particular Act was brought, the Bill speaks specifically to extending the licensing provisions in the Act to include operators. It also speaks of providing for the payment of income tax, value-added tax and National Insurance by travel agents and tour operators. It speaks of providing for the submission of financial statements to the Registrar by travel agents and tour operators and to validate the issue of licences to tour operators and the collection of fees paid in respect to those licences.

Sir, the aim of this particular objective is to bring under the Act those who already operate within the ambit of the travel services environment and to regulate those persons who already hold people's money and to protect the money of people who paid into these entities. There are also a number of persons operating in the travel services environment who operate like travel agents and who escape the net of being able to post bonds and the like. Sir, they operate on the fringe, hold the monies of the public and skirt the regulatory practices that would better protect the monies of the public. Sir, this is the underlying theme of the legislation. By doing this, there is the probability that we might create some lateral issues which we need to deal with as policy-makers but the object is that a number of people are participating in this industry who are not being brought under the law to give us an opportunity to better protect the monies of the public and this is what we seek to do first and foremost.

Sir, a general sales agent is one to whom an airline designates the authority to act on its behalf. In other words, American Airlines will designate John Brown and Company Limited to be their general sales agent. The particular entity can do anything that an American Airlines agency can do in any jurisdiction. They can hold the bulk of tickets for American Airlines but as opposed to a travel agent, they cannot sell tickets for BWIA or Air Jamaica. Sir, a general sales agent has delegated authority to act like the airline within a particular jurisdiction.

The definition of travel agent as stated in the legislation means a person including a GSA engaged in the business of providing travel services to the public on behalf of the person. This definition comes into place because right now in our jurisdiction, there are general sales agents who are already carrying on the practices of a travel agent and acting like travel agents within their jurisdiction.

Sir, because they have the designation of GSA, they are skirting the law relative to placing the bond, paying their income taxes and other taxes and collections. We are seeking to protect the money of the public already paid to GSAs. We want to bring them under the law but it does not mean that a general sales agent can automatically act like a travel agent and this is clear in the definition.

Sir, for those who spoke to the issue of the IATA agents and the rigorous things they must go through, need to look at the legislation. First, not every travel agent that operates in Barbados has IATA designation. Secondly, those who are members of IATA are exempted from the security requirements already under the regulation. Mr. Speaker, I would never be able to understand how in the interest pushing the small black man in his or her business that we would not want them to observe the best and most sensible of business practices.

Sir, already under Section 20 of the regulations, you have to submit audited statements to the Registrar of Travel Services. Why would we not want a person carrying on business who is holding money in escrow for people to have properly audited statements to protect to the monies of the public? Why do we think these practices are restrictive when it comes to operating sensible business practices that would allow businesses to grow? Sir, every time we try to regulate businesses in a sensible way that would allow their business to grow, the Opposition says that the practice is restrictive because it is stopping small people from making money and that we are promoting big business.
2.00 p.m.

Sir, we on This Side want small businesses, just like anyone else, to grow in Barbados. This Side wants that, but we need to ensure that they observe the practices which would allow them the best opportunities for their businesses to grow, and that must be the underlying theme.

Sir, they should stop the constant seeking to say that the Government is looking to stop businesses, as if they are greater social thinkers than anybody on this side of the isle. I hate to hear it, Sir, and the issue must always be that all these businesses must now fall within the ambit of the Act. The GSAs that have been carrying on businesses before, now need to be brought into this matter.

Sir, I want to address the issue of the tour operators and giving international tour operators the opportunity to come in and to dislodge, or dislocate those who have been carrying on the business. First and foremost, the issue of the 70 per cent owed by Caribbean nationals being brought in under regulation, is for us to honour our CSME obligations. Sir, for the first time, it will allow people within our own jurisdiction, Barbadian nationals, to have the opportunity to collaborate with entities within the region who may know the business, can do the business better, and may even be more

successful at it because of their larger jurisdictions, than the ones in which they are operating.

Sir, it does not allow people like GoGo and other international tour operators who control the industry, and rightfully so as said by the Leader of the Opposition, to come here and control our industry, because it does not extend to them.

Sir, if it was only under the cap of Barbadian nationals anyhow, and it was only 75 per cent, there was nothing stopping someone from having a 20 per cent stake or a 25 per cent stake with some international tour operator. This does not change anything. All this now does is allow for CARICOM nationals as well, those who signed on to the Treaty, to be able now to operate within our jurisdiction.

There are issues related to the World Cup that were raised and I share the Leader of the Opposition's view, relative to the things that are happening within the World Cup. I think I have stated this here before. The World Cup Committee, I believe is designating an international travel partner, globally, to be responsible for all the people who are booking to come into our region for the World Cup.

Sir, as far as I am concerned, there is the probability that people in Barbados or people who already do business with Barbados and the Caribbean might not end up being that global travel partner. It might end up to be a Mohammed Singh out of Pakistan. I do not know he or she might be, and it may limit those who already do business with us every year, who have designated seats and hotel rooms, and prohibits them from maybe holding on to those seats. For example, you may offer a hotelier a higher rate than you would usually offer him outside of World Cup time. It means the next time that traditional tour operator who does business with us needs to consider long haul, he may not even consider Barbados or the Caribbean and that, Sir, is a source of concern for me.

Sir, I also understand as well though that what this particular provision will provide for, is for people to form consortia to look after the travel arrangements that can be made, so it also offers opportunities. At first glance, it would seem that the concept of opening up the market to one global travel partner would, in essence, limit and prohibit a lot of the smaller players who do business with Barbados or the Caribbean on an ongoing basis, from playing the way they usually play, in a time when there would be a windfall in the Caribbean.

Sir, this is also a source of concern. It has been raised at a meeting with those who are looking after our fortunes on the World Cup Committee, and they are already dealing

with the issue. When the bids go out, it means as well that a number of our own travel partners, Virgin Holidays, BA Holidays, and Gullivers who already send travel teams and sporting teams to Barbados, will have an opportunity to play in this mix.

Sir, as I said before, we have already covered the issue of financial statements being kept and the issue of record keeping. I believe this thing about a travel agent simply facilitating on behalf of an airline, is not to understand clearly what a travel agency or travel agent does within the context of travel. I do not think a travel agent or a travel agency can simply be seen in this day and age as a facilitator of travel, whether it is by air, ship, train or anything else.

Sir, I believe that the delivery of service which the tour operator provides to the individual customer or to a group of customers is much wider than the Honourable Member for St. Michael North West would have put it. I believe that what you are seeing is the packaging of all services, the convenience that is offered by a travel agent, the fact that many people are not only competent to deal with the issue of booking their own travel electronically. Sir, people are not inclined necessarily to only lean on that particular source, Sir, because at the end of the day, it is more convenient for you to sit and allow that middleman to do the work for you. If you are not booked, you have an intermediary to fall back on.

I have had experiences already, Sir, where I have travelled and had everything done for me by a travel agent and people who booked on the Internet, arrived there and the car was not booked and the hotel room was not reserved. Sir, I can imagine the Honourable Member for St. Lucy trying to fiddle on the computer trying to book his own travel and failing. I can see that clearly in my mind. Sir, it is sometimes good to depend on a true travel professional, rather than trying to tinker with things with which you are not competent, and I can see the Honourable Member for St. Lucy falling into that trap.

Sir, it is clear that the issue which needs to be dealt with is to understand the services that are provided by a travel agent. A travel agent does not only sell tickets. In many instances, a travel agent is the one for both inbound and outbound, who also acts as a professional adviser to the traveller about whether or not he or she is clear about the best place to stay and where might be the best island to visit. In our context, when we are dealing with inbound travel to Barbados, there are a lot of people who may divert you away from Barbados to another jurisdiction or *vice versa*. Sir, people tried to introduce into this debate, the issues of tourism and travel broadly.

Sir, I just wish to say, by way of serious edification that we could fight and kick against the pricks as much as we want, but the facts are there for all to see and digest.

Mr. SPEAKER: Sir, please, you have to withdraw that, and those words will be stuck from the record.

Sir, I believe you are winding down now, but as you do, there is no need, you were going well, and remember, you were the one who set the parameters. I do not think you want to take advantage now because you are the last speaker to go into any reflective thought about tourism, please.

Hon. N. A. LYNCH: Yes, Sir.

Mr. Speaker, I believe that these amendments under the Travel Services Act, offer a much more congenial environment for travel agents and agencies to grow. I do not believe that it prohibits travel agencies and travel agents, who have already been working in the sector and who have done well, or confines them to any consolidation or put them out of business. All those who want to bring other facts to the table need to bring them and stop bringing all these innuendoes and statements about what is happening and what is not happening in the industry.
2.10 p.m.

Sir, if we look at this in an objective way, we would see not only in our jurisdiction but in others that a general sales agent also acts as a travel agent and they are being brought under the ambit of the law, so I do not see why it should be a strange thing in Barbados. Sir, I think I have defined clearly what is the difference between a general sales agent and a travel agent. If people believe that when a travel agent is acting as a general sales agent that he or she is given some unfair advantage over another travel agent who is not so designated, then that is a matter that we as policymakers need to be able to prove is happening and to deal with it.

Initially, when tour operators were given their own tour operation arm, for example, Virgin Holidays and BA Holidays, people said that they would have some distinct advantage over a stand-alone operator, but evidence has shown that these tour operators have just as much an advantage to seats. Sir, if you do not use BA Holidays or Virgins Holidays, they still want you on the airplane, so they designate clearly to specific tour operators what they need to do and how they need to do it. Sir, I do not think that any distinct advantage is being created under the law for someone who is acting as a travel agent who is designated as a general sales agent. If that is proven, clearly the onus is on us as a Government and as policymakers to remove the same advantages. If the time does arrive and the evidence does show that is so, this administration would have no courts at all about amending the law to deal with that particular provision.

Sir, this Bill allows us to have an opportunity to expand the workings within the travel industry and to allow it to continue to grow.

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

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

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

On the motion of Hon. N. A. LYNCH, seconded by Hon. R. R. FARLEY, the House resolved itself into Committee, Mr. R. D. MARSHALL in the Chair.

COMMITTEE

Mr. CHAIRMAN: This House is in Committee.

Clauses 1 – 5 inclusive were called and passed.

Clauses 6 – 10 inclusive were called and passed.

Clauses 11 – 15 inclusive were called and passed.

Clauses 16 – 20 inclusive were called and passed.

Clauses 21 – 24 inclusive were called and passed.

On the motion of Hon. N. A. LYNCH, seconded by Hon. R. C. EASTMOND, Mr. CHAIRMAN reported to HIS HONOUR the SPEAKER the passing of one Bill in Committee and Mr. SPEAKER resumed the Chair and reported accordingly.

On the Separate motion of Hon. N. A. LYNCH, seconded by Hon. R. C. EASTMOND, the Bill was read a third time and passed and cited as the Travel Services (Amendment) (Validation) Act, 2005.

ORDER NO. 5 – THE HEALTH SERVICES (PRIVATE HOSPITALS, NURSES HOMES, SENIOR CITIZENS' HOMES AND MATERNITY HOMES) REGULATIONS (VALIDATION) BILL, 2004

Hon. J. X. WALCOTT: Mr. Speaker, this afternoon as I rise to speak on this Bill, I am sure that Honourable Members are aware that we had a very full debate on the care of the elderly in this country a couple of months ago, so I will not do that all over again but will limit my comments to the regulatory framework under which senior citizens' homes and nursing homes should operate in this country.

Mr. Speaker, I am sure that all Honourable Members are aware of the situation in Barbados where our demographic profile is comparable to that of the United States of America and other developing countries. We have

been described of having an ageing population where the average life expectancy is 77 years and where it is projected and forecast that by the year 2010 some 17 to 18 per cent of our population would in fact be 65 years and older. This is in large part due to the improvements in the standard of living and the quality of health care in this country over the past 40 to 50 years.

Ironically, Mr. Speaker, as we have these demographic changes and ageing population, the supportive family, community and village support structures, which were there before, which assisted and facilitated the elderly within the community and at home, have gone into a decline. A couple of years ago the Ministry of Health when faced with problems of an increasing number of requests for the placement of elderly persons within the society, did a study and came up with a number of findings. They found that in Barbados a number of elderly persons were living alone in conditions that were less than ideal and certainly substandard regarding environmental facilities.

Mr. Speaker, whereas in the past in a family, the wife or the mother would be at home to care for the parents or parent, they found that in our more developing society as persons went out to work there was no one at home to care for the elderly person. I mentioned before the decrease community support network for these ageing people. They also found that the number of elderly people who were being left alone were indeed active and very independent and were not too keen on being institutionalised. They also found that to fill the void and the need for placements of these elderly persons and the care of them that those who could afford it were placing them in nursing homes.

Mr. Speaker, concomitant with the increasing number of ageing people who are being left alone there was an increase in the number of private care facilities which were being provided and which were being constructed for housing these individuals. We have moved away from the trend of the traditional nursing home which catered to elderly persons who, in some cases, were ill and had nursing facilities. There was also an entity called a senior citizens home, which catered to those who were not ill but only needed accommodation, who could carry out their basic activities, such as bathing and feeding themselves, being ambulant and being able to dress themselves and, therefore, these new entities required less supervision and care.
2.20 p.m.

Mr. Speaker, I must say that they have formed a very useful and important role at the time when, in 1999 and 2000, there was tremendous pressure on the Queen Elizabeth Hospital to accommodate people. There was a situation where elderly people would have been taken to the

hospital for simple reasons such as respiratory tract infections or appendicitis, they would have had their treatment but when it was time for them to be discharged back into the community, we would have been faced with a situation where their relatives would have said that they were not in a position to look after these elderly persons anymore. There was also a situation, which still exists today, though not so severe, where, in any one day, as many as 30 to 40 elderly persons would be in the hospital, who were fit and ready to be discharged but who could not be accommodated in the communities or by their families.

Mr. Speaker, this necessarily would have affected the ability of the hospital to admit patients who needed to be housed in an acute care bed. This would have affected the general function of the hospital. An elegant phrase was given to these persons as "*Elderly For Care*." If there were five or six of these persons in a 24-bed ward, just waiting for placement, one would appreciate what would happen to those who were waiting for elective surgery.

Mr. Speaker, the Ministry of Health thought it would be vitally important to look at perhaps working in partnership with these private care providers and hence the development of the Alternative Care of the Elderly Programme where the Ministry has decided to enter into a partnership in a fee-for-service basis with these private care providers, to house and to care for these elderly persons who could not be accommodated in the geriatric system because of overcrowding, and who necessarily did not need to be institutionalised.

Mr. Speaker, having said all of this and concomitant with the increased demand, there were public complaints and pressure about the type of facilities and the quality of care which was being administered to persons' relatives. Indeed, the perennial complaint was about the quality and quantity of the food which was being fed to these individuals who were being accommodated at these facilities. Sir, cognizant of this, Government thought it was absolutely necessary that we look at the entire regulatory framework under which these facilities would function, and hence the importance of these regulations which were laid in this Honourable Chamber on 20th July 1999.

Mr. Speaker, these regulations spoke to a number of issues. For the first time, the regulation made provision to include within the definition as Homes for the Elderly, a category called Senior Citizens' Homes as a new category of nursing homes. In addition, it made provision that the services of a registered medical practitioner, a registered nurse, or someone qualified in gerontology, should be available in these facilities and on an on-call basis, in order to provide medical and nursing care, should it become necessary for individuals who were being cared for in these new institutions.

It also went on to ensure that there should be minimum standards of qualifications of caregivers and that these at least should be enrolled nurse assistants or should have some kind of training or certificate in the care of the elderly. It also spoke to a minimum ratio of caregivers to patients, that is one nurse to eight patients. It spoke of the need for an admission register and notes on the condition of each patient. These, I should mention, were not things that were enforced before these regulations were introduced.

It spoke of the need to modernise and to update the physical facilities of these premises. It spoke to the need to install things such as handrails, ramps where necessary, buzzers and bells in case the patients needed to get urgent attention. The regulations also spoke to the appointment of an accreditation team with the power to inspect these premises and to ensure that they meet certain set standards, and that they were in compliance with the provision of the regulation.

This accreditation team would comprise of a public health nurse, an environmental health officer, a nutrition officer and a drug inspector, with the nutrition officer looking at the kind of meals the individual would be fed; the environmental officer paying attention to the environmental qualities, especially kitchen facilities; and with the public health nurse and drug inspector looking at the management of pharmaceuticals and reviewing prescriptions, *et cetera*.

In addition, the regulation strengthened the powers of the Chief Environmental Engineer to issue a certificate of compliance. There were increases of the penalties of infringement from \$5,000 to \$10,000.

Mr. Speaker, these regulations were laid in Parliament in July 1999. Unfortunately, however, the order to give an effective date for the commencement of these was never prepared. This means that the Ministry of Health has been enforcing these regulations. The Accreditation and Inspection Committee has been extremely active throughout Barbados, issuing and revoking licences to some of these entities but with no authority to do so. This means that the actions which have been taken by this Ministry over the past four years, in this regard, are effectively null and void, *ultra vires*. This situation was drawn to the Ministry of Health's attention last year by the Law Revision Consultant and hence the need today for this Validation Bill and the appropriate order.

Mr. Speaker, before I sit I must say that the Elderly for Care Programme has been expanding, has been useful and successful to the Ministry of Health, in dealing with the demands for bed spaces for elderly persons who have been abandoned and neglected by their families in this society. Currently there are 158 persons who are being housed in this

programme and Government pays between \$65 and \$75 per day, per patient who is being housed in one of these private facilities. The Ministry of Health ensures that there are medical visits to our patients, at least once every three months and more often where it is necessary.

The Accreditation Inspection Committee of the Ministry of Health has been making visits across Barbados to all of these institutions. There are frequent visits. Sometimes there are surprise visits at night to get a true impression of what is really happening. They report quarterly to the Chief Medical Officer. They look at patient care, including kitchen and environmental conditions of some of these facilities.

Mr. Speaker, approximately \$3.5 million has been allocated in this financial year to deal with this programme. I should also say that it started in the year 2000 with five homes. Currently we have 18 facilities involved in this programme which house patients. Throughout Barbados there are over 50 private care facilities which are now catering to the needs of these elderly persons.

Mr. Speaker, I would reiterate the most vital role they are playing in this society. It is certainly a business venture for those who are interested, and a number of returning nationals have moved into this area.

Asides.

Hon. J. X. WALCOTT: I am being told that perhaps an Honourable Member of this House has been told about a partnership in one of these but he is not in this Chamber at this time. The venture has certainly been encouraged by the Government of Barbados as it meets the needs of the society and provides employment for Barbadians.

Sir, having said that, we must ensure that certain standards are maintained in this programme as we care for the elderly, the builders of this society.

Mr. Speaker, with these remarks, I beg that this Bill be now read a second time.

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

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

Dr. W. F. DUGUID: Mr. Speaker, I too would rise to support this Bill. It was a long time in coming. Sir, certainly a mark of any society must be, of course, how it treats its elderly. It is, therefore, absolutely important and critical that this Government and this society as a whole, would move towards treating the elderly and those who cannot take care

of themselves, in a good and humane way.
2.30 p.m.

Certainly, there are a lot of these nursing homes and homes for the elderly in the constituency of Christ Church West. I have visited many of them not only to enquire about the manner in which they operate but from a professional basis to offer my professional services from time to time. Sir, I have always found the ones in Christ Church West to be very clean, well-run and, as a whole, an extremely professional organisation. I have never found any of the occupants of the nursing homes to appear to be underfed or appear to have bed sores or in any situation of ill-health. I was impressed with the ones I visited in the constituency and proud to see how well we are taking care of our elderly people.

On one or two occasions, I also had the opportunity to visit other nursing homes and it became clear to me that there were a different set of standards where the care was not at the same standard as it should have been and because of this, I have to support the legislation. Certainly, there must be regulation of these nursing homes. There must be able to conform to a certain standard so that the families who are paying for the service for the elderly to get proper and humane care in their elderly years and demand that the service is of a particular standard.

I support the Minister wholeheartedly on the passage of this Bill. I think it would go a long way to providing a humane environment for the elderly people. I am also concerned about the practice of people leaving the elderly at the hospital. It takes me back to a time when I was working in England at the hospital. There was an elderly lady who had an operation and was not doing well. It was obvious to the consultant that she was not going to make it. In view of that, we like people to spend their last days at home with their family and it was my job to transfer her to the family but the family asked me to arrange for a home. What amazes me is that family had become so nuclear that they do not want to take the elderly. Sir, the society as a whole is trying to warehouse the elderly.

Mr. SPEAKER: Honourable Member, the Minister was at pains to state that this was simply a validation. We do not want to open it into a health debate relating to the elderly. I am simply guiding you.

Dr. W. F. DUGUID: Mr. Speaker, I will be guided by your remarks. I want to finish the point that we as a society have to care more about the elderly. This is the crux of this debate and the Bill, to be able to offer support and a regulated environment for our senior citizens so that they can have a high standard of living in their twilight years.

I commend the Minister for his excellent presentation and hope there would be no divide on this matter.

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

Mr. D. St. E. KELLMAN: Mr. Speaker, I agree that this Bill is to validate certain things done by the Minister of Health but we must understand that we are dealing with private hospitals, nursing homes, senior citizens' homes, maternity homes and that we are doing it under regulations made in 1999.

Mr. Speaker, when we are discussing the health of senior citizens it should be important to us because they are the persons who worked hard to build this country. As a politician, I know that you would be as concerned as I am, when you hear about the treatment that is being meted out to senior citizens. We want to make sure that when we validate this that it is done with the right regulations and conditions so that people can be cared for under the best conditions.

Sir, it is now clear to me that we have to make the decision whether they should remain at home with their relatives or whether to allow them to go to the various homes run by people who make profit. Sir, I have three active senior citizens in the constituency of St. Lucy and I assure you that the treatment given to them is very good. It worries me when I get reports about senior citizens going to Government institutions for treatment, I hear that their roofs are leaking, that they have to wait long to receive medication and that food is being placed next to them even though they cannot feed themselves but in the private homes, they are fed by the nurses.

Mr. Speaker, if we are worried about the senior citizens in this country, a feasibility study should be done to find out whether these experienced persons should be kept in private homes or Government institutions. Sir, one of the most frightening aspects is that people do not like to go to Government institutions for care for fear that they will not return home.

Mr. Speaker, people criticise the families of these people but we have to understand that senior citizens should be entitled to the reverse tax credit like any other worker. They have paid taxes like everyone else and the \$500 should be paid to their families to help take care of them. It does not make sense...

Mr. SPEAKER: Honourable Member, I have to say the same thing to you that I said to the last speaker. The Honourable Minister, the Leader of the motion was at pains to say that it was only a validation of certain actions and measures. I am only giving advice that it would be better if you could connect what you are saying with what the

Minister said, instead of making it appear as if you are going into a general debate about health and the elderly. Just try to establish the connection, please.

Mr. D. St. E. KELLMAN: Mr. Speaker, I appreciate what you have said. I want to give one warning to the House. If I am to interpret what the Honourable Minister said...

Mr. SPEAKER: Honourable Member, I have given you a lot of latitude. I sat and listened and decided instead of using my powers to tell you to take your seat. I have suggested to you to make your comments and relate them to the Bill before the House which is a validation Bill. We had a general discussion on health already and the Minister said all of that, so all I am saying to you is that we accept your statements, but connect them in some way to this Bill that is before the House.

2.40 p.m.

Mr. D. St. E. KELLMAN: I want to thank the two Ministers who have tied down the debate and have done it well, Sir, and who have decided that they will set parameters on how I will debate in this House.

Asides.

Mr. D. St. E. KELLMAN: I will never reflect on the Speaker. You are always trying to put the Speaker in trouble and you know that you cannot rule.

Asides.

Mr. D. St. E. KELLMAN: Mr. Speaker, you know that you know the rules.

Asides.

Mr. D. St. E. KELLMAN: I do not have a problem, Sir, I am defending you in knowing the rules.

Mr. SPEAKER: You are?

Mr. D. St. E. KELLMAN: Yes, Sir.

Mr. SPEAKER: I thank you, some defending, I tell you.

Mr. D. St. E. KELLMAN: Sir, I am saying that we have to be very careful when we validate this Bill that we do not validate things that would make the lives of the senior citizens more difficult than what we would expect, as parliamentarians.

I know that you and I as parliamentarians, will like to see the benefits to the senior citizens of this country improved. As it stands now, we have to be very careful what

we validate and try to tie down in here, for the simple reason that those senior citizens out there are suffering. The conditions are such that the Honourable Member for St. George South cannot be happy because, I am sure that the same complaints that I am getting, he is also getting.

Asides.

Mr. D. St. E. KELLMAN: I am aware that you are aware now, Sir, that there are people who believe that they do not want to go to the south of the country anymore and they want a hospital in the centre of the country, because they do not trust the conditions of certain locations in Barbados.

I am saying, Sir, that if we have to validate, we have to make sure that we validate everything that is correct. I will leave this one with this House, Sir, that at the end of the day, I hope that when we pass this Bill and we validate everything that we validate better health care for the senior citizens of Barbados and that this is a Bill to improve their lives, and when I leave in here this evening, they are happy that I was given a fair opportunity to represent their interests and that the standards put for them would be for their betterment.

I thank you very much.

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

Mr. D. J. H. THOMPSON: Mr. Speaker, in trying to get my teeth into this debate, I must draw an inference – and I am assuming, Sir, you want me to do so – in relation to how narrowly the Minister has cast his introduction. Sir, I assume this is a House of men and women who care about the people of this country and the elderly.

I therefore, Sir, can only say that I am flabbergasted to think that a Minister of Health, under whose responsibility, the care of the elderly comes, could so narrowly and in such a constricted manner cast this particular debate. I am only making this assumption, Sir, based on your ruling of the manner in which the Honourable Member narrowly cast the debate, that the Minister is either not interested about the thousands of elderly people who are not institutionalised, who are living in conditions of total squalor, who are unable to exist, and have one proper meal a day, far less two, who cannot afford food in the supermarkets in Barbados, and who find it difficult to access public transportation. Therefore, I would assume, if I were the Minister of Health and I am not, that those would be the relevant concerns of any person elected to this Chamber to represent the people's interests.

Sir, where this debate has gone, has told me that the real concern in Barbados is not those who are suffering, those who are finding it difficult to eke out an existence, who

are living on practical dirt floors, in faeces, without running water, without getting proper medical attention, without being able to benefit from the State services that we walk all around the world boasting that are available to all Barbadians.

The debate for the Minister of Health revolves around the head of a pin, just the head of a pin, Sir, whether the operators of those institutions are being properly regulated, and that is what a debate on an amendment to legislation of this sort has been, so narrowly confined.

Sir, I would not have said a word, even though it ached me to think of the hundreds of elderly people in Barbados who, yes, have children, who care about them but who could themselves barely eke out an existence far less even consider a concept of extended family.

Sir, I am not saying that there are not people who do not care anything about their extended families but that is their right. It may be morally wrong. It may have every element of opprobrium but there are people who do not care. Sir, that is what the State is about, whether or not the person next door to where they live eat one square meal a day.

Sir, we are technicians. What we are supposed to do in here, is to go along with a very prettily laid out introduction in which we are only validating. What are we really validating? Whether the kitchen in a nursing home has up mesh-wire, whether you have a solar water heater on top of the building, or how many steps you have in the stairway? Sir, are we going to constrict the debate to that? You said it is the Minister's fault, so I am not placing any blame on you, because you said that the Minister narrowly configured this debate.

Asides.

Mr. D. J. H. THOMPSON: I believe you should chastise the Minister, not other Members, for being so insensitive and indifferent to the needs of the elderly in this country that he could configure a debate like this, Sir, to only be concerned about the validation.

Thank you very much, Mr. Speaker.

Hon. Miss C. Y. FORDE: Mr. Speaker, I had the privilege of participating in a debate surrounding this particular issue with the aged, and I can remember distinctly referring to Barbados as one of the countries where the quality of health care is so great that we have more than 100 centenarians. I do not know where the Honourable Member for St. John was at that time.

Mr. SPEAKER: Honourable Member, for the benefit of the House, we thank you for saying that we had this debate and it will be wise if Honourable Members read the Bill and see what are the exact Clauses of the Bill and what is being said.

Hon. Miss C. Y. FORDE: Sir, all that means is that the Honourable Member for St. John did not get the chance to look at the Bill.

Mr. SPEAKER: I did not say that.

Hon. Miss C. Y. FORDE: But I am saying that, Mr. Speaker, and I know that this House is under your care and, therefore, you are the person who would give us the latitude.

Mr. SPEAKER: Please take your seat for a moment.

Order please.

2.50 p.m.

Honourable Members, for the future and for the sake of having some better debates and so on, it would be good sometimes if Honourable Members peruse the Bills and read the clauses and so on. Proceed, please.

Asides.

Hon. Miss C. Y. FORDE: I do not mind the heckling, Mr. Speaker, because I sat here today and wrote down the times that all of the Honourable Members on the Other Side came into this Honourable Chamber. Some of them came as late as 2.30 p.m. therefore they cannot heckle me, they have to heckle in George Street because that is where the polls have them, in confusion.

Mr. SPEAKER: Okay, there is no need for that now, please.

Hon. Miss C. Y. FORDE: Mr. Speaker, they are pushing me there. I am only human, Sir.

Mr. Speaker, I just want to add my small contribution to the debate and I am going to go down the line the Honourable Minister went when he spoke very briefly about the extended family.

Sir, I have a challenge in my constituency where the aged is concerned and I would just like to put forward my five cents worth in this respect. Sir, I support the efforts of the Minister and the Ministry of Health towards the validation of the regulations pertaining to private hospitals, nursing homes, *et cetera*. I think this is important because Barbadians have a way sometimes of not always conforming

to what is correct and proper. I heard the Honourable Member for St. Lucy speaking about the poor quality in the district hospitals and so on.

Mr. Speaker, I am the President of the Association of the District Hospital in my community and we have had two centenarians there during the year 2002/2003. This is because of the quality care that is being offered to them in the Government hospitals. I am speaking today because every week I receive no less than three requests asking me to write to the district hospital or to the Geriatric Hospital to get places for persons who are at home whose families cannot look after them at times or for persons who have no family at all.

Mr. Speaker, the Honourable Member for St. Lucy will have the new hospital that is coming up in his backyard so he might want to talk about it.

Asides.

Mr. SPEAKER: Please, there is no need for that.

Hon. Miss C. Y. FORDE: He is not giving me a chance to express myself, Mr. Speaker. This is a new year and I do not intend to waste the people of St. Thomas' time. I come in here to represent their interest.

The point I am making, Mr. Speaker, is that I need to get some kind of support in that respect. I know that Government is encouraging the establishment of homes to look after the needs of these senior citizens and I am asking for a daycare facility in St. Thomas, where my senior citizens who have no one to talk to, some of whom have Alzheimer's disease, can come on mornings from about 6.30 p.m. or 7.00 a.m. and they can be picked up in the afternoon so that when they go home relatives would know that they have been getting some opportunity to interface with other individuals. I want to make that point because every day the constituency is growing by leaps and bounds.

Mr. D. J. H. THOMPSON: On a point of order. I am cognizant of your ruling, Sir, and unless the Honourable Member has asked us to validate her actions or inactions I believe that you should rule those comments by the Honourable Member out of order. You circumscribe this debate very clearly and I think all Honourable Members should abide by your ruling. Your ruling should be consistently adhered to and consistently given, Sir.

Mr. SPEAKER: My ruling still stands, but I did hear the Honourable Member, before she proceeded to talk about her constituency, say that she agreed with the validation point made by the Minister and sought to connect what she just said to what the Minister had stated earlier.

Asides.

Mr. SPEAKER: As long as you connect it, it is okay.

Hon. Miss C. Y. FORDE: Mr. Speaker, in the interest of time and respect for your ruling, I just want to say that I add my support to this validation. I trust that Barbadians who have set up their own private institutions in the effort to offer the alternative care or to have homes open for the elderly would all try to conform with the rules because at the end of the day we owe it to the taxpayers and to the senior citizens for having made their contributions over the years to give them quality care in their twilight years.

Mr. Speaker, I will get an opportunity to speak on other issues and to say a little more about the divide over there.

I thank you.

Hon. Miss H. E. THOMPSON: Mr. Speaker, I wish to support the validation. I do not think that Honourable Members, certainly on This Side, have a choice because essentially the Validation Bill before the House seeks to clothe the Ministry of Health with the full legal authority to carry out its functions and responsibilities relative to the legislation. Is it a desirable thing for the Ministry of Health to have these functions? The answer is clearly yes. I can speak with some authority on this matter. I was the Minister who conceived of the policy of an alternative care for the elderly which was born out of the very distinct national need.

The current Honourable Minister articulated the position well. I am not surprised that the Honourable Member for St. John could not recall the two-day debate that we had on the legislation because he is frequently absent, and when he comes, he comes immediately before lunch and goes for the liquid refreshment.

Mr. SPEAKER: Honourable Member, please according to the rules... Just proceed please.

Hon. Miss H. E. THOMPSON: Sir, I cannot comment on the fact that he is frequently late and rarely here?

Mr. SPEAKER: According to Rule 28 (9)..., please.

Hon. Miss H. E. THOMPSON: Sir, I apologise, I will continue.

The problem at the time, and it still continues, was that a number of elderly people were either being abandoned in the Queen Elizabeth Hospital after they had gone for care or alternatively had to be picked up in response to calls.

Mr. D. J. H. THOMPSON: On a point of order. Mr. Speaker, you made it abundantly clear in your ruling that this was a debate which was very narrowly constricted or

restricted to the validation. How can we now have a presentation to this House that deals with the policy? Sir, I cannot understand it.

Mr. SPEAKER: Honourable Member, please. Proceed please.

Asides.

Mr. D. J. H. THOMPSON: I am asking you for a ruling. Sir, you would need to say if that is relevant based on your earlier ruling. That is what you need to say.

Mr. SPEAKER: Just take your seat, please.

Honourable Member when you started you said you agree with the validation and you proceeded. I do not want you to go into any general health discussion as I have been saying to all the other speakers, please. Okay. You said you agreed with the validation, then let your discussion relate to...

Asides.

Mr. SPEAKER: Honourable Member, please. Proceed please.

Hon. Miss H. E. THOMPSON: The validation therefore gives effect to the policy and a number of activities carried out by the Ministry of Health in pursuit of the legislation which now has to be validated. Mr. Speaker, it is critical that in providing care that we have a strong regulatory framework, which is what this measure today seeks to do, to ensure that the regulatory framework is in place to guarantee the quality care offered to the elderly, the standards of nursing homes providing such care and to ensure that those private sector entities which come into work in collaboration with the Government, are following regulations which would allow standards for proper care of the elderly.
3.00 p.m.

Mr. Speaker, in fact, in the Honourable Member's introductory remarks, he made the point that at the start of the programme in November 2002, that there were five homes at the time. There are now 17 homes being involved out of a number of 52 homes. The question, therefore, is to what extent are these other homes, which are not in the programme with the Government, being policed to ensure that the standards are uniformed and that they exist throughout the system. We also have to ask what standards are being applied in those institutions and could be allowed to apply, if, in fact, we did not do this validation today.

Sir, furthermore, there is a statistic provided by the Honourable Member for Christ Church South which is very useful. It speaks to the point that at the Queen Elizabeth Hospital, the cost of care for an elderly person is \$350 per day and \$100 per day at the Geriatric Hospitals but when working in conjunction with the private sector in this programme, the cost is reduced to \$85 per day. It seems, therefore, that some economies of scale are being created by the framework which has been put in place and we know, therefore, that the elderly are getting quality care that they would not have otherwise gotten because there is now a larger number of homes working in the programme. Therefore, there would now be access to proper health care because the legislation and the validation which supports it, speaks to the ratio of health care professions that must be had, to oversee a number of patients.

Mr. Speaker, this is critical with a large ageing population, one in which the extended family structure by which the elderly were normally cared for, has broken down to some extent. If, in fact, we are going to care for our elderly in an institutional framework and outside of the domestic setting, then proper legislation, regulations, standards, and the validation thereof are critical to the success of the policy and to the success of the implementation of the legislation.

Mr. Speaker, I think too that we need to ask ourselves how the Ministry can work to encourage other private sector providers who are not now working in the programme, to come into the programme, so as to make available to the Government even more bed spaces for the care of the elderly.

Mr. Speaker, furthermore, while this might be a more general point, the Honourable Member for St. John, having been charged, might wish to get up again and speak. There is the question as to what extent other institutions in Barbados, like trade unions, credit unions and social organisations, could be encouraged by giving incentive programmes to become involved in the care of the elderly.

Mr. Speaker, I strongly believe that where we have large bodies such as trade unions and credit unions which have large memberships, who will age and come to retirement age, that these persons should have a vested interest in helping to provide care facilities for them in the future. If that is to happen, the more institutions that would be providing this kind of care, there would be the more urgent and critical need for our regulatory framework which is established in law and which does not fall outside of the purview of the legislation. That can only happen where we validate that which should have been done some time ago.

These are the kinds of omissions that occur in the system from time to time. This is not the only Validation

Order or Validation Bill that has come before this Honourable Chamber. These are things that can be handled routinely. The question, therefore, is what we are doing desirable and is it necessary? Sir, to that question, the answer has to be yes.

Mr. Speaker, I am much obliged to you.

Mr. R. L. SEALY: Mr. Speaker, notwithstanding the comments of the last speaker, the Honourable Member for St. James South, I feel moved to speak specifically on this issue of validation. The debate is defined within that context and I wish to say that in my brief time that I have been in here so far...

Mr. SPEAKER: Honourable Member, please take your seat for one minute and let me say something to this Honourable House.

The Speaker cannot determine the direction of any debate. The Speaker follows what is written here in the Bills. The Speaker also follows the leader of the motion. As was said by the last speaker, this Bill is clearly stated a Validation Bill. I am not the one who has made it a Validation Bill. The Bill states:

“To move the Second Reading of the Health Services (Private Hospitals, Nursing Homes, Senior Citizens’ Homes and Maternity Homes) Regulations (Validation) Bill, 2004.”

Therefore, in the explanation under the Bill, it states clearly that it is an act to validate the acts done by the Minister of Health, in accordance with the Health Services Act. It goes on to say when these acts were done and why this validation is necessary. That is what I have read and, therefore, the Speaker has not, whatsoever, placed any limitations on the debate. All I have done is to interpret here. Please proceed.

Mr. R. L. SEALY: Mr. Speaker, I am much obliged. Sir, I wanted to speak on the issue of validation. It seems as though this Government is making this a habit. We have had to validate for the National Insurance Tribunal and for Land Tax. Only in here today, we have validated something going back to 1983 which dealt with travel services. It is clear that the drafting has been sloppy and that legislations are being rushed through here, so that we have to find ourselves validating things going back a number of years.

Mr. Speaker, I think I have to speak to this because I remember well when the Honourable Member for St. James North and the Honourable Member for the City of Bridgetown were sitting on This Side and we were in Government. They made heavy weather over the issue of

validating the Ways and Means of the Central Bank. It was supposed to be the most heinous thing that Government had ever done. Now here it is, this Government is in here, week after week, validating incompetent legal work all the time.

Asides.

Mr. SPEAKER: Order, please. Honourable Member, are you on a point of order?

Asides.

Mr. R. L. SEALY: It was Health Services Validation, National Insurance Validation, Travel Service Validation, and we know there seems to be a problem with what is being brought to this Honourable House.

I will go as far as to say that the material being given to Honourable Members is not being properly prepared. We had another debate, the Queen Street debate. Only today you had to raise this issue of Honourable Members not reading Bills before they got up and that must hurt you because they are your own Party colleagues. I share your opinion.
3.10 p.m.

Mr. Speaker, we cannot continue to validate these Acts all the time. They need to properly prepare what comes to the House and we would not find ourselves retrospectively correcting things that should have been done properly in the first place.

Mr. Speaker, with those few words, I am much obliged to you.

Mr. SPEAKER: The Honourable Member for St. Philip West.

Rev. J. J. S. ATHERLEY: Mr. Speaker, thank you for the opportunity to make this brief intervention on this discussion. I would like to support the 'little bit' of tidying up which is intended by this proposed act of validation of this situation by this Parliament. In setting the context for this measure before us, the Honourable Member for Christ Church South cited in part that one of the problems being encountered around this issue was the fact of the abandonment of the elderly and the problems that this posed for the functionality of the Queen Elizabeth Hospital. Indeed, one continues to lament the existence of a situation which in my view constitutes one of the ugly blemishes on the landscape of Barbadian life today, that is, the abandonment of the elderly as cited by the Honourable Member for Christ Church South in his first presentation of this issue.

Mr. Speaker, in dealing with our human relations and our human capital, we recognise that this is a problem and it is to be lamented especially when we tend to take such great

care of our children. Though we would recognise that there is some institutional deficiency with reference to the care of children in Barbados yet we have to admit that we look after them pretty well. Therefore, the abandonment of the elderly stands in stark contrast to that. In relation to our young people, we have a problem in dealing with the issues that relate to them but those problems stem more from our uncertainty as to what constitutes proper responses to the problems relating to the youth in our society today. When it comes to the elderly and seniors in our society, it seems that it is not so much a question of institutional deficiency or a question of the uncertainty as to what is the appropriate response but it is an attitudinal issue. I think that the fact the Minister made reference to that in his presentation again increases the degree to which we lament over this situation. Therefore, I think the effort to tidy up the regulations and legislation with respect to care of seniors in the institutional context in Barbados is both necessary and perhaps timely.

After all, I believe this measure is intended to serve the interest of the elderly and beyond the interest of those who involve themselves in the business of providing for a paid service to the elderly in this country. It should, therefore, be interpreted as part and parcel of a continuing focus on the needs of the elderly and the need to tidy up the context in which the response to those needs is being effected.

I believe we leave the task undone if we do not seek to clean up the environment as far as institutional care of the elderly is concerned so that the improvements which are necessary are realised because the proper regulatory framework is in place. As I see it, the validation of the legislation around this issue is absolutely necessary at this time.

One would have to admit that in many instances legislation seems to be playing a catch-up game with the reality obtained in the society. Sir, if legislation has to be validated, it means that the sector has become so dynamic and so evolved that the regulations are now inadequate to provide for the situation. Therefore, the necessary task must be undertaken through this Parliament of putting in place this validation measure. Of course, this is very much an evolving and emerging service sector, which is providing opportunities for the entrepreneurial class, and as such is important economic activity taking place in a society that is relying more and more on aspects of service industry and endeavour. Therefore, whether we are catching up or not the validation is necessary and I fully support it.

I believe that it has implications for the curriculum of some of our institutions. We are aware that the Samuel Jackman Prescod Polytechnic is making offers in this

regard. It is an exciting, non-traditional area and to the extent that we see it as important that we care adequately and properly for our seniors and elderly by calling into being a proper institutional environment. I think we need to take the next step and provide for improvement in the skills of those who service this sector which is becoming an industry in terms of the elderly in the institutional context.

Therefore, I make the call again for expanded opportunities of curriculum development and the availability of space within the context of our institutions for better training of persons who would give care to the elderly. Sir, if service is at the core, if standards are called into question, then the issue of regulation becomes paramount and, therefore, the validation is vital as we establish those standards and ensure that they are upheld. It has been expressed that is not now the reality and, therefore, the measure before us.

The validation of these regulations of this legislation is also an expression of what is often the reality that when a significant change in the profile of the family structure and setting in Barbados, something as significant as that will have implications for legislative and regulatory change.

Therefore, this is but a reflection of the fact that the family profile continues to undergo significant change, generating a situation where the regulatory framework within which we care for those who cannot now be sufficiently cared for by their loved ones, it becomes a matter for institutional life and must be properly governed in those circumstances.

Sir, against this background, I support the measure introduced by the Honourable Member Christ Church South.

Mr. SPEAKER: The Honourable Member Christ Church South will now wind up.

Hon. J. X. WALCOTT: Thank you, Sir, I just want to thank all Honourable Members on Both Sides of this House who have spoken on the matter of this Validation Bill, especially the Honourable Member for St. John, who was at pains to point out that because of the tone of the debate that it shows an obvious lack of interest in the care of the elderly in this country.

I want to remind the Honourable Member that we had a debate for two days in October in this Chamber which dealt with care of the elderly in great detail and if there was a genuine interest on his part, that he would have found time in his heart and busy schedule to be here to take part in the discussion to express his views on the care of the elderly in this country to join together with the Government to put

forward proposals and ideas to deal with the care of these important builders of Barbados.

3.20 p.m.

In response to the Honourable Member for St. James South who queried if the Investigation Committee would only look at the 17 institution facilities, which had a partnership with the Ministry of Health, indeed, they inspect all facilities in Barbados at this point in time.

With those few remarks I just want to again thank all Honourable Members who contributed in this debate and I beg that this Bill be read a second time.

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

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

On the motion of Hon. J. X. WALCOTT, seconded by Hon. R. C. EASTMOND, the House resolved itself into Committee on the Bill, Mr. R. D. MARSHALL in the Chair.

COMMITTEE

CHAIRMAN: This House is now in Committee.

Clause 1 was called.

Hon. J. X. WALCOTT: Mr. Chairman, I beg that Clause 1 be amended to read 2005 as opposed to 2004.

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

Clause 1 (as amended) was passed.

Clause 2 was called and passed.

Clause 3 was called.

Hon. J. X. WALCOTT: Mr. Chairman, I beg to move that Clause 3 be amended to read:

“This Act should come into operation on 25th day of February 2005.”

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

Clause 3 (as amended) was passed.

On the motion of Hon. J. X. WALCOTT, seconded by the Hon. R. C. EASTMOND, Mr. CHAIRMAN reported

to HIS HONOUR the SPEAKER, the passing of one Bill in Committee, with Amendments and Mr. SPEAKER resumed the Chair and reported accordingly.

On the separate motions of Hon. J. X. WALCOTT, seconded by Hon. R. C. EASTMOND, the Bill was read a third time and passed and cited as the Health Services (Private Hospitals, Nursing Homes, Senior Citizens' Homes and Maternity Homes) Regulations (Validation) Act, 2005.

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 the Hon. A. P. WOOD, 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. 9 – RESOLUTION TO GRANT THE SUM
OF \$19 695 627 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. 8, 2004-2005 WHICH FORM
THE SCHEDULE TO THIS RESOLUTION

HEAD 21 – MINISTRY OF INDUSTRY AND INTERNATIONAL BUSINESS IN THE AMOUNT OF \$37 950

Hon. R. C. EASTMOND: Mr. Chairman, at the time of the Throne Speech in the year 2003, a policy was enunciated that this Government would pursue policies designed not only to promote the creative arts but, indeed, to foster and develop our ingenuity in such a way as to ensure that artistic works, music, the writing of books, the promotion of films, the staging of dances, the making of culture and forms of photography be encouraged.

Indeed, even before the Throne Speech of 2003, this Government had set about to modernise copyright law and to set the stage for the evolution of what we on This Side call, cultural industries. It transpired, Mr. Chairman even before 2003, we in Barbados as a Government developed a relationship with the World Intellectual Property Organisation. Sir, in clear circumstances where this Government's commitment has been to try to develop the

creative and the cultural industries among our talented people, we approached the World Intellectual Property Organisation in 2003, seeking to exploit its expertise, so that we could be properly guided as to how to refine our policy on culture.

Talks between the Government of Barbados and the World Intellectual Property Organisation continued between 2003 and 2004. The upshot of it all, Mr. Chairman, is that the World Intellectual Property Organisation, working in concert with the Government of Barbados, developed a Barbados Intellectual Property Audit Tool so as to factor in, important mechanisms in the evolution of our cultural industries.

Mr. Chairman, what transpired was that in circumstances where discussions between the Government of Barbados and the World Intellectual Property Organisation had been going on in 2003 and 2004, we did not budget for any sum of money to fund the outcome which the World Intellectual Property Organisation had recommended to us. They have recommended to us that we undertake this property audit, but we did not provide any funds at the time when the Estimates for the financial year 2004-2005 were brought here largely because this very huge audit tool had not yet been developed in Geneva, Switzerland. It has now transpired that the Barbados Intellectual Property Audit Tool has reached Barbados. Part of the recommendation is that we do a careful audit to ensure that by August 31, 2005 we will be in a position to know where we are with intellectual property. In clear circumstances where intellectual property is very much a sunrise industry which this Government and successive governments will be pursuing in terms of restructuring and diversifying our economy further, this is a necessary and inescapable expenditure.

3.30 p.m.

The sum requested is \$37 950 but this is not sufficient to take us to August 31. This \$37 950 will see us put people in the field, researchers and field investigators, to work in February and March. When the new financial year 2005/2006 comes we expect to vote around \$62 000 to take the audit between April and August 2005. Mr. Chairman, this is therefore a relatively simple matter.

Mr. Chairman, as I close let me say that we have been prudent and careful since 1994 to modernise copyright and related legislation. We realise over the years and clearly before the 1970s that many of our talented people who would have produced would have been victims of plagiarism, and others outside of Barbados would have exploited their intellectual property. What we are doing now is putting in defence mechanisms by which the truly talented among us who create and innovate would receive a measure of protection.

In the context of our relationship with the World Intellectual Property Organisation we are working with them to develop standards. For us to know where we are going with intellectual property, we need to know where we are now with it. This figure will allow us to go into the field and come back with hard data that will guide us in relation to the trends and patterns in the area of intellectual property.

Mr. Chairman, I can tell you off my head that two things matter in all of this. In developed countries it is realised that intellectual property is accounting for in excess of five per cent of the Gross Domestic Product. I can also tell this Honourable House that the fastest and most voluminous amounts of registration for new companies are in the area of music, the creative arts and intellectual property. In an era where this Honourable Committee and indeed the wider House would have heard a lot about economic enfranchisement, this is a sure sign that one aspect and one element in economic enfranchisement is that persons involved in the creative arts are seeing themselves now as not just giving vent to their talents but using their talents as the basis on which they are launching businesses, which is to be highly commended.

Mr. Chairman, it must be a painful thing for older members of this community to know that over the years we had truly talented artistes whose work was borrowed and copied internationally and who did not benefit to the full extent that they deserve. Sir, we are committed as a Government to ensuring that the whole area of intellectual property is looked at closely with the aim to engendering a culture in Barbados by which this is going to be another sector of the economy.

I commend all those artistes, entertainers, sculptors and musicians who have been patriotic enough to represent us in international forums and who have also been very self-sacrificing, functioning often against a background where they did not receive adequate protection.

With these few remarks, Mr. Chairman, I am deeply obliged to you.

Mr. R. L. SEALY: Mr. Chairman, the remarks from the Leader of the House are quite straightforward. While we on This Side do not object to a Government doing what it has to do in keeping with its membership with the World Intellectual Property Office, we would hope that the audit would come in useful in the overall effort at making intellectual property more of a household concept in this country. It is still regarded as something rarefy and something that belongs over and beyond. In recognising the efforts of pushing creative industries and services, clearly this issue of intellectual property is one that we need to take further to heart.

Mr. Chairman, the question of piracy and plagiarism which he touched on is an area that is of immense concern for us on This Side. The efforts that we make in developing the framework to encourage more development of intellectual property would only be as effective as our efforts at policing what happens once people develop this very genuine asset of intellectual property. So we want to see how this whole area dovetails with our services-based industries particularly international business. In that respect there are other aspects of our services industries, particularly international business under which corporate affairs and intellectual property falls, that are falling short.

Recently, a Mission from China came here. Barbados has had a double taxation arrangement with China for a number of years and apparently we are yet to see any benefit from that. I sincerely hope that with the coming of this Mission, some five years after that double taxation arrangement has been in place, we would see some real benefit from that arrangement.

Mr. Chairman, the Government has been pushing computer technology, the whole EduTech Project in the Ministry of Education, and I am suggesting that this is another area where creativity, patents and intellectual property can be developed. In saying that, I would also mention that the Computer Technology Centre in Newton, by the roundabout, was promised to the people by January 2005, but this is February 1, 2005 and it is not yet ready. When I drive past there all I see are rusting steel, piled up marl and blocks. This is the high-tech centre that the Ministry of International Business and the Barbados Industrial Development Corporation was developing in Newton, which was to be finished in January 2005.

Certainly, as we look at developing our overall picture where intellectual property is concerned, opportunities in that high-tech area that this Government has been pushing and correctly so... Based on the comparative advantage that we have with other countries of a sound education system and so on, I do not think that we should deny that we are right to push this area. Sir, clearly the Ministry of Industry and International Business, which I shadow, has some work to do to catch up, not just simply coming in here to get a few dollars to pay a consultant to do something that they are required under the World Intellectual Property Office. I want that to be looked at in the context of other things that need to start to happen in this Ministry. Mr. Chairman, it is with regret that I have to say these words in the absence of the Honourable Member for St. Joseph. I would certainly hope that when the Honourable Member returns, that he will do so with a stack of legislation to be put in place so that we can continue to drive Barbados forward as a centre for offshore businesses and for services, so that this whole concept of intellectual property can be viewed, not only in terms of the

arts and so on, as important as that is, but that we recognise the other areas as well in terms of the development of businesses.

3.40 p.m.

Mr. Chairman, I am grateful to you.

Mr. D. St. E. KELLMAN: Mr. Chairman, I too rise to add my contribution to this debate and to say from the outset that we are aware that we would have fully discussed this Bill some months ago.

Mr. Chairman, I wish to say that it is Carnival in Trinidad and Tobago and it is clear to me that they would have gained more from this Parliament than we would have because as I am aware, they have made the amendment, which one of the Honourable Members of this Parliament has called for, where they have now licensed what we want to call pirates. In other words, they have recognised that there is a contribution that these vendors have to make to the development of the arts and to the intellectual properties of the artistes of Barbados.

Sir, we in Barbados who pride ourselves in being so developmental and forward-looking, could not even have accepted the advice given, yet the Trinidadians have accepted it and are having a carnival without any problems. On the other hand, there is no guarantee that when Crop Over comes, that we would not have the problem with piracy even though the solution was offered in this Parliament.

Mr. Chairman, if we are going to have an audit, we have to have an audit of what is given and what is accepted. We must audit the failing grade of this Government because it is clear to me that foresight is not on Government's agenda and that it is something that cannot be audited by them.

Sir, we are not here to provide a market for a 'too-few' but it is clear that when you look at everything today, this Government is a 'two-few' Government. They can only see things when these things relate to a small number of persons but when you want to expand the market, Government will do everything to limit the market so that other players cannot come on the market to enjoy those benefits.

Mr. Chairman, they tell me that Crop Over is big business. They tell me that tourism is big business but when it comes to these two industries, we want to limit the players who are involved in these industries and want to limit the benefits to the 'too-few'.

Mr. Chairman, I thank you.

Hon. R. R. FARLEY: Mr. Chairman, I wish to respond to some of the inaccuracies which would inadvertently have been put before this Honourable House by the last two

Honourable Members.

Mr. D. St. E. KELLMAN: Mr. Chairman, on a point of order. The Honourable Member is saying that you have allowed some inaccuracies to be entered into the record and he had not gotten up on a point of order. Therefore, he cannot now do it in his speech because if there were inaccuracies, the Honourable Member should have pointed them out, so that you could have corrected them.

Mr. CHAIRMAN: Please continue, Honourable Member.

Hon. R. R. FARLEY: Mr. Chairman, the Honourable Member for St. Michael South Central has laid at the feet of the Government the accusation that we need to put intellectual property legislation in place and further that this work in relation to the consultancy and audit of the intellectual property is driven by World Intellectual Property Organisation and things of that character.

Mr. Chairman, the Honourable Member for St. Joseph has been very clear in terms of the Government intellectual property focus. We are not merely here to enforce intellectual property legislation derived internationally, for the benefit of those from outside of these shores. The Government has always made it very clear, both by words and by action, of our very strong commitment to the development and protection of the creative talent of the Barbadian people. In fact, it was this Administration which introduced into this Parliament a comprehensive suite of intellectual property legislation.

Asides.

Hon. R. R. FARLEY: Mr. Chairman, the Honourable Member for St. John knows it very well because out of all of the Honourable Members of That Side, if anybody knows anything about intellectual property, it would be the Honourable Member for St. John.

Asides.

Hon. R. R. FARLEY: Yes, he did a good job as a consultant at CARICOM on services. Sir, were it not for the shackles imposed on him by his political positioning, the Honourable Member would have been able to come out and say what a good job we have done in terms of intellectual property legislation. But I understand that.

Asides.

Hon. R. R. FARLEY: I understand that what the Honourable Member may say out in the corridor, he cannot

say on the Floor in a debate on a matter such as this and we understand that.

Asides.

Hon. R. R. FARLEY: Mr. Chairman, the reality is that the creators and producers of creative works, be they musicians, computers programmers, designers of industrial equipment, have all been able to benefit from the legislative protection which has been put in place.

Mr. Chairman, the Honourable Member for St. Lucy was seeking to suggest that the legislation has been put in place and that there are no arrangements in place to protect and to enhance the economic viability of our musicians with respect to the coming Crop Over.

Mr. Chairman, the Honourable Member for St. Lucy may want to know that not only has this Government been involved in increasing the penalties for piracy, not only has this Government created a unit within the Royal Barbados Police Force, to ensure that there is active investigations so that we can effect prosecution, but also that this Government has recognised that the same music industry the Honourable Member is talking about is an important business. Sir, the Honourable Member may want to be aware that it is this administration which has, for the first time, made it possible for Barbadians to own International Business Companies.

Asides.

Hon. R. R. FARLEY: Sir, the Honourable Member for St. John, I believe, has one or two. I am sure that the Honourable Member for St. John, the astute businessman that he is, in terms of selling his services, has made use of this International Business Companies legislation.

Asides.

Hon. R. R. FARLEY: Mr. Chairman, the musicians in Barbados have registered International Business Companies for the sale of their music internationally. They are able to benefit from the substantial tax concessions from that move. Sir, not only that, musicians and other producers of creative works in Barbados have utilised the fact that with Barbados being a member of WIPO and with our Corporate Affairs and Intellectual Property Office here, it has allowed for multiple registrations. The protection which musicians and artistes get here in Barbados, they get in other member countries of WIPO but that has allowed our creators to reap royalties which they have not been able to garner before but therefore a lot of the protection is about practical reality.

Mr. Chairman, there has always been a particular loophole in the music industry.

3.50 p.m.

In the past, the music industry tended to release its

music in limited form. It used to go to radio stations and other entities in terms of advance release. It was usually in that gap, be it a month or two, where the record companies would seek to get promotion for the music that much of the piracy has occurred. Sir, a number of music producers have realised that by simultaneous release of their music across various markets, bypassing that preliminary step of releasing to the media before releasing to the rest of the public, that this has cut out a lot of the piracy. In fact, Sir, in the film industry piracy is a major problem notwithstanding all the longstanding nature of their legislation, notwithstanding the institutional support which is available through these intellectual protection institutions, they have found that they still had a major problem both within the United States of America and more particularly in Asia and other foreign markets. Sir, when movies on DVD were released in the United States of America and Asia, already the pirates had gone to the releases in the cinema, taped or otherwise captured the image and the pirated DVD films were already on the market.

Sir, the distributors decided to change their distribution strategy, and there is no more simultaneous release, rather than release it in the United States of America now and six months later release it in Asia during which time the pirates would have done their deed. Strategies like this are useful and have been used in the music industry to take the gaps.

Sir, the reality is that legislation alone will not be the answer to stamping out piracy. Mr. Chairman, we are satisfied that we have put a proper legislative platform in place. We are also satisfied that the managers of the music business are moving to take full advantage of it.

Sir, before I take my seat, I want to respond to two things which were raised. The Honourable Member from St. Michael South Central erroneously stated that the China/Barbados Double Taxation Treaty was yet to reap any benefits for Barbados. The reality is that from the signing of the treaty before the ink was dried or the slow boat could get from Barbados and back, there were companies registered and utilising the model to do business, for example, a Barbados registered company that owns mining operations in China and I could cite several other examples.

Mr. Chairman, what would have inspired us to go the route of having a China/Barbados Double Taxation Treaty was that there had already been strong indications of business with China.

Mr. R. L. SEALY: Mr. Chairman, on a point of order. The Honourable Member is misleading the House. Sir, on this issue of benefits from the Barbados/China Double Taxation arrangement, it was carried publicly in the Press. The junior Minister of Foreign Affairs and Trade

any fruit was yet to be borne from the double taxation arrangement and I am suggesting that he would like to tell his colleagues in Cabinet and the officer at the BIDC should also be told because they do not know anything about promoting the services of Barbados in China.

Hon. R. R. FARLEY: Mr. Chairman, the Honourable Member will do well not to believe everything he sees in the Press. The reality is that it is within my certain knowledge that there are several companies making use of the China/Barbados Double Taxation Treaty. In fact, one of the reasons why business persons in China would have sought to come on a trade mission in Barbados to look not only at trade flows but at investment flow is because of the certainty which has been established as a result of the China/Barbados Double Taxation Treaty, which means that they can plan their operations effectively.

We have found that in terms of the experience of establishing double taxation treaties with countries around the world that the key strategy is to put your treaty in place and that companies will find ways of making use of it for their benefit. The fact that so many Chinese business persons were here looking at trade and investment opportunities is a direct and clear indication that the signing of the treaty is bearing fruit.

Sir, the Honourable Member is again grossly inadequate to suggest that project at Newton Industrial Park shows any display of rusty steel and is giving the impression that the project is like one abandoned by the Democratic Labour Party in 1990.

Mr. Chairman, the project is very much under construction and I am surprised and saddened that the Honourable Member being a professional engineer does not know the difference between rust and the rust oxide paint which is a typical cover for steel in the construction industry. Sir, I could understand if another Honourable Member had made the mistake.

Asides.

Hon. R. R. FARLEY: The Honourable Member from St. Michael South Central as an engineer he should not come in here and characterise a project which had only recently been started, which is still in the main stages of construction, where in the construction business the type of rust protection which is used always has that colour, wants to give the impression to the persons who may not know any better that the project is long overdue.

Sir, the project is within time, I am not sure what is the situation of the budget but it will certainly be a project that will provide the basis for the growth of the information technology sector in Barbados. Sir, I know that all of us will

be around for a long time and I will live to see the Honourable Member from St. Michael South Central eat his words. He really has to come with a greater base of accuracy than he has on this occasion.

Mr. Chairman, I am grateful to you.

Hon. R. C. EASTMOND: Mr. Chairman, I want to thank all Honourable Members who have contributed to this debate. I well recall a former Minister of Culture, Mr. Nigel Barrow, echoing sentiments to the effect that we in Barbados must come on board with this whole notion of intellectual property. The remarks made that intellectual property is neither fanciful nor far-fetched have been accepted.

I therefore in the circumstances, Mr. Chairman, beg to move that Head 21 stand part.
4.00 p.m.

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

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

HEAD 25 – MINISTRY OF AGRICULTURE AND RURAL DEVELOPMENT IN THE AMOUNT OF \$183 000

Hon. R. C. EASTMOND: Mr. Chairman, it has transpired that in the year 2000, there were sightings of a plant pest known as the Giant African Snail in this country. Sir, subsequent to the year 2000, despite the efforts of many to do something about this very vicious plant pest, it has been discovered that there have been further sightings at Newbury in St. George, Buckeley Factory Yard in St. George, New Orleans in St. Michael, Grazettes in St. Michael, Cave Hill, Black Rock, Mason Hall Street in Bridgetown, Holders Dairy Meadow in St. James, Rock Hall in St. Thomas, Belle in St. Michael, Foundation School in Christ Church, Airy Hill in St. Joseph, Bournes Village in St. George, the ARVTU Unit at Groves in St. George and in Cane Garden Development in St. Thomas. These are some of the areas where there have been sightings of this Giant African Snail.

A native of parts of East Africa and Madagascar, I can tell this Honourable Chamber, Mr. Chairman, that this plant pest is what I would call omnivorous, taking a special delight in the normal vegetables and root crops, but also taking a particular liking to flowers as well. Despite many efforts led by Entomologists at the Ministry of Agriculture, it has been realised that this pest has a tendency to reproduce rapidly and, notwithstanding all that has been

done before, it continues to constitute a menace and a threat to farmers, creating risks to the farming community. A risk is a measurable event, if you can call it that, where when farmers plant, and project production and income of a certain level, the risk factors work to reduce their income and interfere with their production.

It has also been realised in addition to all I have said, Mr. Chairman, that this Snail can act as a very dangerous vector and that rats like to interact with it and it has the potential to increase the rat population. It can carry a few diseases which must not be lightly rejected or disregarded.

The Ministry of Agriculture realises that we now need a national effort to deal with this plant pest. It is expected that in the coming months, the Ministry of the Environment will be brought on board. The Ministry of Health will also be mobilised. The Barbados Defence Force, the Government Information Service, the Barbados Agricultural society and the Biology Department of the University of the West Indies will all be brought on board..

It has been realised that in our Gully Ecosystem, especially those gullies that are close to heavy vegetation that this pest 'hang out' and breeds and multiplies rapidly. One of the characteristics of it is that there is no natural biological agent that can do anything to control or destroy this Giant African Snail.

Within the world of agriculture, for example, there is a wasp and a ladybird that can deal with the mealy bug but there is no known biological agent, nothing in nature that can deal with this Snail. It must be eradicated by a combination of chemicals and strong action.

The Ministry of Agriculture, Mr. Chairman, is seeking a supplementary in the amount of \$183 000 to move to what they consider to be a strategy that will be designed to intensify every effort to deal with it, and resources are expected to be dedicated in the short and medium term to deal with this nuisance.

I think the Ministry is also moving to categorise the Giant African Snail as a notifiable pest. It is not yet a notifiable pest but the Ministry of Agriculture proposes to make it a notifiable pest, meaning that where it is sighted, citizens will be under a duty to report its presence so that the authorities can deal with this Snail.

I do not propose, Mr. Chairman, to go much further on this. It is just that in a situation where this pest destroys food crops, flowers and other vegetation, the whole of Barbados is under a duty to come together to ensure that its further spread is arrested and where it exists, it is rooted out.

I thank you, Mr. Chairman.

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

Mr. D. St. E. KELLMAN: Mr. Chairman, I rise also to speak on this Head and to say that after hearing the Minister speaking on this particular Head, I can now appreciate the frustration, Sir, that the farmers of Barbados have encountered. When one considers the lost of crops and the amount of chemicals that had to be purchased in order to grow these crops, one can understand the increase of the bill to Government.

It is a clear case of not gouging. It is a clear case where the farmers of Barbados have been confronted with problems and they have to spend substantial amounts of money to correct the problems because of the African Snail which has pushed up the cost of agricultural produce. When one looks at what was said lately, it is clear that any Shadow Minister of Agriculture or any former Minister of Agriculture would have to defend the case.

I want to congratulate the Honourable Member for St. James North being a former Minister of Agriculture, for making such a strong case on behalf of the farmers and explaining the reason why the farmers had to increase the cost of output to the Government agencies who had to purchase from them.

Another consideration, Sir, is that we have to recognise that even though we have been getting rains lately, the farmers also had a period of drought which created substantial losses for them. On top of that, Sir, in the period when the rains came, Sir, the farmers were confronted with problems where all their crops were washed away.

Sir, I do not see in this day and age, how we could be worried about the increased cost of vegetables to Government or to the consumers, when one looks at the problems which confront the farmers. I want to defend the farmers in this particular case. I am aware that there are people who purchase from the farmers and then sometimes sell at higher prices than they should.

I also want to make a point in this Parliament, and it goes back to another fundamental issue that has been made in this Parliament that we need to make sure that we develop a system where farmers remain in their fields and we get people to market the produce. The most important point, Sir, is that those persons who market the produce for the farmers are allowed to get vehicles at duty free prices, so that they will not have to calculate those high duties into the cost of the produce, so that the Government would not have to complain.

What is happening now is that the farmers are forced to move from the fields and bring the produce to the vendors

when, in truth and in fact, we should have the farmers continuing in the fields to have a higher turnover rate and reduce the cost.

Asides.

Mr. D. St. E. KELLMAN: Yes. This is all to do with snails eating the vegetables and increasing the cost. This is a very bright man. He understands the level of the debate.

Asides.

4.10 p.m.

That is why the farmers need to have some money so that they can buy chemicals and would not go out of business. That is why we also have to make sure that the transport cost to the farmers and the vendors is reduced so that they can get the right price at the market.

The Honourable Member for St. Philip South being a former Minister of Agriculture and a rural man, who would understand the plight of farmers would agree with me. Sir, I expect that when he gets up he would defend the farmers considering that he is from the constituency where they had a lot of rain this year and he knows that their crops were washed away and they had to replant. The farmers have had to incur two costs to grow one crop, so any charge against the farmers must be based on the facts I gave to this Parliament this evening.

Sir, in the same way when the airlines were not making money we could come to this Parliament to vote money for them, we should do the same for the farmers and stop accusing them of price gouging when they submit figures that we know are much higher. They went through hard times and just because they are the masses of the people of Barbados they should not be treated in that particular way. I am asking the other comrades who can understand the plight of these poor people... When I say poor people I do not mean poor in the sense that other people talk about, I am speaking about poor as it relates to the masses of people in Barbados because we have two classes of people in Barbados, the rich and the masses. Some of us might want to pride ourselves as being rich but we are really part of the masses and we have to understand the pain they suffer.

I am asking you this evening, Sir, to join the bandwagon and appreciate how the African Snails, the weather, whether it was the rain or the drought, the transportation problems and the high cost of vehicles have impacted on the farmers of Barbados and appreciate why the cost is up by \$1 million.

Sir, if we were in another country we would have been arguing about \$3 or \$5 million higher in our bill to Government. We are fortunate because these have been

trying times for the farmers and instead of bashing them, we need to give them some support because they are the ones that will provide the food basket for Barbados. We must provide that confidence for them because they went through all of those things and no kind of aid was given to them.

The Minister of Tourism came for aid for the airlines and the players in the tourism sector. When the fishermen had their problems, the Minister of Agriculture came for aid for them. I want to know when the Minister will come for some aid for the farmers of Barbados because they need our help. From the time we came to this planet called Barbados, our earth, Barbados is part of the planet called earth, we had agriculture with us and no matter what happens in this country, agriculture will always be with us.

Sir, when you pick up the statistics of this Parliament you would see that agriculture is the only industry that has been making losses since 1981 and 1982 but it is still surviving. Do you not think that we owe something to those persons who put their capital into an industry that is not going forward? Sir, even though agriculture has not meant a lot to the owners, agriculture has developed Barbados and has put Barbados where it is. Are we going to be ungrateful? Are we not going to recognise that agriculture makes a contribution to Barbados and that we need to compensate the farmers for it? Sir, we must not only bash them. I am not saying that if there is any evidence of gouging that they should not be bashed, but one must stop and look at what occurred over the last few years before one criticises the farmers.

In light of what I have spoken about, \$1 million that somebody might call overpricing in the agricultural industry cannot be a high price to maintain agriculture in this country. After all the rains we have had, the question must be asked how much more we might have to give because of the delay due to the rains we have had. I am saying to this House that agriculture has built all the industries of Barbados. We have to understand that the farmers have suffered lately and they cannot afford to have any one of us bashing them when they have been doing everything to survive.

I thank you.

Hon. A. P. WOOD: Mr. Chairman, I rise to give my full support to the supplemental request of \$183 000 to allow the commencement of what could be considered an expanded and certainly an upgraded programme by the Ministry of Agriculture and Rural Development, to bring the great African Snails under control and when we get further into the programme, some time during the course of the next financial year, our efforts will take us closer to eliminating the snails from our shores.

Mr. Chairman, the Honourable Member for St. Lucy reminded us in his short presentation about the importance of agriculture from a historical perspective. I certainly would want to agree with him because as a former Minister of Agriculture and Rural Development I sometimes had to endure the pain of how sections of the Barbadian society related to the agricultural sector. I am going to come back to the importance of eradicating the pest. I well remember that when there was a threat to the flow and supply of agricultural commodities to Barbados and neighbouring islands there was a sudden re-stimulation in the interest of agriculture in Barbados and elsewhere. At the time we had said that it certainly was not a case in which you can switch on or switch off a tap and get agricultural commodities to flow and that what was needed was a consistent effort by persons to maintain a heightened interest in agricultural development in Barbados.

Mr. Chairman, in my considered opinion, the agricultural sector is underestimated at many different points, but where it matters most is in trying to determine in a fairly fulsome way the contribution that the agricultural sector makes to national output. Sir, there is not enough appreciation for the multi-functional character of the sector, therefore, one is led to conclude that the agricultural sector is not contributing in a very significant way in both absolute and relative terms.

Mr. Chairman, over the last couple of years the sector would have been impacted on from a number of sources. These sources range from the international trade negotiations and even what is happening within the regional sphere. In that regard the sector would have been impacted on from the removal of the protectionist barriers which would have contributed to the development of the sector over the years. Mr. Chairman, very importantly, the rapid movement of tourists and individuals across shores would have in some way contributed to the introduction of some unwanted pests into Barbados over the last five to ten years.

4.20 p.m.

Mr. Chairman, the great African Snail might be what is before us today but the limited resources which are available to the Plant Protection Department of the Ministry of Agriculture have had to deal with a number of pests which would have been threatening the agricultural sector in Barbados over the last decade.

Mr. Chairman, while tremendous pressure has been brought to bear on the functioning of the sector, both externally and internally, the sector has also had to contend in a very serious way with a number of pests.

Mr. Chairman, only last weekend we would have seen a revival of the agricultural exhibition in Barbados. From that exhibition we would have seen that there is still some

interest in the agricultural sector. Therefore, that is why when the sector is being called upon to respond to serious threats, if we do not approve this \$183,000 and not see it fit at the time of the Estimates to approve a larger sum that would allow a comprehensive programme to be introduced to deal with the Giant African snail, we would be turning a blind eye to the potential for the great disruption of the agricultural sector.

Mr. Chairman, a number of years ago when the Honourable Member for St. James North was in charge of the agricultural sector, we saw what had happened with regards to the pink mealy bug. Sir, one can remember the sort of mobilisation that was required. We had to call on the resources, not only in Barbados but across the region, to come to grips with that particular problem which had threatened to decimate the agricultural sector in the region. I should also say that as we speak, the limited resources over there are also being stretched with having to deal with a fruit fly problem.

Mr. Chairman, as we seek to deal with the Giant African Snail in Barbados, that raises fundamental issues in respect of the type of surveillance and supervision that is being done at our ports of entry, that are specifically designed to apprehend persons who are aiming to enter this country with certain types of plants and animals.

Mr. Chairman, the country is too small and the agricultural sector is too important to the development of our country, for us to have to be responding to these threats that are there for the sector, when, in truth and in fact, with a more rigorous and comprehensive approach to supervision and surveillance at the ports of entry could, indeed, prevent the introduction and escalation of some of the problems that we have experienced in the last decade from these pests to our agricultural sector.

Mr. Chairman, the Honourable Member for St. Lucy has spent a few minutes of his time in speaking about the plight of the farmers and in more recent times about the problems they were experiencing which has been occasioned by the unusual weather patterns of late. Sir, I think we need to address this problem at source. A number of years ago, it was the plight of the fisherfolk when we had the 'fish kill', now it is the unusual weather. Sir, I like how the Honourable Member for Christ Church East addressed this problem when he had visited those farmers in Gibbons Boggs who were most affected. The Honourable Member had made a number of suggestions as to how we should deal with this problem. Sir, those suggestions still remain with me.

Sir, I am saying that the time has come for the leaders of the agricultural sector to join forces with the leaders of the

other areas of our economy, to ensure that when the agricultural sector has to deal with these problems, that there would be appropriate mechanisms in place, so that those affected can be appropriately compensated. Sir, it should not be the case where we stray away from dealing with this issue in a fundamental and decisive way and when things happen, unwarranted as they are, that there would be persons calling on Government to provide the finance to get the sector back on its feet. I am saying that things can be done by the sector, with the help of national planners, to ensure that appropriate systems are put in place, for example, crop insurance.

Mr. Chairman, we need to bring the insurance industry around to the point that when the agricultural sector is being visited by these natural events, and they have adverse consequences for production and for the lives of those persons who depend on a proper functioning sector, that mechanisms such as crop insurance could 'kick in', in order to provide the necessary income to allow the farmers to maintain and to ride out the rough period. Secondly, while they are doing that, they should get their productive systems back in place so that the sector could be revived in the short period.

Mr. Chairman, the Government of the day and all Honourable Members would have heard that the Minister of Agriculture spoke to the establishment of the Disaster Fund. Sir, instead of us having to endure the calls time and time again when the sector is visited by these unwelcome events, we need to put structures and systems in place so that no one would be left in any doubt as to what can be and what will be the likely response.

Mr. CHAIRMAN: The Honourable Member has two minutes more.
4.30 p.m.

The Disaster Fund, as I understand it from the Leader of the Other Place, would indeed provide sums of money to help the affected farmers. The loans will have the appropriate grace periods and will not be on onerous terms so as to ensure that the farmers would not have to be called upon to make repayments within a short period. These funds can be used to get the farmers back on track and when harvesting time comes they can make the necessary repayment.

Mr. Chairman, I am in full support of what the Honourable Member for St. Lucy said in respect of the continued importance of the agricultural sector in this country. I want to put on record that if we pay more attention to the multi-functional character of the agricultural sector and recognise that agriculture feeds into a number of sectors which we pay much attention to. Sir, this multi-functional character of the sector would allow us to have a greater

appreciation for the calls that many are making for a revisiting of the methodology employed to determine the contribution of agriculture to the national output.

I also want to restate my full support for this Supplementary and any other Supplementaries which is required to allow the Entomology Department, the Plant Protection Department or any department at the Ministry of Agriculture or any sister or brother institution which would allow us to bring any pests under control that has the possibility of decimating the agricultural sector.

Sir, I thank you.

Mr. CHAIRMAN: The Honourable Member for St. James North.

Hon. R. C. EASTMOND: Mr. Chairman, I am indeed heartened by the contributions of the two Honourable Members who spoke. We are on this occasion looking at the threat by plant pest. Honourable Members would know that in recent times, we have seen many natural disasters occurred worldwide and the time has come for us to reflect if disasters like these continue, that agriculture can be compromised with threats to humankind because, as both Honourable Members said, at the end of the day, human life is supported by the existence of vibrant agriculture and that is the bottom line.

I want to thank all Honourable Members.

Mr. Chairman, I beg to move that Head 25 stand part.

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

The question that Head 25 stand part was put and resolved in the affirmative without division.

HEAD 27 – MINISTRY OF TOURISM AND INTERNATIONAL TRANSPORT – \$19 474 677

Hon. N. A. LYNCH: Mr. Chairman, the majority of this Supplementary to the tune of \$18.7 million is for the Barbados Tourism Authority to settle outstanding trade payables relating to two programmes under the Best of Barbados Programme that was brokered in 2002/2003 and the existing airlift services agreements which are outstanding with specific airlines.

Mr. Chairman, following September 11, 2001, most island and travel related services in the island saw some deep declines in the first three months of 2002. A recovery plan was instituted through the Barbados Tourism Authority

and every month since the plan was put in place, with the exception of four months, we have had growth. At the time we projected that there could have been 15 to 20 per cent decline during 2002 but with that particular rescue plan, which started in the second quarter of 2002, we were able at the end of the year to show just a five per cent decrease on what happened in 2001. Sir, 2003 and 2004 are now history with arrival up 6.7 per cent in 2003 and up 5 per cent in 2004.

I have heard some remarks made about The Best of Barbados Programme over time but suffice it to say, the programme was a special marketing programme which allowed US\$100 rebate to people coming into Barbados. What was significant about that programme was that for the first time Barbados appeared in the Harris Poll, which is a Wall Street Journal Poll, which is carried out when people in the United States of America, Sir, people in the Eastern part of the United States of America were asked which tropical destination globally they would like to visit for a vacation, for the first time, Barbados was the only Caribbean destination that appeared in the top ten.

The rebate component was a part of the programme but most of the money was spent on the advertising and promotional part of the programme. Sir, at the time the Barbados Tourism Authority had projected that between 10 000 and 15 000 visitors would subscribe to the Best of Barbados Programme but the programme generated 30 933 visitors in 2002 and 36 310 visitors in 2003. The visitors spent as calculated on the average dollar spent of \$268 per day yielded \$72 million in 2002 and \$91.4 million in 2003.

Sir, the total spent on the Best of Barbados Programme was \$23.8 million in 2002 and \$21.5 million in 2003. We are to get a good understanding on the magic of the Best of Barbados programme. A passenger had to book for minimum seven days to Barbados and stay for seven days on the island to be offered a rebate. The programme was under-budgeted at the time and the Barbados Tourism Authority had to pay for the rebate and the promotional and advertising portions.

Sir, new initiatives have been put in place because the Best of Barbados programme continued into last year but now there are issues related as to how many packages can be sold under the programme. Mr. Chairman, under the existing airlift arrangements, marketing support was given to airlift into the country. I know it has become fashionable to say that there is no need to support airlift but, Sir, airlift being such a vital component to the tourism industry, if we did not have marketing support and partnership with airlines to increase the airlift component to Barbados, I do not believe that we would not have seen as much airlift as we have had.

It was said in some quarters that we paid for airlines seats but we have actually created a marketing programme with the existing airline to allow the plane to fly. Under this

programme, Mr. Chairman, Virgin Atlantic, British Airways, Sun Tour out of Italy, Air Canada, U.S. Air, Continental, Conquest and Sun Quest out of Canada all flew to Barbados during that period.

4.40 p.m.

Sir, there is also a \$600 000 amount in that airlift programme that will support a new service which is starting on February 12 when, for the first time, we open up non-stop service once a week from Charlotte, North Carolina into Barbados. This service will provide an additional 6 240 seats for its full share of operation.

The Charlotte/Barbados service expands Barbados' marketing base to another 70 southern cities in the United States. The most important of these are Atlanta, Cleveland, Houston and Nashville. It opens up same-day service to these cities and some other mid-west cities in the United States.

The projections on just a 70 per cent load factor alone, will generate for Barbados another \$8 million from that particular service. Sir, Charlotte is really the U.S. Air southern hub and what it does is really opens up for the first time, the opportunity to see people coming on a non-stop service from the south of the United States.

The other part of this Supplementary, Sir, speaks to another \$1.076 million for the Barbados Tourism Authority to complete office renovations. In the 2004-2005 Estimates, only \$300 000 were actually included in the Estimates for capital works to the building at the Harbour Road but upon further inspection, the building proved to be in a worse state and would cost more than had originally been projected.

As a matter of fact, Sir, the rains during the early part of last year damaged that building and industrial cleaning had to be done. The roof was found to be no good and the building had to be renovated. The cost of all that was approximately \$560 000.

There was another cost of \$125 000 for accommodation during the six months period, when the renovations are going on, such as payment of relocation fees and rental fees. A part of the staff of the Barbados Tourism Authority had to be relocated to Sherbourne Conference Centre and another part of the complement to the newly renovated Town Hall in Bridgetown.

Sir, those cover the amount of the \$19 million that has been given to the Barbados Tourism Authority.

I thank you, Sir.

With those words, Sir, I beg to move that Head 27 stand part.

Mr. C. A. MASCOLL: Mr. Chairman, this is a lot of money. This is almost \$20 million in supplementary and I am in no way satisfied that the Minister has in fact justified in his opening remarks, the extent of the supplementary.

It says here in the Addendum that these funds are required by the Barbados Tourism Authority:

“(a) to enable the BTA, to meet expenditure for operations for the rest of financial year 2004-2005, having utilized funding available from the approved vote to settle outstanding commitments and to meet payments associated with new airlift service agreements.”

Sir, in his presentation, the Minister gave the impression that the majority of this allocation would be for new airlift, but to settle outstanding commitments...

Asides.

Mr. C. A. MASCOLL: Sir, less than two weeks ago, we were told that the Best of Barbados Programme ended sometime ago, and that was in response to a criticism which was levelled at the Minister in this Honourable Chamber. Am I to believe now that the outstanding commitments which are to be settled are to be associated with the Best of Barbados Programme, which has ended fairly long ago?

Asides.

Mr. C. A. MASCOLL: What am I to believe really about this amount of \$18.4 million? You need to explain the outstanding commitment. We are owed that. Is this supplementary really a result of the audit that occurred last year at the Barbados Tourism Authority, and for which we have not been given any information, even though we have been told of the extent of an audit that was conducted in the latter half of the last quarter of last year?

Is it that there was to have been a line item to which this expenditure can be associated at the Board, and for which we should be given far more detailed information, with respect to this amount of money? I therefore would like to have these kinds of questions answered.

We have been talking about the BTA, but the BTA, remains an area that needs to be investigated. There were significant sums of money expected to be given out with respect to gratuities on salaries given the exigencies of staff of the BTA, over the last two to three years. Are these monies in any way associated with the commitment that has to be made with the BTA to gratuities for persons who would have left the BTA, within the last couple of years?

Sir, can we associate the level of expenditure, which is required now by the Minister with any misspending on the part of the Board, with respect to the provision of an \$11 000 security system at the former CEO's residence? The Board is responsible and will be held accountable for a security system that was installed at the house of the former President of the BTA.

Asides.

Mr. C. A. MASCOLL: Sir, Mr. Chairman, I am asking questions.

Is it a fact that the President's gratuity was retroactive for a period of five years? I need to know the answers to these questions because this is a lot of money. This is \$19 million that we are seeking here and we have had no explanation at all as to what has happened to monies at the Barbados Tourism Authority.

Asides.

Mr. C. A. MASCOLL: It is my duty to ask questions on behalf of the people of Barbados and I am asking questions now.

The other thing, Mr. Chairman, the organisational structure of the BTA, has to be investigated. There are 90 to 97 staff members at the Barbados Tourism Authority. There are 17 Managers at the Barbados Tourism Authority and I will list them for you now: the President, Senior Vice President, Director of Human Resources, Director of Corporate Communications, Director of Cruise, Director of Marketing Services, Director of Finance, Manager of Planning, Manager of Research and Development, Manager of Integration, Manager and Consultant of Sports, Manager of Caribbean, Latin America, Manager of Accounts, Manager of e-business, Manager of Corporate Affairs, Hotel registration, Manager of Administration and a Manager of Planning. There are 17 Managers at the Barbados Tourism Authority with a staff of between 90 to 97 people. In addition, Sir, because of the way in which the Barbados Tourism Authority is organised with its Head Office in Barbados each Manager gets at least three trips per year.

4.50 p.m.

Asides.

Mr. C. A. MASCOLL: I was on the Board and I therefore have to ask questions. How could it be that all of a sudden we are being called upon to look for over \$19 million for the Barbados Tourism Authority, when it would have been known prior to the Estimates which programmes the Government intends to put in place over the

course of the fiscal year 2004-2005. In spite of that we are being told now that the money required is to settle outstanding commitments and to meet payments associated with new airlift agreements. Outstanding commitments for what and to which programme at the Barbados Tourism Authority? That is all I want to know. This is real money. The Barbados Tourism Authority budget is about \$55 million and that amount is 30 per cent above what was budgeted for the fiscal year.

Asides.

Mr. C. A. MASCOLL: The results are not fooling me because I know that the revenue performance of the industry has not been up to scratch, so while we talk about all of the numbers and the arrivals, we know that the tourism has not been up to scratch. In fact, there is substantial evidence in the performance of the Barbados economy last year to show that notwithstanding all the talk about tourism that all loss of foreign reserves is a direct consequence of the under performance of tourism.

Asides.

Mr. C. A. MASCOLL: We lost \$311 million in reserves last year in the face of so-called excellent tourism performance. That is unprecedented in the history of Barbados. When you check the commercial banks of Barbados they were not seeing any inflow of foreign reserves as a consequence of the outstanding performance of tourism, yet we are in here talking about how much arrivals there have been. If there was an increase in arrivals there has not been the commensurate performance with respect to revenue, the influx or the inflow of foreign exchange. That is what prompted the Prime Minister to put corrective measures in place with respect to the commercial banks to ease the outflow of foreign reserves because tourism has not been performing in a way that we should be proud of. We can be proud of numbers and we can be proud of cruise ship passengers. How much money does a cruise ship passenger come to Barbados and spends? It is well-known in Barbados that not more than 20 per cent of all the cruise ship passengers who come to Barbados get off the boat.

Asides.

Mr. C. A. MASCOLL: That is a fact of life. That has always been the concern and always the case with respect to tourism. Even the surveys that were done suggested that, and the Minister knows that only too well. There is this idle boast every month that arrivals have increased by three per cent, yet you cannot see the evidence.

We must not criticise the member of the public who comes and brings excellent articles in the Press every week because nobody in Barbados refutes what he says at all. He

brings information to the table and people listen to him.

Asides.

Mr. CHAIRMAN: Alright, Honourable Members, you all will have time to talk. Honourable Member, you have five minutes left.

Mr. C. A. MASCOLL: We really need to know what is happening at the Barbados Tourism Authority because you cannot be proud. I can understand how the Minister feels because in an economy that is supposed to be performing so well he is the outstanding Minister. He feels good about it and you cannot kill him for it. Manufacturing has said little, agriculture is saying nothing, the international business sector has not performed and therefore tourism remains the saviour. I am not seeking here to condemn the Minister but I do not want him to overstate his performance. The Minister has been overrating the performance of tourism for the last two years and the evidence is very clear. It explains part of the reason why we do not have and we cannot see the kind of performance in the economy that we should be seeing.

Mr. Chairman, I am going to read from the Review of the Central Bank. I do not mind the Governor of the Central Bank at all. She has lost it in the eyes of public and in my eyes, I mean it. I have said that before.

The net international reserves fell by approximately \$311.5 million in contrast to the increase of \$137 million the year in front. Sir, a decline in the reserves by \$311 million for the Barbados economy is a tremendous decline.

Asides.

Mr. C. A. MASCOLL: How could the Minister continue to feel that the economy is performing so well, when he knows that most of those reserves had been borrowed? How could the Minister continue to believe that tourism is doing so well in the face of evidence that contradicts that? It is quite clear. He can ask the players within the industry. In fact, in the recent analysis given by Almond Beach Hotel when the Chief Executive Officer said that the performance has been creditable, in which he identified an almost \$9 million profit, he was quick to say that the performance at Almond Beach does not reflect the entire industry in Barbados.

Asides.

Mr. C. A. MASCOLL: How would he know? He was a major advisor. How come all of a sudden a man who is regarded...

Asides.

Mr. CHAIRMAN: Honourable Member for St. Michael South you would have your chance to answer the questions asked by the Honourable Member for St. Michael North West. Please, let the Honourable Member continue.

Mr. C. A. MASCOLL: This man who is considered a major hotelier in Barbados took a property and transformed it into an outstanding all-inclusive property and now his competencies are being questioned by a Minister.

Asides.

Mr. CHAIRMAN: Honourable Member for St. Michael South I do not want to give you a yellow card, please.

Asides.

Mr. C. A. MASCOLL: I do not want to go into any details about the performance of the industry, but he is known across the length and breadth of Barbados. He is the outstanding man in tourism and is known.

Mr. Chairman, when you look at the trouble that some South Coast properties are in and the problem on the West Coast and you look at the performance of the industry at the micro level you have to be concerned. Mr. Chairman, I know that we must be concerned that a Board which was provided with a budget of \$57 million for this fiscal year is now getting an additional supplementary of \$20 million. Mr. Chairman, that is a lot of money. In fact, if one were in a private sector entity, there would have been no way in which one could have asked for a further 30 per cent on top of the budget that was granted in that fiscal year. Therefore, I must confess that I would need more time to fully elaborate on these matters but there are some pressing concerns that need to be addressed with respect to where are these commitments that have been identified in the Addendum to this Supplementary. 5.00 p.m.

Mr. Chairman, I thank you.

Hon. N. A. LYNCH: Mr. Chairman, first of all, let us be clear on a number of issues. Sir, with regards to any analysis of tourism and its performance, we need more than just a subjective critique of what is going on in the industry. This concept of constantly standing and claiming that a number of people have said something...

Asides.

Hon. N. A. LYNCH: Mr. Chairman, even if the Honourable Member for St. Michael North West has enough

knowledge to give some form of economical critique, there would be nothing wrong with that but for the Honourable Member to be standing and claiming that someone else has said something...

Mr. Chairman, let me first deal with the issue on which the Honourable Member has ended. Here is an example, a hotelier in Barbados has performed well, that hotelier has made a profit of \$9 million and he distributes dividends across the board to his shareholders. The environment in which his hotel has made that money would be the same environment in which all the other hotels would have participated but suddenly this hotelier is saying that the environment is less applicable and less than congenial for making profits. This hotelier is, therefore, saying that this does not represent the industry, even though he has made \$9 million profit in one year.

Sir, I ask the Honourable Member to go on the West Coast and tell me which hotel on that coast did not make substantial profits, nor did not do well. I ask the Honourable Member to point out to me his scientific basis for this. The Honourable Member claims that he has no confidence in the Governor of the Central Bank of Barbados.

Asides.

Mr. C. A. MASCOLL: On a point of order. Mr. Chairman, what I am saying is that the performance of tourism is reflected in the commercial banks' proceeds from foreign exchange transactions. I am saying to you that last year commercial banks did not experience the kinds of inflows of foreign exchange that they normally did in periods that were supposed to be worst. Therefore, we need to know why it is in the face of a so-called good performance, that we did not see the kinds of inflows or foreign reserves into the banking system during the course of 2004.

Mr. CHAIRMAN: Honourable Member, please continue.

Hon. N. A. LYNCH: Mr. Chairman, I will make it abundantly clear again. The performance of the tourism industry cannot be left only to a subjective analysis by the Honourable Member for St. Michael North West. I am also asking the Honourable Member to bring the empirical evidence to prove that this industry is underperforming. The Honourable Member has already said that he has no confidence in the Governor of the Central Bank of Barbados or of the Bank's reports, still the Honourable Member continues to read from one of those reports, relative to the decline in the reserves.

Mr. Chairman, is the Honourable Member blaming the performance of the tourism sector for the decline in foreign

reserves? Sir, I do not understand the correlation. Is the Honourable Member saying that the tourism sector is performing but at the same time, he is seeing a decline in reserves and is blaming that on the performance of the tourism sector? Sir, let me say this to the Honourable Member.

Mr. Chairman, when we talked about the performance of the tourism sector, we have taken note and have already concurred that arrival figures alone are not the best and only measure of tourism performance. Sir, if we analyse very carefully the industry, for example, the Honourable Member has said that only 20 per cent of tourists coming through the seaport ever disembark those ships. That is totally untrue.

Mr. Chairman, as a matter of fact, a monthly survey done at the Barbados Port Authority proves that more than 80 per cent of the people coming into Barbados disembark those ships. This is one of the reasons why the Port is now increasing its taxi complement by over 25 cars. Sir, why would people be asking for more taxis? Why would people be asking to get into the Port, if nobody was getting off these ships?

Sir, the Honourable Member comes to Parliament and brings these 'out-of-the-way' ideas. Mr. Chairman, let me, first of all, deal with the money issue and about these salacious comments regarding security systems in people's house and issues of gratuities being paid. Sir, under this sun, what level of gratuities or security systems can cost anywhere near \$18 million? I thought I had explained it well but I will go over it again.

Sir, in 2004-2005, the allocation to the Barbados Tourism Authority was \$55 million. At the time the Ministry of Finance said that tourism had the first lien on any resources and, therefore, one could have come back to the Ministry if there were issues, with which we needed to deal, relating to the development and performance of the industry.

Mr. Chairman, I explained that in 2002-2003, we instituted a programme called the Best of Barbados. That programme included a rebate component and a promotional and advertising component. The reason we had to institute it under recovery was that in the first quarter of 2002, we had shown significant declines in our numbers because of the events of September 11, 2001 terrorist attack. We were looking at declines in the region of about 15 per cent to 20 per cent and, therefore, we had to shore up the fortunes by using the existing resources that we had.

Sir, one of the things that happened under the Best of Barbados Programme was that once that programme was started, there was no valve to turn off and, therefore, rather than underperforming, the programme did, in fact, over-

perform, generating over 30,000 passengers in 2002, while costing the Barbados Tourism Authority \$23.8 million in 2002 and \$21.5 million in 2003.

Asides.

Hon. N. A. LYNCH: I am not confused. You are confused.

Asides.

Mr. CHAIRMAN: Please address the Chair.

Hon. N. A. LYNCH: Mr. Chairman, the Best of Barbados Programme had two components to it. It had a rebate component and an advertising and marketing component. Sir, once people started to subscribe to the programme, there was no way of saying to a person who had subscribed that he or she could not come to Barbados. Therefore, as long as that person came to Barbados, we were then forced to pay.

Mr. Chairman, because more people came to Barbados than had originally been estimated, it meant that we had to pay the rebate. The Barbados Tourism Authority utilised the funding that was available to them during that period and did not meet other trade payables that it had. Therefore, it is now necessary for us to make those trade payables. Sir, the reason why we ended up with this matter in the first place is that the Best of Barbados Programme had over-performed in that manner.

Asides.

Mr. C. A. MASCOLL: On a point of order. Mr. Chairman, the Honourable Member is suggesting that a programme was implemented without any firm numbers or consideration of what it could do in the future and, therefore, the programme over-performed to the extent that we are now looking for almost \$40 million over the course of two years.

Mr. Chairman, the Honourable Member and his team ought to have known the extent to which the programme would have performed. Sir, what is the extent of that over-performance? Is that extent 25 per cent more than was anticipated? Was it 50 per cent more? Was it because we were giving away the tourism product that people saw Barbados as being attractive and came? Was it because of major discounting?

Mr. CHAIRMAN: Thank you. Please continue, Honourable Member.

Hon. N. A. LYNCH: Mr. Chairman, when the programme was instituted the Managers of the Barbados Tourism Authority underestimated and under-budgeted for

the amount that would have been spent in the Best of Barbados Programme. Sir, this happens all the time with programmes, so that when one would have expected in the first year to have budgeted for 12,000 passengers, we received over 30,000 passengers, under the programme. 5.10 p.m.

Mr. Chairman, once a man or woman booked for the programme, you could not stop them from coming to Barbados and the rebate had to be paid. The Barbados Tourism Authority sought to absorb under their existing budget, part of the amount.

Mr. Chairman, because the programme performed so well, they had to use existing cash flow to pay the rebate and promotion portions and other trade payables needed to be met to the persons to whom they were outstanding.

Mr. Chairman, that accounts for \$15.6 million and the other \$3.4 million meets the amounts that were to be paid to airlines under the existing airlift services agreement. We have to pay Virgin Atlantic Airlines \$1.017 million, British Airways \$601 000, Sun Tour of Italy \$122 000, Air Canada \$683 000, Continental \$121 000, Conquest \$262 000 and to Sun Quest \$154 000, which makes a total of \$3.041 million.

Mr. Chairman, as I have said before, we have entered into marketing arrangements in which we split the marketing cost with airlines globally. We do not pay for seats but we market with them and it includes the entire gamut of marketing cost like promotional activity on the road, advertising and public relations with these airlines. We market with them in the gateway and behind the gateway where the new airlift comes from.

Mr. Chairman the \$15 million for the Best of Barbados for two years plus \$3 million for the existing air service agreement totals \$18.727 million that we are seeking for the Barbados Tourism Authority for its payables.

Mr. Chairman, if the Honourable Member for St. Michael North West and the Leader of the Opposition wants to invest in the BTA, I believe he has the capacity and the institutional arrangements to do so but he should not come in here and tell people that we may have paid gratuity to someone or put a security system in someone's house. Sir, what gratuity or security system could cost \$18 million? This type of gossip creates doubts in the public mind about what is going on at the Barbados Tourism Authority which the Democratic Labour Party decimated in the first place.

Mr. Chairman, I never knew the Honourable Member for St. Michael North West to be any great corporate human resource director or leader and to say that the Barbados Tourism Authority does not need 17 managers because it has

a complement of 90 people is absolute and complete nonsense.

Mr. C. A. MASCOLL: Mr. Speaker, on a point of order. The Honourable Member is misleading the House. You do not have to be a corporate expert to know that for a staff complement of 90, you should not have 17 managers. Sir, for a staff complement of 90, there are 17 managers at the Barbados Tourism Authority, which is just over five persons per manager. The Minister wants to suggest that an organisation that has five staff members per manager is one that is being well run or that it is well-structured. Sir, in which world could that happen?

Hon. N. A. LYNCH: Mr. Chairman, to come into the House to analyse, from a non-expert point of view how the Barbados Tourism Authority should be structured on its human resource complement from a man who is not an expert and does not hold any credence with me or the House...

Mr. C. A. MASCOLL: Mr. Speaker, on a point of order. The Honourable Member is misleading the House once again. The Honourable Member for St. Michael South was at the heart of trying to establish the Barbados Tourism Company to get the rid of the Barbados Tourism Authority on the basis that it was poorly structured, not executing and not in line to deliver in today's new world. The Honourable Member for St. Michael South was the person behind instigating that the Barbados Tourism Authority would be replaced by the Barbados Tourism Company.

Hon. N. A. LYNCH: Mr. Chairman, the Honourable Member for St. Michael North West can have a personal opinion but he is not an expert in the area. As a matter of fact, if you listen carefully to the range of people he called out, it lends a certain credence to the fact that we are trying under management to control as many areas as we do under the Barbados Tourism Authority.

Mr. Chairman, it truly decentralises the archaic system at the Barbados Tourism Authority and spreads the responsibility across a whole range of areas that allow people to have better control of the particular area. I do not know what expertise the Honourable Member for St. Michael North West brings to the Barbados Tourism Authority.

Mr. CHAIRMAN: the Honourable Member for St. Philip West.

Dr. D. C. ESTWICK: Mr. Chairman, I think sometimes the Honourable Member for St. Michael South speaks and immediately forgets what he said. He reminds me of political plankton, floating on the current, blowing right and blowing left irrespective of what is the true position.

Sir, I hold that view based on the statements of the Honourable Member for St. Michael South. When he was responsible for the Barbados Hotel Tourism Association, he said that he would take no confidence in numbers, arrivals nor airlift and that he was only interested in revenue production but now he thumps his chest every day on the number of planes coming to Barbados, the number of cruise ship passengers arriving and the number of passengers coming through the area. Sir, the Honourable Member for St. Michael South previously rejected that position and now wants to hold it up as a beacon to the performance of the tourism industry

Sir, the Honourable Member for St. Michael South also said that he was entering tourism to get rid of the pain tourism and he is on record for having said this.

Mr. Chairman, it frightens me when I hear a Member who has a responsibility to the people of this country and Parliament whose responsibility is to ensure that the people's money is spent with a measure of accountability and transparency, when that Member comes to this Chamber and asks for \$19 million plus, brings the actual document to Parliament without any clarity or the subsection to explain adequately the expenditure being asked to be covered.

It is also frightening to me when the Honourable Member attempts to explain the Supplementary by suggesting that it was to cover rebate and marketing costs for two years of the Best of Barbados Programme which occurred because it over-performed. The only way one can make such an analysis is if the Honourable Member comes to this Chamber and tells us how many people came to Barbados during that period of time, the amount of revenue that was generated during that period of time and execute it as a ratio of the money spent on it. Sir, if you were to do that then what you are saying makes sense, otherwise, you are not making any sense to me.
5.20 p.m.

Mr. Chairman, he thumps his chest. If he used to watch Star Trek, probably he would have learnt that it is important to come to the Honourable House with information.

Sir, I always like to deal with data. As per usual, I perused the Estimates of 2004-2005, as well as the *2004 Annual Statistical Digest* of the Central Bank and I have been trying to analyse this so-called performance that the Honourable Member continues to say is so outstanding. Again, I went back from 1994 to 2003. I have done it in this Honourable Chamber already but I have to revisit it, and I want to ask the Honourable Member if he knows that between 1994 and 2003, the number of hotel beds in Barbados have declined.

Sir, it is in the *2004 Annual Statistical Digest* of the Central Bank. If you want to refute the authenticity of the documents, you may so do. Sir, included in that definition

are luxury hotels, A-class hotels, B-class hotels, guest houses, apartments and apartment hotels. Sir, I remember that the last time the Honourable Member attempted to weasel out of this one, if I may use such a word, by indicating that it did not include guest houses but I purposely now include guest houses. He cannot revisit that but, the point is that it declined significantly.

Sir, I want to know if the Honourable Member is aware that the hotel bed occupancy rate has declined in the same period. I also want to know if the Honourable Member is aware that the length of stay has declined as well, by long-stay visitors. Therefore, I am trying to understand the criteria.

Asides.

Dr. D. C. ESTWICK: No, Sir.

I will now get to the contribution to GDP, which is a reflection of revenue, if you want to bring that into the discussion.

Sir, in 1994, \$420 million was contributed to GDP by tourism and that was revised. In 2002-2003, \$440 million contributed to GDP, no statistical difference. There is a provisional, which I will not indicate because it is not an actual position because it is based on projections that is simply just a potential. It has no basis in fact, so I will not waste my time on that. It is quite clear, Sir, that there has been no significant change to GDP by tourism.

Asides.

Dr. D. C. ESTWICK: A projection is simply a projection.

Mr. Chairman, the point that I will speak to the people of this country on is that I will not accept projections as a definitive number. The definitive position is what was established. We had a contribution to GDP of about \$440 million in 2002-2003, which is no different from the GDP in 1994. Therefore, what is the Honourable Member thumping his chest about?

This is supposed to be the yardstick for the measure of performance and not the measure of numbers. Is it the Honourable Member who said that he does not utilise numbers to gauge the performance of the industry? Those are his words, not mine. He is also on record as saying that it is expenditure and by extension, it is contribution to GDP. Therefore, he has to come and refute the fact.

Sir, I want to touch on one other matter that I have touched on before, and I feel very strongly about what I am

saying. I believe that there is no continuity in the management at the BTA, and it is compromising staff morale and the performance of our institution. The rate of turnover of staff at management levels, Permanent Secretaries within that Ministry, as well as Ministers is compromising the stability of our institution and all the thumping of the chest, Sir, will make no difference.

It is interesting, Sir, to hear the Honourable Members in here talk about 1993-1994. They were in power ten, plus years. They should deal with between 1994 and 2005. They have a mandate from the people. They should not tell me what happened in 1993. What rubbish are you telling me? They should act, and stop looking back.

Mr. Chairman, there is something fundamentally wrong when the numbers of supplementaries that I have been seeing coming to this Honourable Chamber for debate, and these are extremely large supplementaries. It is a clear indication that something is fundamentally wrong with either planning and execution, or it means that the Honourable Members who are responsible for project development and determining when, temporarily, those projects are going to be put in place are not doing their jobs.

Sir, this is a serious matter because whenever you have supplementaries, for those who do not understand, there is a major lag with respect to when the Central Bank will reflect them as an expenditure and, as a result, it will have an impact on the deficit as recorded in the Central Bank's documents.

Further, Sir, even though all supplementaries become part of the Final Appropriations Bill, up until that time, your deficit can be significantly underestimated. I believe that is part of the reason why this administration has consistently been attempting to say to Barbadians that our deficit is X when international agencies are saying the deficit is significantly higher.

Mr. Chairman, these are the facts and I just want the Honourable Member for St. Michael South to understand that he cannot say in one breadth that he has no confidence in numbers, yet he wants to thump his chest on numbers. He said he is only interested in revenue and when one sees the facts, the Honourable Member is basing his revenue generation on a discounted programme that is now costing \$15 million after two years to the people of Barbados. The Honourable Member must recognise that something is wrong. You cannot tell me that a programme is doing well when you are paying for it two years after it has been finished. It should have been generating the revenue to take care of its own expenditure.

Asides.

Dr. D. C. ESTWICK: I am sure that the people of this country understand exactly what I am saying, so you can talk from now until the 'cows come home'.

Asides.

Dr. D. C. ESTWICK: Mr. Chairman, I want to make one final point. The tourism sector is a vital industry to this country. I believe very strongly that it is an error by this administration to continue to believe that we can operate as though we are one-legged cockroaches.

We went through that type of economic development with sugar and it took the diversification programme of the 1960s, which looked to non-sugar agriculture, as well as the introduction of manufacturing and other entities in Barbados. This type of development needed to be continued but what we are having in Barbados is a position, under this administration, of taking this economy back to a stage where it is operating on one leg, which makes us extremely vulnerable. I am indeed afraid of that because it does not make sense.

The diversification that needs to occur at this particular point in time, this administration is not paying enough attention to it and I am very concerned.
5.30 p.m.

Sir, I want to find out from the Honourable Member for St. Michael South what provisions the Barbados Tourism Authority has put in place to protect the small operators like the taxi men and women that cannot get a fare out of the Port. He needs to explain to the water sports operators who had to be moved from Bay Street...

Asides.

Dr. D. C. ESTWICK: This is all about tourism. You cannot discuss a tourism product without the marketing component because they are intimately linked. I will not be derailed. I will ask the question again. I want to know what the Minister is doing to protect those water sports operators who used to operate in Carlisle Bay and why is it that some people were moved and others were allowed to continue to ply their craft.

Tourism is about the people. Tourism is not about developing it for expatriates and all the big multimillionaires that own the hotel sector. The responsibility of this administration should be to develop tourism in a way that it allows for ownership within Barbados. I do not want to hear anything about a new hotel that is owned by some rich German, some rich American or some rich South African. The next thing I hear that Villa Nova has also been seized. I came into Parliament to debate aspects of that, but I am

hearing a lot of 'mock sport' in this Honourable Chamber when we are here debating very serious matters about the future of the children in Barbados.

Sir, I will wind up by saying that the Barbados Tourism Authority is in crisis. It is in crisis because of how it is organised, because of the rapid staff turnover, its lack of continuity with respect to its management, its Permanent Secretaries, its high rate of turnover as well as the Ministers. That is creating a State that is not allowing for the full development of the tourism industry in Barbados because if the marketing and the development arms are not functioning optimally, then tourism will not function optimally irrespective of how many million of dollars is pumped into it.

I thank you, Sir.

Hon. A. P. WOOD: Mr. Chairman, I rise to lend some support to the Honourable Member for St. Michael South in his seeking to get this supplementary provision approved by this Honourable House for the Barbados Tourism Authority.

Mr. Chairman, it really amuses me, it does not pain me anymore, it has gone from pain to amusement, when the Honourable Members from the Other Side seek to throw cold water on the performance of the tourism industry and seek to give the impression that notwithstanding what the actual statistics tell us and notwithstanding what the statistics pertaining to the contribution of tourism to our national output are telling us, that hardly anything is happening in tourism.

Mr. Chairman, it is most unfortunate when a member of the economic profession, one who has worked for many years at the Central Bank of Barbados and one who would have had long association with that honourable lady who is our distinguished Governor of the Central Bank, one of the most respected, if not the most respected Governors of the Central Bank in the Caribbean and one who could be held up by any member of this Barbadian society as a symbol of success in high honour in this land, could come into this Chamber seeking to belittle and to make light of the intellectual capacity and the work that this honourable lady is doing in this country.

Mr. Chairman, I take serious offence at what the Honourable Member for St. Michael North West has said about Dr. Williams this afternoon. If he wants to say that Dr. Williams has lost her reputation and that nobody is bothering about her, he can say so for himself, but everyone on This Side and all the others on That Side think completely different from him about the contribution Dr. Williams is making, the intellectual capacity that Dr. Williams has and the esteem within which she is held by all

economists in Barbados and in the region and all right-thinking people in Barbados and elsewhere in the region. I want to set the record straight on that because she remains extremely well-respected by us and by all others in Barbados beside the Honourable Member for St. Michael North West.

Mr. Chairman, let me continue. I do not know how you could reconcile these two things. The Honourable Member for St. Michael North West is saying that there have been gains in the tourism sector and that the numbers have not been reflected in the output or in the revenue in the sector. In the same breath, the Honourable Member for St. Michael North West came into this Chamber and told us that manufacturing is flat, agriculture has declined, international business has no future and the out-turn figures for the financial services sector do not look good. I want to know what is left then because the economy is still growing.

Asides.

Hon. A. P. WOOD: I need the Honourable Member to tell me what is left because when I read the same Dr. Williams' assessment which is the Central Bank's assessment of the performance of the economy, and I listen to the Honourable Member for St. Michael North West, I must be led to believe that there is something fundamentally wrong with this article, but I know differently because there are very well-trained and very professional economists at the Central Bank of which Dr. Williams is one.

Mr. Chairman, I am going to read from the *Central Bank of Barbados Economic Review* which the Honourable Member for St. Michael North West just entered as a document of the House, it is the same document from which he read about the decline in the net international reserves. That assessment states that the Barbados economy bolsters by a robust performance in tourism activity and broad-based gains in the non-traded sectors recorded its third consecutive year of growth. Sir, economic activity rose by an estimated 3.4 per cent, about 2.1 percentage points higher than the average recorded since 2001 and the highest since 1998. 5.40 p.m.

Mr. Chairman, the Honourable Member seems to be saying that agriculture is dead, that manufacture is in a slump, that international businesses are going through the window and that there are no gains in financial services but yet the economy has grown by 3.4 per cent, bolstered by robust performance in tourism activity.

Mr. Chairman, the Honourable Member made mention of the Chief Executive Officer and Chairman of Almond Beach Resort. Sir, in the same way that the Honourable Member has singled out Dr. Marion Williams, Governor of

the Central Bank for bad treatment, he has singled out the Chief Executive Officer of Almond Beach Resort for special treatment.

Mr. Chairman, I have listened to a part of the speech of the Chief Executive Officer and Chairman of Almond Beach Resort, when he was reporting on the spectacular performance of his hotel. I do not know how a hotel could have operated in such a hostile environment, one that was so conducive to such poor performance in tourism, while he could have engineered such activity at this hotel. Sir, this was in contrast to a Barbados performance, yet this hotel could have performed so spectacularly relative to the other hotels. Where he could have gotten such robust growth in tourism overall? Sir, he would have to be a magician. He may be a skillful hotelier but for that one performance at Almond Beach Resort to have led a sector that was so massive in the context of our economy, that overall tourism could be the mainstay of the economy and real tourism value-added could expand by a whopping 6.9 per cent during the review period, then something has to be fundamentally wrong.

Mr. Chairman, I have used the excerpts of the Honourable Member's speech to make this point because if anyone who listened to the Honourable Member for St. Michael North West, would not believe that there are such massive plans for further investments in the tourism plant in Barbados. One would think that the potential investments in tourism are about to clasp their hands, to pack up and to sell off their properties at massive discounts and go, as was the case with Heywoods Hotel many years ago, when persons, not on This Side, were responsible for that.

Mr. Chairman, this came from the mouth of the same skillful operator who is in charge of Almond Beach Resort, that they are planning to invest \$25 million into the tourism industry, and in this very land that the Honourable Member for St. Michael North West said that tourism is not an industry to which we can look forward to lead our economic prospects.

Mr. Chairman, we have a string of hotels that have taken a conscious decision that because of the prospects for the development of the tourism industry, that there will be a number of investments. There will be investments in refurbishing and improving the quality of the physical plant and investments in improving the room stock in Barbados.

Mr. Chairman, Coral Reef Club, Coral Mist Beach Hotel, Sand Piper Hotel, the Fairmont Group of Hotels which includes Royal Pavilion Hotel, Colony Club Hotel and Mango Bay Hotel, have all signalled their intention to invest, while Treasure Beach Hotel has served notice of its intention to upgrade its plant.

Sir, despite of what the Honourable Member for St. Michael North West is saying with respect to the future of tourism in this country, there is nothing at all which squares off with what the Honourable Member is saying. Sir, while I have said that, the evidence is still clear and the Honourable Member for St. Michael South can speak to this. I am responding to some element of truth in what the Honourable Member for St. Philip West said earlier when he touched on a particular statistic which related to the number of rooms in Barbados.

Mr. Chairman, the industry has held its own and has been able to rebound since the slump of 2001-2002 but we still need to see more investment in additional rooms. Sir, we should be hailing the sector, one which we have all agreed needs additional rooms. We saw what happened when Paradise Hotel was taken out. We saw what happened when Sandy Lane Hotel was taken out at that time. We saw what happened when the Hilton was taken out. We saw what happened when Sam Lord's Hotel was taken out, and while all of this was going on, because of careful and very strategic planning, the sector has been able to rebound.

Mr. Chairman, we look forward to those properties coming back on stream. We look forward to an increase in the room stock to take us closer to what can be considered our optimum room stock in a country like Barbados. We look forward to investments in other properties.

Mr. Chairman, I wish to touch on something which the Honourable Member for St. Philip West has said. I know when Honourable Members get excited, they tend to say things that, on reflection if they were speaking more slowly, they might not have said these things. Sir, because one is investing money in a special package, in marketing or in things related to the tourism industry, in all seriousness, we would not expect that investment to give us the type of real returns that we would want in any spontaneous way.

Mr. Chairman, there must be some degree of a lag between one's investment in building capacity, investment in air services and marketing agreements, before one could see the real benefits to such investments. Therefore, at the time that investment was made, was a time when this Government had to make a very conscious decision in respect of what we should do with our economic programme, in order to make sure that many Barbadians would not have to go home.

Mr. Chairman, I am pleased that we have taken the right decision. I am happy that we have been able to see returns in the tourism sector from investments in that package. It might have involved discountings, *et cetera*, but that would have been required to ensure that the traffic would still come to Barbados. Sir, if we are now having to

expend resources in order to meet some of those commitments which came as a result of our participation in the project, then let us understand that particular package has certainly laid the foundation for a restoration of the tourism industry on its correct path.

Sir, let us also agree that there would be some degree of a lag between making the investment and us realising the return. Sir, whether that time lag was six months or one year, the fact of the matter is that the tourism industry is back on track as a result of very careful, decisive and strategic planning.

Mr. Chairman, I am obliged to you.

Mr. CHAIRMAN: The Honourable Member for St. Michael South will now wind up.

Hon. N. A. LYNCH: Mr. Chairman, I wish to respond to a number of minor issues in order to clarify a number of things. Sir, first of all, I wish to deal with issues of expenditure.
5.50 p.m.

Sir, when the Honourable Member for St. Philip West spoke he painted a dim and gloomy picture of the performance of the tourism industry. I thank the Honourable Member for St. Philip South for the outstanding job which he did in enlightening the Honourable Member for St. Philip West, his neighbour, on some of the issues relating to the Best of Barbados.

Sir, if the Honourable Member for St. Philip West had listened, he would have heard how much Best of Barbados generated, not only in terms of passengers, more than 30 000 in 2002 and 36 000 in 2003, but he would have heard that the visitors spend calculated for those passengers was \$72 million in 2002 and \$91.4 million in 2003.

Dr. D. C. ESTWICK: Mr. Speaker, on a point of order. The Honourable Member is misleading the House. The Honourable Member made those projections based on what he said would have been average spending which in itself is a potential and a projection. Sir, it is rubbish in and rubbish out. Therefore, I will not accept that output as a definition position to be given to the people of this country.

Hon. N. A. LYNCH: Mr. Chairman, all this talk about rubbish in and rubbish out is what the Honourable Member is saying now. The average visitors spend calculated was \$72 million in 2002 and \$91.4 million in 2003.

Sir, on the issue of arrival figures, we all concur that visitor arrivals is not the only measure of accessment. I also heard that foreign exchange does not come into the country from tourism but, Sir, most of our hotels are indigenously owned and in an environment in which salary, wages and

energy cost and the like must be paid in Barbados, I wonder whether entities are running large overdrafts at the commercial banks. Sir, no one has been able to explain to me how these people are able to meet their commitments.

Mr. Chairman, in an average hotel in Barbados 40 per cent of the cost relates to salaries, wages and related cost which must be paid on this island. Sir, someone should tell me where the money comes from because the hotel would go out of business. If they are running large overdrafts, these would be reflected in the Central Bank report so I would like to know where the money is going.

Sir, when they make these wild statements and accusations, I want to know where is the empirical evidence to prove that we are wrong.

Mr. Chairman, when we inherited the Barbados Tourism Authority in 1994, it had 90 employees and 12 managers. It has now 121 employees and 17 managers. The Opposition now says that they understood the management of the Barbados Tourism Authority better than we do and that we have too many managers. Sir, at the Barbados Tourism Authority we have decentralised the archaic way of making decisions and it is now functioning better.

Mr. Chairman, the Opposition said that we have changed Ministers and Permanent Secretaries but the Barbados Labour Party administration had four Ministers of Tourism in 12 years of operation but the Democratic Labour Party had four Ministers of Tourism in four months, Hall, Clarke, Sandiford and Greaves. They had more Ministers in a four-month period then we had in our entire 12-year period.

Mr. Chairman, for the Honourable Member for St. Philip West to clearly understand how the tourism industry was developed, I will give him a lesson in Tourism 101 because he feels that he understands the industry. In mature jurisdictions like Barbados, one of the phenomena that emerges is that because of the issues of real estate costs, input costs and the like, you would find that many of these mature destinations start to find difficulty in recognising investment in the hotel sector. Over time, Barbados has seen growth in other areas that also reflects development and a rise in our tourism fortunes.

Mr. Chairman, I want to explain that when we lost hotel rooms from Sam Lord's Castle and when the Hilton was closed, we saw places like Royal Westmoreland, Sugar Hill and Schooner Bay on the West Coast emerge on the island. Sir, these areas are not reflected in the statistics which the Honourable Member for St. Philip West quoted. We are also seeing a large villa market emerging in Barbados, which
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never been taken into any statistical count which was quoted by the Honourable Member for St. Philip West.

Mr. Chairman, it has been agreed in many instances that we need to watch the balance between our villa development and our traditional hotel room stock because villa development does not carry the same ratio of employees per room as traditional hotels. Sir, this is a concern in itself even though money is spent in food and beverage, the restaurant sector, the hiring or purchasing of vehicles and in other ancillary areas.

Sir, we are seeing the emergence of a new dimension in our tourism industry and people are building extensions to their houses to participate in the industry but these things are not reflected in the numbers which were read by the Honourable Member for St. Philip West. Sir, we refer to these as unregistered properties because they are not registered within the central pool under the Barbados Tourism Authority or under the Statistical Department.

Sir, the tourism industry continued in Barbados under the worst of times without Sam Lord's Castle, the Hilton Hotel, Rockley Hotel, Coconut Creek, Rostrevor or Sandridge and the industry did well. At no time in the last three years, when these properties were either closed or refurbished, have we lost visitors to Barbados. I make the point that they may not be going to these hotels but to villas and apartments which are springing up all over Barbados.

Sir, the Honourable Member for St. Philip West needs to understand better how the industry operates instead of constantly spouting rhetoric in here. Sir, the Honourable Member blames the Government for Villa Nova without studying any of the other variables that may have caused Villa Nova to go into receivership.

Mr. Chairman, when we start to deal with the issues of the financial arrangements and systems which were put in place and the issues of equity in the property, and starting for the first time a luxury hotel away from the beach in Barbados in the middle of a garden-type setting, which in itself is going against the grain of our tourism development. Sir, these are variables we need to consider when we start to deal with the development of the tourism industry.

Sir, if we are going to be focusing more on inland tourism, it is necessary for the concept to be given a chance but the Honourable Member for St. Philip West jumps up and down and blames the Government for the closure of Villa Nova. Sir, I am not convinced or moved by the behaviour of the Honourable Member.

Dr. D. C. ESTWICK: Mr. Speaker, on a point of order. The Honourable Member is misleading the House. He is giving the impression that even though we could have had

the number of closures of hotels in Barbados, we had increased revenues and employment, when the statistical data demonstrates, Sir, that between 1994 and 2003, only 3 000 jobs were created in the tourism sector. This cannot be correct, Sir, so he is misleading the House.
6.00 p.m.

Hon. N. A. LYNCH: Mr. Chairman, I have not quoted any figures for employment or revenue. All I am saying is that there are times when these hotel rooms are being renovated and/or refurbished.

Mr. Chairman, I would like to be able to see in Barbados, a tourism industry firing on all cylinders, such as when places like the Hilton, Sandy Lane, Paradise and Sam Lord's Castle were operating, and airlift capacity is available to us.

Sir, I want to deal with one more issue and that is passenger disembarkation. The Caribbean Tourism Association (CTA) and the Barbados Port, Inc. (Port) carry out a study at the Port every month, regarding the disembarkation of passengers in Barbados. I am in possession of the study that came last year and will make it a document of the House.

Mr. Chairman, the number of passengers which arrived on 13 vessels during the observation period, totalled 99 454 and the number of passengers who disembarked totalled 82 419. This is for a period of February 12 to April 15. The average percentage of passengers disembarking was 82.8 per cent and then they listed the names of all the ships and the number of passengers who disembarked. There were the Arcadia, the Carnival Spirit, the Costa Romantica, the Dawn Princess, European Vision, Galaxy, Infinity, Norwegian Majesty and Ocean Princess.

Mr. Chairman, someone stands and counts the number of people who come and go, so people cannot say that only 20 per cent of people who come to Barbados disembark. If 700 000 people come to Barbados and only 20 per cent of them disembark, you can imagine the chaos we would have at the Port with the taxi and ZM drivers.

Sir, regarding how the BTA deals with protecting the fortunes of the small operator, there was an issue on the beach in Carlisle Bay where people have been contravening the law because Carlisle Bay is not a channel designated under the law for people to ply trade, such as jet ski and other motor craft moving over 15 knots.

Mr. Chairman, the Government stepped in and tried to find the basis... so it is erroneous to say today that jet ski operators are not operating in Carlisle Bay. As a matter of

fact, jet skis are operating today because of the intervention of the Government in this issue. We met only today, in this Parliament at lunch time to create a basis for those jet ski operators and smaller operators to continue to ply their trade within that area or some area adjoining, so that they would not be put out of business.

Sir, the Honourable Member for St. Philip West comes here to try to make people believe that the Members of the Democratic Labour Party are the champions of the poor people but the records do not indicate this. The records show that the Democratic Labour Party dislocated more lives and families in this country than any other administration in the history of Barbados.

Dr. D. C. ESTWICK: Mr. Chairman, on a point of order. I can speak of about 15 or 20 pieces of legislation passed by the Democratic Labour Party that have impacted fundamentally on the people of this country. I will go from the development of the first elements of diversification in Barbados, such as the building of the Hilton Hotel, the Samuel Jackman Prescod Polytechnic, the Community College, the University of the West Indies, free secondary education, the Heywoods Hotel, the National Insurance Scheme...

Asides.

Dr. D. C. ESTWICK: May I continue, Sir? If they allow me to continue, I will educate all of them, but I will give you a break this time. The next time, I will have to give you some more.

Hon. N. A. LYNCH: Mr. Chairman, with those words I will sum it up.

Hon. Dame Billie MILLER: Mr. Chairman, on a point of order. I had not thought that the Honourable Member for St. Philip West was among those who believe that everything in this country started in 1966. There was a Development Board in Barbados in the 1950s.

Mr. Chairman, the Honourable Member is seeking to lead the House to believe that the concept and the policy of diversification started some time in the 1960s, and that is very far from the truth. The reality is that the concept of it started in the 1940s and the practice and implementation of it started in the 1950s.

Mr. Chairman, the Development Board was the precursor to what is today the Barbados Tourism Authority and the BIDC. We have to get it right because there is this concept in Barbados that people are ascribing to themselves, a responsibility for starting something. The truth and the history has really to be taught in this country.

Hon. N. A. LYNCH: Mr. Chairman, by way of closing this Head, I just want to make the point that I think the Honourable Member for St. Philip South made the point very clearly. You cannot claim that every other economic sector is devastated and decimated and also claim that tourism is decimated as well, when you are showing growth in the economy. The growth has to be coming from somewhere.

Mr. Chairman, we proved that in the worse of times, and under some very difficult circumstances, we can manage this tourism industry very well. I will also say that the Barbados Labour Party administration has proven once again that it can manage the economy in good times and in bad times.

Asides.

Hon. N. A. LYNCH: Sir, again I say that the Democratic Labour Party has no moral authority to speak on the protection of any small black man.

Asides.

Hon. N. A. LYNCH: The small black man in Barbados took the worse beating under the Democratic Labour Party administration.

Mr. Chairman, the Barbados Labour Party will continue to do our best to manage this economy in the way that we know it should be managed.

I am obliged to you, Sir.

I beg to move that Head 27 stand part.

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

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

6.10 p.m.

On the motion of Hon. R. C. EASTMOND, 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 motion of Hon. R. C. EASTMOND, seconded by Hon. R. R. FARLEY, the Resolution was read a first, second and third time and agreed to.

ADJOURNMENT

Hon. R. C. EASTMOND: Mr. Speaker, this brings us to the end of Government Business for the day. In the

circumstances I beg to move that this Honourable House do now adjourn until Tuesday, February 8, 2005 at 10.00 a.m. in the morning.

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

The question that the House do now adjourn until Tuesday, February 8, 2005 at 10.00 a.m. was put and resolved in the affirmative without division and Mr. SPEAKER adjourned the House accordingly.
6.13 p.m.

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