
THE

House of Assembly Debates

(UNOFFICIAL REPORT)

PARLIAMENT 2013 – 2018

HOUSE OF ASSEMBLY

Tuesday, July 18, 2017

met at 10.15 a.m. on Tuesday, July 18, 2017.

PRESENT

His Honour MICHAEL A. CARRINGTON, B.A., LL.B. (Speaker) Her Honour Mrs. M-J. MARA THOMPSON, M.Sc. (Ph.Ed.) B.A. (Deputy Speaker)

Mr. G. A. CLARKE, B.Sc., Dip. Ed., J.P.

Mr. R. St.C TOPPIN, LL.B. (Hons.)

Hon. D. St. E. KELLMAN (Minister of Housing, Lands and Rural Development)

Miss CYNTHIA Y. FORDE, J.P., L.C.P.

Hon. R. D. JONES, B.A. (Hons.), M.A. Ed.,

J.P., (Minister of Education, Science, Technology and Innovation) Dr. the Hon. D. C. ESTWICK, B.Sc., M.B., B.S. (Minister of Agriculture, Food, Fisheries and Water Resource Management)

Mr. DALE D. MARSHALL, Q.C., LL.B (Hons.), L.E.C.

Hon. MICHAEL A. LASHLEY, LL.B. (Hons.)

(Minister of Transport and Works)

Hon. RICHARD L. SEALY, B.Sc., M.B.A.

(Minister of Tourism and International Transport)

Rt. Hon. F. J. STUART, Q.C., B.A., LL.M. (Prime Minister, Minister of National Security, The Public Service and Urban Development)

Hon. JOHN D. E. BOYCE, B.C.H., MRAC, M.Sc., C. Eng.

(Minister of Transport and Works) (Leader of Government Business)

Hon. STEVEN D. BLACKETT

(Minister of the Social Care, Constituency Empowerment, and Community Development)

Mr. JAMES D. PAUL, B.Sc.

(Chairman of Committees)

Dr. the Hon. DENIS S. LOWE, Ed.D., M.Ed., B.A.,

Dip. Theology

(Minister of Environment and Drainage)

Mr. ADRIEL D. BRATHWAITE, LL.B. (Hons.)

(Attorney-General and Minister of Home Affairs.)

Hon. STEPHEN A. LASHLEY, B.Sc., LL.B.

(Hons.), L.E.C.

(Minister of Culture, Youth Affairs and Sports)

Hon. DONVILLE O'N. INNIS, Dip., B.Sc.,

M.B.A.

(Minister of Industry, International Business, Commerce and Small Business Development)

Hon. CHRISTOPHER P. SINCKLER, B.A., M.Sc.

(Minister of Finance and Economic Affairs)

Mr. TREVOR PRESCOD, B.A.

Lt. Col. JEFFREY D. BOSTIC, M.V.O., B.A.

(Hons.)

Mr. DWIGHT G. SUTHERLAND, M.Sc., M.B.A.

(Dist.), B.Sc.

Miss SANTIA J. O. BRADSHAW, LL.B. (Hons.)

Mr. E. G. HINKSON, LL.B. (Hons.), L.E.C., LL.M.

Prayers were taken by Reverend Mark Harewood.

Mr. SPEAKER: Good morning, Honourable Members, this House is now in Session.

MINUTES

Mr. SPEAKER: Honourable Members, I have with me The Minutes of Tuesday, 11th July, 2017.

Hon. J.D. E. BOYCE: Mr. Speaker, it is my understanding that the Minutes were circulated, and subject to any observations or corrections, I beg to move that these Minutes be confirmed.

Hon. A. D. BRATHWAITE: I beg to second that, Sir.

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

PAPERS

Mr. SPEAKER: The Right Honourable Prime Minister.

Rt. Hon. F. J. STUART: Mr. Speaker, I am commanded too lay the following:

1. The Electric Light and Power (Fees) Regulations, 2017. FIRST READING OF BILLS

Mr. SPEAKER: The Leader of Government Business.

Hon. J.D.E. BOYCE: Mr. Speaker, I beg to move the First Reading of the following Bill:

1. The Value-Added Tax (Amendment) Bill, 2017.

Hon. A. D. BRATHWAITE: Mr. Speaker, I beg to second that, Sir.

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

ORDERS OF THE DAY

Mr. SPEAKER: The Leader of Government Business.

SUSPENSION OF STANDING ORDERS

Hon. J.D.E. BOYCE: Mr. Speaker, I beg to move that Standing Orders Nos. 6, 16, 18, 20, 42(5), 43 and 44, be suspended for the rest of this day's Sitting.

Hon. A. D. BRATHWAITE: I beg to second that, Sir.

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

GOVERNMENT BUSINESS

ORDER NO. 14 – SECOND READING OF THE OFFSHORE PETROLEUM (AMENDMENT) BILL, 2017.

Mr. SPEAKER: The Right Honourable Prime Minister.

Rt. Hon. F. J. STUART: Mr. Speaker, I rise to move the Second Reading of a Bill to amend the Offshore Petroleum Act. Notice of this Bill was given on 11th April, 2017, and the Bill was read for a First time on 25th April, 2017. Mr. Speaker, the context within which the Offshore (Amendment) Act is being amended has everything to do with the fact that Barbados is aggressively pursuing the development of its offshore petroleum acreage and as a

Small Island Developing State it has to take all of the necessary precautions to ensure that the development of that offshore petroleum acreage is done in a responsible, mature and safe way, having regard to all of the vulnerabilities to which Small Island Developing States are exposed.

Mr. Speaker, it is generally known that islands, in fact, it is of the nature of an island that it is surrounded by water, and small islands like Barbados and many other islands in the Caribbean find themselves in the position where their offshore resources, their off-shore space is much larger than the space they occupy on shore and therefore what they try to attempt on shore, on land, has to take into account what is possible off shore, and this has been at the heart of what Small Island Developing States have been trying to do since I would say 1994, after the Small Island Developing States Conference here in Barbados out of which came the Barbados Programme of Action, to be followed in 2004 in Mauritius by a similar conference out of which came the Mauritius Strategy of Implementation of the Barbados Programme of Action, and more recently in the year 2014, in Samoa when the Samoa Pathway sought to develop the Barbados Programme of Action and the Mauritius Strategy of Implementation of the Barbados Programme of Action and the Mauritius Strategy of Implementation. It all has to do with the fact that Small Island Developing States have very limited onshore resources.

10.47 p.m.

They have to manage their onshore economy very astutely, but they also have to take cognisance of the fact that there is an economy offshore that allows them to reinforce their efforts onshore. In the context of Barbados, we have committed ourselves to creating a Green Economy here in Barbados. We said we want to be the most advanced Green Economy in this hemisphere. What do we mean by being a Green Economy? We intend to convey by that expression that we have to manage what we produce and how we produce it, how we distribute what we produce, and also how we manage what we consume. Of course, we have to manage the waste that results from our consumption patterns in such a way that account is taken of our fragile eco-systems, that the quality of life and standard of living of our people is not compromised in the present, and that due regard is had for the people yet unborn of future generations. It is managing our production, consumption and waste disposal patterns in the context of our fragile eco-systems, not compromising the standard of living or quality of life of people in the present but, of course, always taking account of the interests and the prospects of people of future generations. That is our commitment to the creation of a Green Economy in Barbados, and we have all recognised that we cannot create

this Green Economy unless we have a vision of the sustainable development of Barbados.

Mr. Speaker, what do we mean by sustainable development? This has now gone global since the United Nations last year approved 'Agenda 2030', which rests on three pillars: an economic pillar, a social pillar and an environmental pillar. Long before the United Nations did that, Barbados had -- certainly the present Government in its 2013 Manifesto -- committed itself to the vision of creating a Barbados that was socially balanced, economically viable, environmentally sound and characterised by good and transparent governance. The three pillars of sustainable development have been there in our own Plan of Action as a Government preceding that of the United Nations, the global community and 'Agenda 2030' last year. Of course, Mr. Speaker, I was introduced to a lot of this many years ago, but more recently as a Member of United Nations Secretary General Ban Ki-moon's global sustainability panel, on which sat a number of heads of governments. The panel was chaired for its full life by the then President of Finland and the President of South Africa, and other heads of governments and high government officials constituted the panel. That panel produced a Report which basically recommended a path of sustainable development for the world going forward, if we were going to protect our environment and ensure that the planet remained a safe place for all of us.

Mr. Speaker, the issue of global warming, of course, has been around for a little while and that debate continues. Because of the issue of global warming and the perils to which the planet is exposed -- that is now agreed by the scientists and it is not a debatable issue anymore -- I am very pleased to have noted that the Presidents of France and the United States of America recently had some fairly energetic discussions on this subject, and we can only hope that the Paris Agreement can survive those bilateral discussions. Barbados did play a very fore-frontal role in the hammering out of that Paris Agreement, and we remain committed to it and to its ideals. The issue of global warming can be a threat to the sustainable development of nations and certainly can be a threat to the very survival of the planet. I have said over and over again in speeches not only here in Barbados but in Paris, in Stockholm, in the United Nations and elsewhere that when individuals speak with one another, it is open to them sometimes to hear without listening or not to listen at all, because those are options, but when the planet begins to speak to us, that is a different conversation altogether. We cannot afford not to listen, because the cost attached to not listening is the very survival of the planet itself.

Mr. Speaker, Barbados is committed to the pursuit of the goal of sustainable development, to the Paris Agreement and its ideals, and to Agenda 2030 which it signed and ratified at the United Nations last year.

Amongst the first five nations to both sign and ratify Agenda 2030, Barbados was one. I was there to sign and to ratify Agenda 2030, along with the Prime Minister of Canada and one or two others. When we discuss our offshore resources, we discuss them in the context of a Barbados that is committed to a Green Economy onshore and on land, but recognising the importance of its Blue Economy offshore. The marine resources are now christened the Blue Economy. There is therefore the Green Economy onshore and the Blue Economy offshore, and a commitment to the resources offshore includes fishing, but certainly the resources in the deep seabed and the subsoil of the deep seabed are of great importance to Barbados and to all Small Island Developing States.

H:No.D15 (2)

I know that those countries in the Pacific that used to be called the Gabaith and Ellis islands, countries like Tuvulu, Vanduat and Kelabas, those Pacific Small Islands Developing States are very hot on this, ensuring that they can fully exploit their blue economies because of the inadequacies of their resources onshore. I believe that I am correct in saying that a country like Tuvuli, is an independent country and has a population of about 10 000 people but it was very energetic in its advocacy of the Paris Agreement in Paris at the end of 2015.

Mr. Speaker, that is the context within which we look at Barbados' offshore petroleum acreage. Mr. Speaker, let us not forget that Barbados is a service economy, we rely very heavily on our tourism and we rely on our international business and financial services sector predominately to lead this economy but tourism in particular has to be twined to what we do offshore because if any thing goes wrong offshore given the selling points that Barbados has used over the years in its tourism thrust, the quality of our beaches, the sand, sea and so on and the sun that we have talked about, if anything goes wrong in our offshore resources that can impact on what happens to Barbados offshore. I have to make the point that as small countries we have to face the fact that what would be overlooked in respect of large countries is usually not overlooked in respect of small countries. We have had oil spills in large countries, the United States of America for example, but when these oil spills have been discussed, they have not been discussed in terms of running away tourists or anything like that, they have been discussed in terms of how much the cleanup contributed to the growth of output in the American economy.

Mr. Speaker, I remember some years ago, a Dr. David Suzuki did the Sir Wisnton Scott memorial lecture here in Barbados and one of the observations he made was that it was ironical that we were now practicing an economics that allowed countries for example, when the Exxon Valdes oil spill happened, that oil spill, the cleanup

efforts to be evaluated in the context of how much the GDP of the United States of America increased by, not in terms of the environmental damage but the cleanup, the jobs it created and so on and the circulation of money that resulted, that is the context within that oil spill was discussed. If that happened in a small island in the Caribbean, Barbados, St. Vincent, Grenada or whatever the implications would be completely different. This brings me to another point, which I just make en passant. The Greek historian Thucydides makes the immortal point that the strong exact what they can but the weak surrender what they must. I make that point to say that we just had a number of terrorist acts in the United Kingdom. They were unfortunate but they happened. Of course, as Prime Minister I have commiserated with my colleague, the distinguished Prime Minister of the United Kingdom when these things have happened and expressed Barbados' regret and its support for the United Kingdom. There were four terrorist attacks that I can recall, a huge one in Manchester, one outside the vicinity of the House of Commons, one across London Bridge and the more recent one outside the mosque. Sir, in spite of those four attacks, it has not been said anywhere that it is unsafe to travel to the United Kingdom. No travel advisories have been issued anywhere and Britain has not been declared an unsafe place for travelers. If one, or half of one of those incidents had happened in a Caribbean country, they would have been travel advisories all over the place indicating that you have to be very careful travelling to the Caribbean because it is unsafe to travel to the Caribbean. Sir, that is the point that Thucydides made that the strong and the weak are treated differently. The strong exact what they can but the weak surrender what they must.

Mr. Speaker, I think that in dealing with issues such as the one with which this Honourable House is dealing with today we have to bear that in mind, that we are a Small Islands Developing State and that our fragility exposes us to perils that do not necessarily attach to or apply to countries much larger and much better resourced.

Mr. Speaker, in the management of our offshore petroleum acreage and in the management of the granting of licences to those who would explore and hopefully exploit the resources in that acreage for the eventual benefit of Barbados, we have had to be very careful to ensure that all of the protective mechanisms possible are put in place so that we do not while catching at the shadow sacrifice the bone, both the shadow and the bone in this case are very important to the country and therefore, we have to manage both in that context.

Mr. Speaker, so far in this effort Barbados has awarded licences for three blocks of its offshore petroleum acreage to a company BHP Billiton and a block to Company Rexoil, all well known oil magnates in the global petroleum architecture. We have actually signed an

agreement with BHP Billiton and an agreement is still to be signed with Rexoil but of course, Rexoil is aware, there was actually a ceremony at Ilaro Court, my official residence... where that announcement was made and all of the follow-up issues that should lead to the actually signing of an agreement with REPSOL S.A., the Spanish Company, we are now in the process of going through.

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In addition to that, of course, because we want a certain measure of certainty in our offshore petroleum jurisdiction we have concluded maritime delimitation treaties with St. Vincent and the Grenadines. That treaty was signed because the distinguished Prime Minister of St. Vincent and the Grenadines and myself sometime in the year 2015 and with St. Lucia also. That agreement with St. Lucia was signed by the distinguished Prime Minister of St. Lucia and myself at the recently concluded CARICOM Heads of Government Meeting so that we have a high degree of certainty in terms of where the boundaries of Barbados' maritime jurisdiction can be found. Barbados' interests in this whole issue, the issue of petroleum exploration, I believe date back to the 1800s when unassisted by any sophisticated technology and so on, and for the most part, as a result of the use of manual labour, we did some exploration in the area of the Scotland District and those efforts continued until around the 1960s when the resources at Woodbourne were uncovered and, of course, the Barbados National Oil Company still trying to explore and exploit as fully as possible the resources that can be got from the Woodbourne resources. The hydrocarbon which was uncovered in the Scotland District was called "Manjak". I do not know why it was so christened but that is what it was called and, of course, from the Scotland District and other parts of Barbados we ended up at Woodbourne where most of the work of the Barbados National Oil Company is being done. Because of what we discovered onshore, in 1996 the previous Administration decided to see what was possible offshore and in that connection a company CONOCO Inc. was given a license to explore in a lone well off Barbados a well call the Sandy Lane well to see what Barbados' resources offshore might look like and six years later in the year 2002 CONOCO did its work and those two dates should say something to this Honourable House. The license was given in 1996 not until 2002 did CONOCO get around to doing the exploration because these things take time. I know that some there will be who will ask why is this whole thing in the offshore petroleum sector taking so long? It is because there are processes that have to be gone through and that cannot be hastened because the State says they must be hastened but are dealt with at the pace which, very often, the licensee considers prudent in terms of all the preparatory mechanisms that have to be put in place to reap successes that are desired. The well which CONOCO explored turned out to be what was called a dry well but the

whole exercise left both the Government and CONOCO in no doubt that there were resources offshore to be exploited. That is the context within which after our maritime delimitation exercise with Trinidad and Tobago was concluded that licensing rounds were pursued and how we got to BHP Billiton and more recently to REPSOL. Obviously, Mr. Speaker, licensed companies what the best deal, after all we are still living in a capitalise world where profit making is the order of the day. Who can forget the immortal reminder of the Father of Capitalism as it is said, the Scottish Philosopher, Adam Smith, that it is not out of the benevolence of a brewer that we get beer, or a baker that we get bread, or a butcher that we get meat. It is out of their regard for their own profit. Similarly in the offshore, companies that pursue licenses pursue those licenses because the opportunities or the chance of making a handsome profit exist and, of course, the chance of benefitting the country that owns the resources also exist but the primary responsibility for investing as heavily as they do in offshore exploration has to do with the fact that there exist a reasonable chance of getting a reasonable return on a very sizable investment. At the present time, the global petroleum market is going through a phase where oil prices have tended to be low. Around 1973 when the first oil crisis happened, oil prices went north, then around 1979 when the Iranian Revolution that brought Ayatollah Hominy to power and resulted in the overthrow of the Shah of Iran, when that happened Iran withdrew from the oil market about 5 million barrels of oil per day and the prices went north again; increased and then of course, in the Gulf War after Iraq invaded Kuwait again there was another spike in oil prices because of the dynamics of that war. Since then oil prices have tended to remain at a reasonable level until recently they feel to levels that made the industry a little more circumspect in terms of the readiness to invest in expansion. The last 10 years, of course, have been very difficult years in the context of the global economy. As I have said in this House, growth in the international economy has been very difficult over the last 10 years and the investment climate has been such that the investors, not only in the area of petroleum, but in practically every other area have had to show a certain measure of circumspection in their decision-making, but in our negotiations with BHP Billiton therefore it was quite natural that since Barbados was, as it were, a new boy on the block in this whole business of offshore petroleum exploration, that our innocence would be tested by how much we were prepared to concede to the investing company, the licensee, and a wholesale scrubbing of our legislation was done by BHP Billiton and obviously some fairly exacting demands were being made on the Department of Energy to grant concession after concession, after concession.

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Mr. Speaker, I have to applaud the Department of Energy and the operatives who have been looking out for the Government's and the country's interest in all of this because they did not, at any stage of the negotiating process, allow they feet to be planted in the air, they kept their feet firmly planted on the ground and defended Barbados' interest at every stage and they have to be congratulated for that, but it was recognised that there were certain areas of the legislation that might not bear realistic relation to the experience of everyday life.

Mr. Speaker, as an attorney-at-law yourself, Your Honour knows that draftsmen can sit and draft legislation. I better say drafters because nowadays one has to be politically correct, drafters can sit draft legislation on the best briefs or briefings secured from this or that Government department and can produce a piece of legislation that on reading it looks like it has covered every eventuality, but the test would come only when that legislation is going to be applied in practice, that is why that very illustrious American Justice Oliver Wendell Holmes in the 19th century reminded that the life of the law is not to be found in logic, the life of the law is to be found in experience; it is the actual experience that gives life to the law, and actual experience here in Barbados has brought to life our offshore petroleum legislation and has put us in a position to see where the legislation has needed strengthening. I know that we had to amend the legislation even before it was proclaimed because there were areas of it that were thought to be too weak and that bore no relation to the actual arena of offshore petroleum negotiations and offshore petroleum practice.

Mr. Speaker, having proclaimed the legislation and having got into discussions with the licensee of the two blocs, BHP Billiton, we have discovered that there are other amendments that need to be made to the legislation if it is to become more user-friendly, more true to life and more in accord with what sensible practice would require in negotiations of this kind. Mr. Speaker, the legislation, after detailed and disciplined review and in the light of experience in dealing with the first licensee of the two blocs, Carlisle Bay and Bimshire, we have come to the conclusion that there are a few changes that have to be made.

Mr. Speaker, I spoke of the importance of ensuring that we manage our blue economy very discretely, very sensibly, and that it should not be managed in such a way as to in anyway endanger our onshore economy, so that it has been very important to ensure that companies licensed to do business off shore produce to the designated authorities here in Barbados plans to protect the environment, an environmental plan, and also to do a credible Environmental Impact Assessment Study. Now, those two expressions or those two requirements should not befuddle, confuse or bewilder anybody because those

requirements are stipulated on shore as well when we are doing onshore construction and other bits of onshore developments so offshore, the legislation makes provision for the preparation of an environmental plan and for the preparation of an Environmental Impact Assessment Study.

Mr. Speaker, the timeframe stipulated by the legislation was thought by the licensed company, BHP Billiton, after negotiations with the designated authority and the officials in the Ministry of Energy, to be a much too compressed, a much too short timeframe. To do this kind of work, even on shore, takes much longer than the 90 days that the legislation has been talking about; in fact, onshore there is the experience that an Environmental Impact Assessment Study or an environmental plan, because of how costly they are, can take upwards of one year or sometimes two years depending on who the applicant is, so after discussions with the designated authority in the Ministry of Energy, discussion between BHP Billiton and the Government and in anticipation of having to go through similar negotiations with Rexall and countries in the future, it was determined that the 90-day period was too short for the preparation and presentation of an Environmental Impact Assessment Study and an environmental plan and by agreement it was determined that a more realistic time period would be nine months and the preparation of environmental impact assessments, a nine-month period is being substituted for the 90-day period which is contained in the legislation at the moment.

H:D15(5)

That is the first Amendment: the substitution of a nine-month period for the preparation and presentation of an environmental plan and environmental impact assessment (EIA) to replace the 90-day period, which has been determined to be too short. I do not think that is a matter which should brook any prolonged discussion because, as I said, even onshore 90 days turn out to be a very short time for people who have to do EIAs and environmental plans and so on. That is Amendment No. 1, and of course it is being done to Section 15 of the Act.

Mr. Speaker, Amendment No. 2 is being done to Section 19 of the Act, and this has to do with the issue of relinquishment. Section 19 of the Offshore Petroleum Act contemplates that a licensee will go through the exploration in phases; phased exploration. Section 19 enacts that after each phase the licensee should relinquish 50 per cent of the licensed area. Again, after discussion with the designated authority, after discussion with the Ministry of Energy and in the context of the fact that Barbados is basically a new frontier in this whole exercise of offshore exploration, it was thought that the relinquishment of 50 per cent of the licensed area was a bit extravagant and that a more realistic amount of the licensed area to be relinquished

would be 25 per cent after each phase. Therefore the House is being asked to amend Section 19 of the Offshore Petroleum Act to enact that, after each phase of an exploration other than the final phase, the licensee should relinquish not less than 25 per cent of the licensed area. That is the second Amendment. The first Amendment deals with environmental plan and environmental impact assessment, the second Amendment deals with relinquishment, and the third Amendment deals with change of control.

Mr. Speaker, it is very well known that in that very energetic and highly mobile area of business, mergers and acquisitions and so on take place; who you deal with today may not be the person who will turn up tomorrow, and control can be moved from one set of people to another. Nobody can stop that because that is how business works. It works in that way in businesses onshore. It works in that way in businesses dealing with matters offshore as well. Mergers and acquisitions are part of the *modus operandi* of companies. What the designated authority of Barbados is concerned about is that if there are going to be changes of control, those changes of control should not take place without the permission of the designated authority. If, of course, it is not going to be done without the permission of the designated authority, it stands to reason that it will not be done without the knowledge of the designated authority as well. Change of control can result from changes in shareholding, from changes in provisions in the Articles of Incorporation, or in a multiplicity of different ways; but as long as a change of control is being contemplated by a licensee and it is being enacted, that change of control should not take place without the permission of the designated authority. In the event that the designated authority is going to consent to the change of control, it is entitled to consent to that change of control on such terms and on such conditions as it thinks fit.

Therefore, Mr. Speaker, the Amendment of Section 29 of the Offshore Petroleum Act is now an Amendment by way of insertion because the original legislation did not contemplate dealing with change of control at all in any fundamental way. Since this is basically a new issue that has surfaced, new and fresh drafting had to be done to take cognisance of this reality and to make sure that if there is going to be change of control, the designated authority of Barbados would not be caught sleeping but would be alert to the fact that this issue has to be dealt with. That is why a Section 29 (a) is now being put into the legislation to supplement the substantive Section 29, and this Section 29 (a) deals exclusively with change of control of licensee.

Mr. Speaker, those are the three areas of Amendment which the House is being asked not only to discuss today but to approve. There is the issue related to the time that should be allowed to do an environmental plan and an environmental impact assessment, and we are moving from

90 days to nine months. There is the issue related to relinquishment of the licensed area at the end of any phase; we are moving from 50 per cent down to 25 per cent. In the issue of change of control, we are moving from no provision at all being made for change of control to insertion of Section 29 (a) to make sure that in the event that the designated authority has to deal with this issue, there is legislative provision made for it. Those are the three Amendments that this Second Reading speech is about.

H:No.D15 (6)

Mr. Speaker, as I have said, we have amended the legislation before and we have had a debate on this issue. There will have to be a small amendment to the regulations as well to beef up the regulations, so far as the regulations deal with the issue of direct negotiations between the designated authorities and the potential licencees to make sure that issues of transparency and fairness are properly taken care of but ordinarily, we do not discuss in a debate amending the parent Act what we are doing with the regulations since, of course, the regulations are always within the power of the Minister.

Mr. Speaker, I do not think that the amendments being called for today are by any elasticity of meaning controversial amendments. They are amendments designed to protect the offshore acreage of Barbados, to protect the people of Barbados in relation to their offshore acreage, to ensure that that our blue economy is managed circumspectively in the context of the fact that we are a service economy and any serious miscarriages in the blue economy could impact on what it is we are doing offshore and therefore, I commend these amendments to this Honourable House.

Mr. Speaker, not too long ago, we had a fairly expansive debate on the enter energy sector and the fact that the Government is still committed to a judicious mix between the use of fossil fuels which, of course, we are trying to get from offshore to supplement what we get onshore and the resort to and the use of renewal sources of energy in pursuit of our intention and policy to make Barbados the most advance green economy in this hemisphere. We have trod that terrain already and I see no need to revisit here in any particular detail. We know of the smart energy programmes that relate both to the private sector and the public sector. The one for the private sector of course being done in partnership with the Inter American Development Bank and of course the public sector one with the European Union along with the Inter American Development Bank as well, and all of the changes that have been taking place around us with a view to ensuring that renewal energy becomes our first port of call in creating a green economy in Barbados.

Mr. Speaker, temptation I am sure has been great in Barbados and temptation I am sure has been great in most countries like ours because oil prices have been low to relax our vigilance in relation to the pursuit of the renewal energy initiatives upon which we have embarked. Barbados is not going to be caught like the five foolish virgins without oil in lamps, oil no pun intended, if oil prices spiral upwards again and we have to go through what we went through in 2012 when in one year, I believe that we had to spend the equivalent of nearly BDS\$1 billion on the importation of fossil fuel. There are other things that we have to do with what revenues and what foreign exchange we earn and therefore, we have to make sure that we use sensibly, thoughtfully and circumspectly the resources that we have at our disposal, resources that are always scarce.

Mr. Speaker, Government's energy policy is very clear. We want to make sure that we conserve, that we practice energy efficiently methods and of course that we move surefootedly to the use of renewable energy in the development of Barbados along those lines in the pursuit of our goal to create a green economy here in Barbados. we ask the House and we ask the country to be cognizant of the connection, the organic and necessary connection between the resources in our blue economy and our ideal of creating a green economy here in Barbados and of course, to make households, businesses and the Government all to not relax making their contribution to the achievement of these very important objectives.

Mr. Speaker, with all of that said, I think that I have made myself very clear. I think that I have justified the amendments being called for so with all of that said, I beg to move that this Bill be read a second time.

Hon. J.D.E. BOYCE: I beg to second that, Sir, and reserve my right to speak.

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

Mr. D. SUTHERLAND: Mr. Speaker, I rise to speak on this Bill which seeks to amend the Offshore Petroleum Act, Capp 282A. Sir, I may not know as much history as the Right Honourable Prime Minister so I will stick to what I know. I do not think that the people in this country and members in this Honourable Chamber know the history either. Sir, I do not want to say the history is irrelevant but I would want to say that at this time in our juncture, the phase we are at, the sustainable development stage, I will try to use the Right Honourable Prime Minister's language during my presentation.

Mr. Speaker, I speak behalf of the member on this side of the House, the Barbados Labour Party and while we have no problem with the amendments to this Act, we have a problem with the timing more so than the amendment and

I will speak to the three amendments but I would not get into the history because the Right Honourable Prime Minister spend one hour dealing with history and 15 minutes dealing with the Act. I will try to reverse the time and spend more of my time dealing with Act and less time dealing with what I consider quality time as it relates to the matter that has been presented to this Lower Chamber.

Mr. Speaker, without further ado, I will dive right into the issue. Sir, the first point the Prime Minister would have touched on is the whole Section 15, Cap 282, which speak to environmental impact and the environmental plan, changing the timeframe from 90 days which is stated in the original Act to some nine months for the applicant to submit the environmental impact assessment and the environmental plan within nine months of receipt of the notice of designated authority pursuant to Subsection 2.

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Mr. Speaker, it is always good to bring relevance to this Bill here before us because in the original Act there was indeed mention and a thorough section on the need for an environmental impact assessment so I do not think that is new in terms of the changes that has been brought to this Lower Chamber but what is new is the environmental plan. Mr. Speaker, I do not think that the environmental plan was in the original Act so that I am speaking on behalf of the Barbados Labour Party (BLP) we do not have any difficult with but having said that, I am so happy that the Right Honourable Prime Minister -- I like to address him properly -- recognises the need and the importance to Barbados of the offshore drilling sector because what the Prime Minister did mention and I think he said, I stand to be corrected, but I think what he is saying is that we cannot just willy nilly go to do any offshore drilling without having the necessary regulations in place and the environmental impact assessment was critical because this sector is vital to Barbados' survival and I will get there. I will speak about the whole renewable energy and where we are as a country. I too like the Right Honourable Prime Minister spent probably one hour in the last debate in this Honourable House speaking about renewable energy and the onshore drilling sector and I made note. The Honourable Member for St. Michael South Central said when he got up, I think he spoke directly after myself and said, our focus should be on the offshore drilling sector - he can take the Hansard and check because I made the note - and not so much on the onshore drilling sector because there is little scope for oil exploration, that is what he said. That is what the Honourable Member for St. Michael South Central said and he can check the Hansard, he said that but I have no difficulty with that. My difficulty, Mr. Speaker, comes when we seek to implement certain projects that are critical to Barbados' sustainable development but yet we want to circumvent the EIA studies in certain critical projects. Let me speak to energy, the CAHILL project.

These are some of the issues that I have with the Government of today, Mr. Speaker, because you cannot come on one hand and speak to EIAs being important in one sector and then in another section of Government -- because I think the CAHILL project fell under the Ministry of Environment -- you are seeking to circumvent the EIA study. Not only with the CAHILL project, but also with the Hyatt Hotel -- the Hyatt is offshore in my view, I consider that an onshore/offshore project - and if these projects are so critical to sustainable development in this country, when then are we not consistent in our thinking, our views, our policies and our regulations as it relates to our sustainable development goals. That is what you ought to do. Mr. Speaker that is my first point in this Lower Chamber as it relates to the Right Honourable Prime Minister's presentation and the importance of EIA studies to our sustainable development goal and not doing projected willy nilly because we know the impact of not doing an EIA study offshore if something goes wrong so the Right Honourable Prime Minister is putting the right cards on the table at this time but I want him and his Members to be more consistent to put the right cards on the table all the time and not only when it suits him. Mr. Speaker, I have said in this Lower Chamber several times three fundamentals issues and ...

Asides.

Mr. D. G. SUTHERLAND: I will be back here again, Honourable Member for Christ Church East Central and I hope he will be back here. I am sure I will be back here again, and again, and again.

Mr. Speaker, when we speak about critical issues in this country and when we speak about sustainable development goals we speak about three critical issues, 1) the cost of capital, 2) the cost of labour and equally as important 3) the cost of energy to this country's development and it begs the question, why after 2012 this Government passed the Offshore Petroleum Act and the Offshore Petroleum Taxation Act in 2012 but yet the last time we heard from the Right Honourable Prime Minister on anything to do with the offshore sector was one year ago when the Government announced that it had awarded an exploration block off the west coast to REPSOL, a Spanish company, and the Right Honourable Member did mention REPSOL in his presentation. That is the last time we heard from the Right Honourable Member on this offshore sector and it begs me to ask the question: Is the Democratic Labour Party (DLP) or is this Government really serious about the offshore sector? I agree with the Honourable Member for St. Michael South Central when he said our focus should be on the offshore sector. He did not know that those words would be used again in this Chamber because his focus was forget the onshore sector, there is not much to be done there, let us focus on the offshore sector. That is what he said. I had already finished my presentation

but here I am again to support you, the Honourable Member for St. Michael South Central in your words that the offshore sector is critical to Barbados' development and driving down the cost of energy. I will get there, I will get there about energy so here we are after 2012 again and we have the facts, not only in 2012 but in 2015. In 2015, the Minister of Energy came and he said, we have awarded or we are about to award two blocks to BHP Billiton. That was back in 2015. Since the Barbados Labour Party (BLP) left office in 2008, Mr. Speaker, there has not been any significant movement in the oil and gas exploration sector. What we are discussing this morning, Mr. Speaker, we have not done any major work or movement since 2008 in terms of implementation, in terms of exploration, whether onshore or offshore, and since the offshore is so critical to us, I would think that the Government and the Minister of Energy, whom I think has done a very poor job and I would take my hat off to the technocrats and the public servants in that sector because I know they are bright people and they are competent people. I know some of them personally but I know when you are faced with what you are seeing from a Government and from its leadership, no matter how intelligent and how bright you are.

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Mr. Speaker, they are confident people, but I know that when you are faced with what you are seeing from a Government and from its leadership no matter how bright or intelligent you are, Mr. Speaker, inertia confronts and faces you at every turn of the Ministry of Energy. I know that, I do not want them to say that because I understand how this thing works; you ought to say that you have the best Minister when, in truth and fact, you do not but you have to continue saying it because you do not want to be jeopardized in your duties, so that you have to focus on your duties and continue the hard work on behalf of the citizens of this country. It will change at some time, I will say to the technocrats. There is a song, the end is near, you will get a Government who is focussed on implementation, one who is really focussed on sustainable development, one who is really focused on driving this energy. One can look at the 2008 Barbados Labour Party Manifestos, you can go back as far as the 1980s and you will see that the focus of this Government....

Mr. Speaker, we recognised and said to the Democratic Labour Party in 2008, just before they won the election and during the campaign, that the price of oil would have been problematic in terms of our foreign exchange, in terms of our fuel import bill. We said that during the last 2008 election and we were told that that was a waste of time, at that time it was the Right Honourable Owen Seymour Arthur. We would told by the Democratic Labour Party, do not mind him, the Honourable Member knew not what he was speaking about, but at the end of the day when the Democratic Labour Party assumed the office

of the Government after 2008 election we saw the oil prices rising to US\$100 per barrel, yesterday it is hovering around US\$50.

Mr. Speaker, I will go into a little bit of history as it relates to the oil and gas sector, the reason it is hovering around US\$50. Mr. Speaker, the non-OPEC countries such as Iran and others are still focusing on a high level of production, whereas the United States of America shale and gas production prices were up in the \$70, they have to recognise that the non-OPEC countries are still producing and that the prices are down, so that whereas the United States of America's shale production would have been US\$70 per barrel, they are now faced with bringing it down to the US\$50 and \$55 per barrel.

Asides.

Mr. D. G. SUTHERLAND: Mr. Speaker, the Honourable Member for Christ Church South is saying it is because of Donald Trump but that is what is happening in the world today. Mr. Speaker, we also have to recognise, and I have already made this point in this Lower Chamber, that Guyana is well-advanced despite issues with its neighbour Venezuela, Guyana is well-advanced in its exploration as it relates to the offshore sector. Guyana has surpassed us, in 2008 we were ahead of Guyana but Guyana has since finished its Environmental Impact Assessment Studies. Exxon Mobile last year has announced a major oil find from exploratory drilling in a 6.6 million area known as the Star Bloc. Mr. Speaker, we have to recognise that as a Democratic Labour Party Government we have sat since 2008 and have done nothing to advance the cause of the offshore drilling sector when you know that our fuel import bill...

Asides.

Mr. D. G. SUTHERLAND: This is a foreign exchange issue as well, this is a fundamental issue, we spend over US\$250 million on oil importation, we can go even higher than that, yet we have the opportunity to reduce our fuel import bill, to use less foreign exchange through the whole aspect of onshore and offshore drilling, yet we as a Government have come here now after 2012, after these Acts were passed, to make what I would call a routine amendment to this Offshore Petroleum Act which seeks to allow an environmental plan to be done before we can do any work. These are things that should have been done ever since 2012. I am saying to you, Mr. Speaker, that this Government is still way off because BHP Billiton should complete this Environmental Impact Assessment Study and the environmental plan probably by the end of 2017, but we are still about three years out from spinning any wells, so that, Mr. Speaker, whereas we have come with this amendment, we are still about three years out from spinning any wells. I am saying to you, Mr. Speaker,

that BHP Billiton still has to do either 2-D or 3-D seismic work, there is still a lot of work to be done before we can see any major development as it relates to oil exploration in the offshore sector.

Asides.

Mr. D. G. SUTHERLAND: Mr. Speaker, the second point that this Bill seeks to address is this whole aspect of amending Section 19 of the Act which speaks to the following:

“Section 19(1) of the principal Act is amended by deleting paragraph (a) and substituting the following: “after each phase of an exploration licence, other than the final phase, relinquish not less than 25 per cent of the licence area...”

Mr. Speaker, I guess this is done with a view to stop the licensee from sitting down and being speculative, we do not have any difficulty with this but I thought what the Government would have done would be to give them a ban. Before in the old Act it was no less than 50 per cent of the licence area but now we have reduced it, but we have no problem with that. Mr. Speaker, what we want, though, is action, we do not want to come to amend this Bill... Mr. Speaker, let me say again that the Barbados Labour Party is in agreement with the amendments, but we do not want that this Act sits on the desk of the Minister again and then the Honourable Member comes one year after...

Mr. Speaker, hopefully, one year after there would be no more Democratic Labour Party, once the people of this country stick to what they have said about the Democratic Labour Party. Mr. Speaker, I know that the Barbados Labour Party will implement, we will try to fast-track the spinning of wells. Mr. Speaker, we do not have any difficulty with the technocrats in the Ministry, we have a difficulty with the leadership of this country, whether in the energy sector, the industry and commerce sector or in the finance sector. We have issues with the leadership and the Right Honourable Prime Minister should be ashamed to come after one year to make any statement on the offshore sector in this Lower House. These are critical issues, these are issues that require everyday attention.

H:D15(9)12 noon

These are issues that require everyday attention. These are issues that are supposed to drive growth. These are issues that are supposed to save us foreign exchange in this country. These are critical issues. We should be telling the public today what would be the offshore production levels as it relates to BHP Billiton and Repsol. We should be telling the public today what are the plans we have for reducing our fuel import bill as it relates to the offshore and onshore sectors. We should be telling our citizens. The

Democratic Labour Party should be coming to this House with facts, and telling us “By X date we expect to see a reduction in our fuel import bill”. As a result of inertia since 2008, however, we have seen a Government sitting on its laurels and telling the people of this country -- and the Right Honourable Prime Minister got up and said it in this Lower Chamber -- that these matters take time. How dare the Right Honourable Prime Minister? He has to tell the public the facts; that the Minister of Energy in his Ministry sat and did nothing for the past nine years. He did little. Mr. Speaker, the third point speaks to this issue of change of control, and we do not have any issue with it.

Aside.

Mr. D.G. SUTHERLAND: Try to stop speculation. We do not have any difficulty with it. The designated authority has to give the consent to sell; that is fine. Within ten minutes I have gone through the changes that took the Right Honourable Prime Minister over one hour to say to this Lower Chamber, Mr. Speaker. We have a more fundamental problem and I went through the changes, Mr. Speaker, and I rest the Amendment to the Act. I am now moving onto more fundamental issues with the expectation that when this Bill is passed, the Minister of Energy will get to work; serious work as it relates to the offshore drilling sector.

Mr. Speaker, one of the key pillars of rebuilding this country is the energy sector, and there are certain areas which this Government ought to pay close attention to. While I am hearing that the draft Energy Policy for Barbados 2016-2036 is soon finished, and I am awaiting my copy, one of the things which bothers me is the whole fact that the Government has failed to keep up with the changing pace of the energy sector as it relates to international markets. One of the areas which I would like the Government to focus on -- I am saying this with all sincerity for the citizens of this country -- is the transportation sector. The transportation sector is very critical, because some 35 per cent of our energy or fuel imports is used in this sector; some 35 per cent, and that is a huge amount. When we look at countries like Singapore, that country is often referenced in this Lower Chamber, and I understand why. Mr. Speaker, we have to recognise that the transportation sector is changing rapidly. In terms of the pace at which it is changing, I do not think we as a Government have even scratched the surface in relation to what is happening in the international markets. You can research what is happening in Singapore in the transportation market; the car market. These are some of the areas which we have to focus on as we move forward, as we speak about sustainable development, and as we seek to reduce emissions and talk about the Green Economy. The Honourable Member for Christ Church East speaks about this often when he gets up in this Lower Chamber. I would like to hear from him a contribution as it relates to

this sector in terms of the Green Economy, because when you look at places like Singapore you are seeing electric cars. Gone are days when people were fuelling cars. They are not fuelling cars. Soon from now, the Member for St. James South will probably be driving a car whose steering he probably would not have to touch. He would just programme where he is going and move.

Mr. Speaker, this is the changing pace of the energy sector as it relates to transport. We are now moving to electric cars and to reducing emissions, and I am asking the Government to see themselves not as an oil company but as an energy company, whereby you can join with the Barbados Light & Power Company Limited or you can leave them. There is no way that the Government should have relinquished leadership in the energy sector to any private entity. You should be leading this energy sector, and I said so in this Lower Chamber before. You can join the likes of Light & Power which is pioneering several developments as it relates to renewable energy in this country. Barbados Light & Power is now looking at backup batteries for houses.

Aside.

Mr. D.G. SUTHERLAND: At some time in the very near future we will see, as opposed to these standby generators on the houses and commercial buildings when electricity goes, backup battery power. That, again, is sustainable development. That is dealing with emissions. We will no longer be using diesel to power standby generators. That is one of the developments which we are seeing by the Barbados Light & Power Company, and you can speak to them. I am constantly calling and asking and inquiring where we are. In regard to the Barbados Renewable Energy Association (BREA) -- sometimes I speak in this Lower Chamber and I hear comments coming from the Right Honourable Prime Minister -- he spoke on the offshore sector but he did not speak about the energy sector. It is vital to what we are doing, because if you have a combination of onshore and offshore drilling, coupled with developments which I have indicated here, we will definitely be able to drive our fuel import bill down. We will definitely be able to save foreign exchange in this country; a significant amount of foreign exchange.

Mr. Speaker, when I speak I often get the impression that there is a disconnect between the Members on the other side -- I cannot say all but most of them -- and what is happening in the energy sector and what is needed in this country to drive Barbados' cost of energy down. These should be the main important areas -- the cost of capital, the cost of labour and the cost of energy -- but we are speaking about energy this morning. I am saying that we ought to shift our focus and embrace the companies and these non-governmental organisations like BREA and Barbados Light & Power.

H:No.D15 (10)

We should be having monthly meetings trying to develop our energy sector in the country. We should not be focused on increasing the price of gasoline and the price of diesel at our pump. These are things we should be focusing on. We should be coming to the public on a quarterly basis and telling the people of this country what are developments in renewal energy and in our oil and gas sector in the country as opposed to coming here and just telling us about the amendment to a Bill that should have been done since 2012, not doing anything in the sector since the Barbados Labour Party left power other than passing two bills.

Mr. Speaker, what can you say about the Democratic Labour Party as it relates to the energy sector for the past nine years but yet they are talking about one of their strengths lies in energy. Sir, it is not just the whole aspect of transportation that we ought to be looking at. I have said this in the Chamber before and I will repeat. The Barbados National Oil Corporation should see themselves as an energy company and take the lead in certain areas like wind energy. This Government, the Democratic Labour Party should have had the first wind farm set up and also not just set up but have local investment, foreign investment and investment by the utility companies in a wind farm and that is where our whole battery power comes in. Sir, wind is the cheapest form of renewal energy in the country and it gives you the opportunity to have more battery storage so that we can do away with all these diesel driven standby generators that power Government building and houses and stuff like these but you need leadership. I do not think that the technocrats do not know this, they all know but when they produce all these wonderful papers, their wonderful work sits on the desk of Ministry of Energy in the Prime Minister's Office. Sir, that is the problem in the country as it relates to the energy sector. There is major inertia in the energy sector in the country and we ought to do something about it. I know that the people of this country are not sitting idly by, they are waiting on the appropriate time. They are waiting on the time when they have the most power in the country even if it is for a couple of hours, it is for eight hours, ten hours or twelve hours, that is the most important time for the people of this country and, Sir, they are waiting on it.

Mr. Speaker, I say to the Barbados National Oil Company Limited to let us focus on changing the whole vision and mission of BNOC, to see themselves as an energy company, that it has the time whereby it can focus on setting up a windfarm, create some investment whether local or foreign and partner with the utility companies and the non-governmental organisations (NGOs), who see themselves renewal energy companies because we are hearing from the Government in its national energy policy that they have a heavy reliance on natural goods and services

but when you speak to the Barbados Light and Power Company and you speak to the Barbados Renewal Energy Association, these companies in their vision have no plans for natural gas. They have none at all. They would like the Barbados National Oil Company to partner with them as it relates to renewal energy because the Barbados Light & Power Company Limited recognise that they themselves cannot achieve our goal by 2035 of having 100 per cent renewables in the country. The Government must partner with them and they are prepared for that, so we have to shift our focus. Sir, while we address the offshore petroleum sector, while we seek to save our foreign exchange and reduce our fuel import bill because it is critical, we have to carry a dual approach. We cannot just be focusing on the offshore sector. I should not say we cannot because the Government is not really focusing on it because the 9 years that the Government has been in office, it has not achieved anything really in the offshore or on the onshore, so we have to begin to focus not only on the offshore sector and the onshore sector but we have to see ourselves as a Government who is trying to pioneer renewal energy initiatives in the country whether it is in the transportation sector, whether through wind farms or whether through solar. These are some of the areas and not just see yourselves as dealing with the offshore sector and the onshore sector and at the end of the day we leave everything up to the private sector to drive. We have to create the enabling environment, partner with the private sector and be seen as a leader in wind development in the country because you still have time.

Mr. Speaker, it is not just the transportation sector, it is also the hotel sector. This brings me to the whole CHENAP study. We can make it a document of the House if it is not a document of the House already. It is the CHENAP -- Caribbean Hotel Energy Efficiently Action Project. Sir, this study speaks to gains in the hotel sector.

Mr. Speaker, the Minister of Tourism, the Honourable Member for St. Michael South Central came to this House with a 10-point plan in tourism that was heavily focused on renewal energy gains in that sector but what has happened. Sir, nothing has happened. We know that electricity accounts for 50 per cent of the energy used in this island and these are some of the areas, whether through air-conditioning or capital projects, these are some of the areas that the Minister of Finance should have been dealing with. Sir, the CHENAP study speaks to energy efficiency gains in the hotel sector. It speaks to retrofitting of present mini split unit systems to have high efficiency air-conditioning systems such as inverter type variable refrigerant volume system with heat recovery for supplying hot water also. It speaks to savings in the hotel sector in terms of energy efficiency. Sir, these are some of the areas; electricity consumption and CO2 emissions for the hotel sector and it is a comprehensive report that I think that the Minister of Tourism and also the Minister of Energy should

be focused on to bring certain energy efficient gains in that sector.

Sequence 11

It speaks to savings of around US\$200 000 in small hotels, potential annual electricity savings of 38 per cent of the total usage. Investment costs it speaks to and it speaks to payback period of 38 months. These are some of the areas that we ought to focus on. Audits are there to help guide us. Audits are there to show us where the inefficiencies are and where we can gain efficiencies so with a Government who is in crisis, I thought you should be focussing on some of these areas as opposed to coming into the Honourable House and trying to insult the Members on This Side, the focus ought to be on seeing some growth and dealing with the national growth areas in this country like the energy sector and the hotel sector. We give away several things in the hotel sector but we should not be, at this stage, building hotels without having, the same way we cannot build two-storey houses without water tanks, we should not be building hotels in this country without energy efficiency initiatives. Those are some of the areas we ought to be focussing on, we cannot just be giving away concessions after concessions to various people and at the end of the day we are not seeing any returns or gains in these areas. Mr. Speaker, it is not just the Ministry of Energy whereby we can seek to achieve energy gains but we in the hotel sector, in the Ministry of Transportation are some of the areas that we ought to be focussing on.

Another area that I would highlight also is this who aspect of gasoline and diesel prices. Mr. Speaker, I can say without a shadow of a doubt, when the Barbados Labour Party (BLP) left the office of Government in this country back in 2008, our Excise Tax was some 36 cents per litre, that was on gasoline and diesel was 20 cents per litre. That was kept for some time. The price of oil was at US\$100 per barrel. In 2017 your Excise Tax moved in June from 74 cents per litre -- this is one gasoline -- we add some 24 cents in June and it is now some US\$99.00 per litre on gasoline. That is what our Excise Tax is at a time when the price of oil is US\$50 a barrel. Yes I would hear from the Minister of Finance about the whole subsidising that we would have done and we make no apology for the subsidy because our subsidy was to protect businesses in this country and also the people in this country. Those losses that BNOC acquired as a result of our subsidy were recovered way before the price of oil and way before this Excise Tax reach 94 cents per litre. These losses were recovered when the Excise Tax was at 54 cents per litre. I moved from 36 cents to 54 cents to 74 cents now to 94 cents in June, that is what we are faced with. We know the breakdown. You have the terminal fee, then you have your margins for your marketers and your dealers and of course the dealers' margins have to be more than the marketers because the dealers have the risks but, Mr. Speaker, it is not

fair businesses and it is not fair to the citizens of this country for our Excise Tax to reach 98 cents per litre on gasoline and on top of that we have not added VAT and we have not added that 2 per cent on foreign exchange tax because we have to import these fuels so that is subject to the 2 per cent. In all when we look at the tax on our fuels, diesel and gasoline it is more than 50 per cent of the import prices. Mr. Speaker, these are some of the things we have to look at and I would like in the Right Honourable Prime Minister's wrap up to tell us why Excise Tax has moved from, let us say, your 54 cents per litre on gasoline to 98 cents and that is before taxes. These are some of the things we have to look at. Our citizens cannot afford to be paying such high prices for diesel and gasoline at a time like this. It is impacting businesses, it is impacting the average man in the street, it is impacting our transportation sector but we have no losses to speak about. Mr. Speaker, I am asking the Government to move swiftly and address our transportation sector as it relates to electric vehicles. There is sufficient studies in this country done by the Barbados Light & Power Company Limited to show that we have enough battery power and back up to facilitate at least 15 per cent of our cars being changed into electric vehicles with the next two years. These are some of the things we ought to be focusing on not increasing prices of gasoline at the pump Excise tax from 54 cents to 98 cents. These are some of the areas that a Government has to be cognisant with because the citizens are suffering as a result of Government's policy within the energy sector. They are paid a very high price at the pump for gasoline and diesel and we ought to do something about it. The same way I say to the Honourable Member for St. Michael North West to rethink the National Social Responsibility Levy the time is right at this time for the Government to rethink that increase of 24 cents on the Excise Tax for gasoline. It is not fair to the citizens of this country and these are some of the things that BNOC should put forward to the Minister that the prices of diesel and gasoline are too high in this country. We have several areas, Mr. Speaker, while we recognise that there is no problem with the amendments here, we have several areas, within the energy sector. This energy policy was in draft for too long. It should be here, let us look at it. Bring it to Parliament and let us discuss it, Mr. Speaker. We have a lot of work to do in the energy sector. This Government cannot and should not go into the next election bragging about achievements in the energy sector. It is a failing ministry and it has nothing to do with the technocrats, it has to do with the leadership, inertia, failure to implement after five years after passing the Offshore Petroleum Act and the Offshore Petroleum Taxation Act in 2012 now we come with this minor amendment that should have been done back in 2013.

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Mr. Speaker, on the behalf of the Barbados Labour Party I agree with the amendment but would want to say

that it is too late but that I am hoping that the Government, through the Ministry of Energy, can take some action on our offshore drilling programme. We know that it is about three years after the Environmental Impact Assessment Study that we will do any oil exploratory work. We still have seismic work to be done but I am calling on the technocrats to use all of the powers that you have or you do not have to try to put a little fire under the Minister of Energy. I am also calling on the Right Honourable Prime Minister, as the Ministry of Energy falls under the Honourable Member's Ministry, to do justice to the energy sector in this country.

Asides.

Mr. D. G. SUTHERLAND: Mr. Speaker, my collar is minor to the issues that the people in this country face. I would like the Right Honourable Prime Minister to take some action. This is not the first time I am looking at you, the Right Honourable Prime Minister and asking you to take action in this country in the energy sector. We would have done several Bills in this Lower Chamber, which show that we have suffered from an implementation deficit and clearly the energy sector is one. Mr. Speaker, with those few comments, I am obliged to you.

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

Dr. the Hon. D. S. LOWE: Mr. Speaker, I rise to make my contribution to this discourse and to begin by indicating that I fully support the amendments that are put forward today to this Honourable House and also to indicate that I thoroughly enjoyed listening to the Right Honourable Prime Minister for setting a context for this discussion, notwithstanding the challenges of my Honourable Member, the Honourable Member for St. George South. Mr. Speaker, I believe that we have to try to get this discourse back on track because it is my view that any time a person picks up a radio and turns it on in the middle of a presentation in this Honourable House they should know what is the topic, that is important and therefore when I have covered my issues I will sit, I have no challenge in doing that but I certainly will not use my time to berate the members of the Division of Energy who, in my view, have done an outstanding job in focusing the Government on where it needs to go. Mr. Speaker, that is important because I would have to confess that only yesterday I was treated to a most enlightening presentation by the person responsible for natural resources and who is leading the Government's efforts with his Minister, his Permanent Secretary and his Deputy Permanent Secretary and his team in getting this programme to move in a direction that is responsible.

Mr. Speaker, do you know what surprises me? Sir, on the one hand the Opposition criticizes the Government

for not taking its time to do Environmental Impact Assessment Studies and on the other hand when the Government is seeking to work with its officers to chart the course of an Environmental Impact Assessment Study, the Government also gets criticised -- inertia, implementation deficit and any other words that can be found are used to criticise the Government. Now, I would advise that the word deficit is used very carefully because it may define more than implementation. What I believe is important is that the country understands that Barbados is a Small Island Developing State and the Right Honourable Prime Minister talked about the Barbados Programme of Action that gave rise to the global discourse on sustainability among Small Island Developing States. Mr. Speaker, environmental governance was one of the 21 points in the Barbados Programme of Action and Barbados has become the leader globally in addressing issues on the environment.

Mr. Speaker, I think it is unfortunate to suggest that this country has not made any progress on the environment in the last eight years because Mr. Speaker, Sir, I am of the view that we have made a quantum in terms of environmental stewardship and governance, in terms of renewable energy and in terms of sustainable energy. As a matter of fact, there is a greater uptake of sustainable energy opportunities in this country than has ever been before. Mr. Speaker, what the Right Honourable Prime Minister sought to do was to set a context for this discussion today, (1), the Honourable Member talked about sustainable development which is at the heart of the Barbados development model of today but I would suggest that even before this Government came into play that the Democratic Labour Party has always focussed on sustainable development, on looking to build out the natural resources, though few as was correctly suggested by the Right Honourable Member for St. Michael South.

Secondly, the development of our sustainable energy sector has been at the forefront of Government's endeavours in the last several years and in that context we talked about fuel consumption and fuel distribution. We talk about what sector takes the most of our fuel offerings. We talked about transportation, about industry. We talked about those areas, including public transport that will obviously impact upon the production of greenhouse gases in this country and therefore the shift from fossil fuel based energy to renewable energy is indeed a worthy shift for Small Island Developing States like Barbados.

Mr. Speaker, the Honourable Member talked about Guyana and I am reliably informed that Guyana is now playing catchup after it actually started the journey, because there are several challenges that they are having in terms of the logistical arrangements with the implementation of an offshore oil sector. Mr. Speaker, what Barbados is trying to do is to make sure that those things that are necessary to be done now are being done so

that at the end of the day we would not have to find ourselves in trouble in terms of some environmental catastrophe or some holdup of implementation for one of the offshore persons that are drilling, and do on and so forth.

Mr. Speaker, we also looked at in this platform the need to ensure that we keep apace or abreast of our greenhouse gas emission's reduction, especially since that is part and parcel of the Government's agreement with the United Nations system to reduce, even though, Mr. Speaker, the production of greenhouse gases in Barbados is less than 1 per cent when compared with global emissions. Secondly, Barbados has done very little to inflame the rise of greenhouse gases globally that has been affecting several communities and several countries.

Mr. Speaker, we understand that so that we have targets set, targets that are built into our NDCs, targets that help us to solidify our commitment regionally as it relates to the decision taken at COT 21. Now Barbados and Latin America work hand-in-hand. As a matter of fact, the Barbados-Latin America alliance is a critical alliance, and therefore when it was suggested that Barbados had to play a key role in building out our environmental space collectively, it was understood that it required the full force of the Barbadian Government and the Barbadian society.

12.43 p.m.

If I had time, I would go into some of the things we have done, but according to the national determined contributions, Barbados has committed to a time-bound effort, a target-bound effort and a development-bound effort to ensure that we keep apace of our overall national strategy in terms of our switch from fossil fuel to renewable energy and in terms of our beating back or scaling back on the emissions. We can talk about landfills as one of the production areas and other things which we could put into the mix, but I want to get onto some other issues. Number Five is our Green Economy targets, and again the Right Honourable Prime Minister talked about that and the relationship between our energy focus and the Green Economy.

Mr. Speaker, Sir, may I please suggest to you that the Green Economy targets include jobs, trade practices, consumption habits, production practices and environmental governance? Those are some of the target points for the Green Economy, so therefore obviously as we move forward we have to incorporate those targets because Barbados has committed itself to becoming the greenest economy in Latin America and the Caribbean, and we are on our way in achieving that. Let me also move on to talk about a sixth point that lays out the table for these Amendments. In terms of establishing and maintaining a sustainable energy sector, the Division of Energy has set

energy security and affordability through diversity and collaboration as a major part of establishing and maintaining a sustainable energy sector for Barbados. Here are the goals, or some of them: Diversity is one of the goals which they have set, efficiency is Goal 2, affordability is Goal 3, reliability especially in the area of reliability of supply is Goal 4, and Goal 5 is capacity and collaboration. That capacity there is the buildout of the Barbados natural resources and renewable energy sector, and the collaboration is between the Government sector and the private sector. We know that we have been working very closely with the private sector to make sure that they understand what their responsibilities are and that they buy into the national strategy. That is important.

Mr. Speaker, it then goes onto entrepreneurship; an energy sector that offers significant opportunities for local entrepreneurship and international investment, the environment which I will focus on shortly, and regulations. I land on regulations because this is the eighth goal of the Energy Department. Regulation is what we are dealing with today. As a matter of fact, we are dealing with legislation that includes regulations. Let us look at environment, because the Honourable Member for St. George South attempted to dump cold water on the Government's work. Unfortunately, he was dumping it from a thimble so it did not have any impact on us whatsoever.

Aside.

Dr. the Hon. D.S. LOWE: It did not, at all. Let me quickly note that the overall objective of the Ministry of Energy as it relates to this sector is Objective No. 5, which is "increasing the diversity in types of energy sources utilised within both the renewable energy and the fossil fuel energy sectors". Mr. Speaker, it is an overarching objective that pulls into play all of the strands of opportunities that would be brought to bear on how we go forward in terms of exploring and exploiting the renewable energy and the fossil fuel energy.

Let me say this at this juncture, Mr. Speaker. There is no philosophical divide, no theoretical division, between the Government's and the country's pursuit of renewable energy as well as fossil fuel energy. As a matter of fact, there is to be a judicious mix between the two, and as we explore our offshore resources, those resources will be used in different ways, including to build out the renewable energy sector. At the end of the day, the impact of fossil fuel is at the consumption level. Once we are able to diversify our consumption needs and bring into the mix the wind energy which the Honourable Member talked about, the solar energy.... By the way, wind energy can never be as reliable a supply of energy as solar, and that has to be noted because that was said by the Honourable Member on the other side, but that is not the facts, that is not the

history, and that is not the research; it is not there. I will tell you, though, that in the integrated renewable green energy which the Ministry of the Environment has been pushing out, wind energy is part of the mix, solar energy is part of the mix, waste-to-energy is part of the mix, and landfill gas-to-energy is part of the mix. What we are going to do, and we are going to do in a more committed way, is work hand-in-hand with the Division of Energy in ensuring there is a seamless relationship as we pursue this energy sector.

Section 15 of the Amendment speaks to the Offshore Petroleum Act, and Section 39 of the Offshore Petroleum Regulations outline the requirements of the preparation of the submission of an environmental impact study and an environmental plan abbreviated as an EP. Under the terms and conditions of the legislation, all companies awarded blocks in Barbados offshore must prepare and submit an EIA and an EP to the designated authority. These documents must be forwarded to the Minister responsible for the Environment for approval. The EIA and the EP must first be approved by the Minister responsible for the Environment in order for the exploration licence to be granted.

Mr. Speaker, when you sit down and listen to some of the chatter, you would think that the pursuit of renewable energy/fossil fuel energy is something that you get up in the morning, get a few people to go out there with forks and hoes, and dig something and hope that oil spouts in the air. You get that impression. Barbados is a vulnerable state in the chain of Small Island Developing States. Its vulnerability index is just as ferocious as that of Grenada or any of the other islands. Barbados must take caution as it moves forward in this endeavour to ensure that no action delivered by the Government creates a reaction that destroys our society. It is as simple as that, and if it takes us ten more years to do, we are prepared to take another ten years, Mr. Speaker, Sir. We will not be titillated by the economic returns and cause any sabotage or any degradation of our environmental space. The Right Honourable Prime Minister noted in his presentation that Barbados has limited natural resources and that the carrying capacity of the country sometimes outweighs the availability of natural resources, so there must be that balance in consumption, identification and production of natural resources.

12.40 p.m.

Sir, the Division of Energy is doing a yeoman's job in ensuring that those resources are known, that they are measured, that they are managed and that they are protected and that is one of the reasons why it is important to move with decent haste in this regard.

Mr. Speaker, Section 15 of the Offshore Petroleum Act and Section 39 of the Offshore Petroleum Regulations

relate to EIAs. An EIA should include a description of petroleum operations i.e. locations, designs, scale. A description of the effects of the petroleum operation on human beings, marine and terrestrial flora and fauna. This is what an EIA should include, it is not something you can wake up and get up one morning and a group of scientists get together and come up with a report and produce but, Sir, the problem is that the Opposition seems to be in a permanent stage of vexation so that everything thing that you do it triggers some biochemical, psychological reaction that forces them to behave in ways of despondency and avarice. I am saying, Mr. Speaker, that a responsible Government must take thought of the notions presented by those persons who are supposed to be advising us and that is why these men and women in the Chamber today must be given kudos for the work that they are doing not only within the bosom of the division but also in incorporating the private sector and other stakeholders in the process.

Mr. Speaker, salt and fresh water, sea bed and sub soil, atmospheric and air quality, cultural heritage, climate, landscape, material assets, soil are all things that have to be considered, so that an EIA is not going to be some fanciful document and that is why the amendment has come to bear, to move it from the first threshold to nine months to give those persons who are pursuing the endeavour because the licensee shall provide safety standards of the environmental impact assessment. A description of the forecasting methods used to assess the impacts or the effects of petroleum operations. Sir, description of measures to be taken in order to avoid mitigation or remedy the effects of the petroleum operation.

Mr. Speaker, estimation of the type and quantities of any residue or emissions likely to result from the petroleum operation, a description of any technical deficiencies or lack of knowledge and expertise encountered in the preparation of the assessment.

Mr. Speaker, again, let me give the Division of Energy full credit for arming us with information that is critical to this discussion. Section 15 of the Offshore Petroleum Act and Section 38 of the Offshore Petroleum Regulations related to EP. The environmental plan must be based on the environmental management system of the licensee. Sir, in other words, the licensee must bring an environmental management system to the table to be discussed in order to be able to move forward in developing and designing the final plan. Sir, that is why but for a lack of information... You cannot get up and give the impression that this is some willy nilly effort and it should be done and that the Government has not done anything in nine years. You could not call it rubbish but it borders because what will happen is that sooner or later, the conservated Barbados Labour Party will be out there with placards becrying the Government's efforts and the Ministry's effort and saying that it is not going to go ahead

over somebody's dead body. It is not going to go ahead, you are going to have to call in Scotland Yard to investigate. Sir, all I am saying is that when Scotland Yard is brought in, make sure they bring the dogs because before you are finished brief, the dogs are going to have to attack those persons who may be sullied that would require that.

Asides.

Hon. Dr. D. LOWE: The plan must include details; environmental measures to be taken and procedures to be used during the conduct of the petroleum operation, training programmes, frequency of training, environmental manuals to be provided, accident response facility capabilities, emergency response measures to be taken in the event of a spill and fire and explosion or the escape of hazardous materials. This is what has to happen first, Mr. Speaker, Sir. This is what we as a responsible Government guided by the responsible technical officers in the Division of Energy have to ensure happen before we get off to go and drilling because there is lucre associated with it. I do not want to say filthy lucre associated with it. We know that the country will benefit from the economic returns, we understand that but what would become of us if in pursuit of the economic returns, we end up with an oil spill that cuts out 90 per cent of our natural marine resources and compromises the entire nation. It will not happen because the plan must be reviewed every five years, so we are not saying that you come in, you bring a plan and it is approved for eternity because every five years it must be reviewed to ensure that if there have been any changes in the process that we would be able to respond to those changes or developments.

Mr. Speaker, all offshore EIAs must meet the following basis objectives: (1) sufficiently address the health, safety, security and environmental concerns that are both critical and specific to Barbados. We

(2) facilitate the preservation and protection of the island's coastal and marine environmental.

Sir, that is what an EIA has to do.

(3) Observe best industry practices and conform to the highest environmental.

Mr. Speaker, the only way that you can actually observe industry best practices is by doing market research and by understanding what is happening out there in the industry by doing industry research that allows us to come into contact with the information and the research that can inform the Barbados experience as we go forward in this whole endeavour.

(4) Encompass all relevant local legislation as well as international treaties, conventions and agreements.

Sir, that is what the environmental impact assessment must reflect on. It must reflect to prevent and minimize any negative impact on our industries and sectors, fully and assess the impact of neighbouring countries. We have to consider the impact of all Barbadians by way of public consultations and we have to ensure that the local benefits and training and educational opportunities redound to our folks.

Mr. Speaker, the point I am trying to make is that as the Minister responsible for the environment in conjunction and collaboration with the Division of Energy, we are marching forward and doing the things that must be done, consulting with both Government entities as well as private entities to ensure that the Government of Barbados establish an offshore environmental impact assessment committee to ensure that process comes into being.

Sequence 15

Mr. SPEAKER: Honourable Member, you have five minutes in which to conclude.

Dr. the Hon. D. S. LOWE: Thank you, Sir. There is an Offshore Committee. We heard about we do not consult, we do not talk to stakeholders and so on. There is an EIA Committee comprising of key local stakeholders and consultants with relevant experience and expertise in the following areas: geophysics, geology, oil and gas exploration, finance and economics, petroleum law, environmental protection, fisheries, emergency management, tourism, international transport, planning, marine security, coastal and marine protection and the labour practices. That is what that Committee is comprised of and that is what they are doing so when you hear the talk about we are moving slow and we are not doing this and we are not doing that, I want Barbadians to know that we are taking every single opportunity to make sure that we do this right and do it right the first time. People have to know they have to understand, they have to participate, they have to collaborate and they have to be part of the process. When we talk about offshore drilling and we talk about offshore opportunities and we talk about what can benefit the country we see the benefit not only in terms of economic costs and economic benefits and returns but we see the benefit also in terms of environmental sound practices that help us to preserve our gains in protecting our natural resources and continuing to fight both on the offshore and on the onshore levels of developing.

Mr. Speaker, I am obliged.

Mr. SPEAKER: The Honourable Member for Christ Church South.

SUSPENSION

Hon. J. D. E. BOYCE: Mr. Speaker, I beg to move that this Sitting be suspended for lunch until 2:30 this afternoon.

Hon. A. D. BRATHWAITE: I beg to second that, Sir.

The question that the House do now suspend until 2.30 p.m. was put and resolved in the affirmative without division and Mr. SPEAKER suspended the Sitting accordingly.

House D 14 Seq 16

RESUMPTION

Mr. SPEAKER: Honourable Members, this Sitting is resumed. When the Suspension was taken we were on Government Business, Order No.14, and with that we shall continue. The Honourable Member for St. Lucy.

Hon. D. St.E. KELLMAN: Mr. Speaker, I rise to speak on the Offshore Petroleum (Amendment) Bill, 2017, and to say from the outset that it is rather regrettable that a political party that only recognised that there is something called the environment in 2007 could allow a person who knows nothing about the environment to give the impression that we are not a serious political party when we speak about the environment. Mr. Speaker, this political party has a history as far back as the 1960s when we introduced something called the Parks and Beaches legislation to Barbados when we ensured that those persons kept the environment of Barbados in a proper state. While the world at that time did not appreciate the value of the environment, country Barbados under the leadership of the Democratic Labour Party was able to look after that.

Mr. Speaker, I was in here in 2007 when the Barbados Labour Party brought something called a green economy budget and what was regrettable was that while they were in here speaking about a green energy budget they were also subsidising fossil fuel at the highest level of subsidisation ever seen in the country. I cannot understand how a serious political party that wants to introduce a green energy budget could, at the same time, be bragging about the subsidisation of fossil fuel. Mr. Speaker, not only did they subsidise fossil fuel, they also nearly bankrupted country Barbados because all they did was that they took the foreign exchange earned by the country and exported it elsewhere by allowing Barbadians to drive around and abuse the usage, not only of the fuel but also to pollute the country using the excess fuel that they got.

Mr. Speaker, it is one thing to speak as if you understand your political party but after today it is quite

clear to me that the Honourable Member for St. George South does not understand the Barbados Labour Party and that for some reason the Honourable Member has now allowed the Barbados Labour Party to treat the Honourable member like a plum-head snapper, instead of biting the bait the Honourable Member is now biting at the bait ever Tuesday because the Honourable Member comes here and leads on everything and when you look for the substance you cannot find that substance. Mr. Speaker, clearly this is a debate that is far out of the reach of the Honourable Member, it is one that the Honourable Member has not connected to because when one can try to compare an Environmental Impact Assessment Study out in the deep sea and then try to compare it with one on land, without recognising that an Environmental Impact Assessment Study is quite different to than of an environmental plan. I do not know why every time they speak to these things that one gets the impression that they are mixing up a plan with an Environmental Impact Assessment Study. Mr. Speaker, every knows that for every project that is expected but everybody should know that an Environmental Impact Assessment Study is done for an area and that every project does not necessarily need an Environmental Impact Assessment Study. I cannot understand why they come here all the time and mislead the public of Barbados. Mr. Speaker, what is more hurtful is that a political party that tells itself that it is the longest political party in the country should come here and try to fool an educated public. Sir, even that they fool themselves on because they are mixing up different political parties and adding up different political parties that have different philosophies and are now associating themselves as one political party.

Mr. Speaker, I want to make the point that when we are discussing serious issues like these in this Honourable House you need to bring some type of seriousness to it. I am now convinced that in 2007 they knew they were going to lose the election and had to find some fancy phrase to come to this Honourable House to talk about to give the impression that they had changed themselves and that they were bringing something new to capture the imagination of the public of Barbados, without recognising that the public of Barbados had seen through them.

Mr. Speaker, Barbados is a Small Island Developing State and we have to recognise that we are surrounded by water. Mr. Speaker, the mere fact that we said that we are an island it should be acknowledged that we have to be surrounded by water. Mr. Speaker, we have to recognise that if as a Small Island Developing State we are going to have a serious drilling programme we have to ensure that we put in place the necessary studies because when one is dependent on tourism you have to ensure that you do everything right to ensure that it does not impact on the industry that you are depending on at this point in time.

Mr. Speaker, what was even more regrettable, how can you be in public arguing that you are going towards a green economy and doing everything to convince the public that you are not serious about it, because had we been serious about it we would not have been subsidising fuel in 2006 and prior, instead we would have been charging a premium on fuel charges so that that additional money could have been used to help drive our green energy policy by pushing photovoltaic, et cetera. Mr. Speaker, instead of doing that they did everything to convince Barbadians that they should not move towards the green energy policy but that they should keep fossil fuel because they subsidised the cost to make people believe that it was cheaper to use fossil fuel than to make the shift to renewable energy, et cetera.

Mr. Speaker, the Democratic Labour Party did not fall into that trap. What we did was that we ensured that we protected the foreign reserves of the country by charging a premium on it. Mr. Speaker, instead of giving a premium that the Barbados Labour Party, we charged a premium on the fossil fuel so that we can build out our renewable energy projects and ensured that they were competitive to the prices that were being charged on the market, even though those prices might have been lower on the world market. Mr. Speaker, that is what you call commonsense, and a sensible approach to dealing with the energy problem of Barbados.

Mr. Speaker, I am saying that when one looks to see where we are today, Barbadians should feel proud to know that our renewable energy policy is such that in St. Lucy alone the Barbados Light and Power Company Limited is able to supply the whole of St. Lucy by using renewable energy and that they even have a surplus to supply elsewhere. Mr. Speaker, I am saying that it is because of the Barbados Labour Party, because I remember well going to a conference in Tobago discussing the renewable energy sector and when I came back here I had some discussions with the Barbados Light and Power Company Limited. I told them that if they were to help the Government to push the renewable energy sector that they would have to adopt what I call the Banks Breweries Limited approach, because everybody who knows how Banks Breweries Limited operated would have recognised that when they set up their plant the first thing that they did was to ensure they sold the shares to the shopkeepers of Barbados to ensure that they protected the market. Mr. Speaker, I said to them that instead of allowing people to have individual solar panels and so on they should treat renewable energy just like how you treat fossil fuel and feed it into the system and that instead of people having the individual panels, they use that money to invest in the renewable energy policy so that they will be able to have a buy-in and that there would be no need for all of these individual panels across Barbados and so on but that you would be able to get sustainability at a greater effect so that they would be able to go out and build

more solar farms like what they have done in St. Lucy. Mr. Speaker, at the time they were also very much interested in windmills and everybody knows the position I took on that.

2.52 p.m.

It was not a popular decision because whereas everybody went against the windmills, I was prepared to back the windmills because I felt they would have made a significant contribution to Country Barbados. I am saying that when one now looks at the suggestion, had it been accepted, this Country Barbados would have been saving a lot more foreign exchange because we would have had some more wind farms, we would have had some more windmills, and we would have been moving towards biomass. I am saying I do not buy the view that we have to wait all of these years to get 100 per cent renewable energy in this country. I have said it to Barbados Light & Power, I have said it more and more that we need to ensure, because we have the capacity, that we have the photovoltaic, the wind energy from the windmills, and also the biomass to ensure that during that downtime we can use the biomass and so on and have 100 per cent.

Mr. Speaker, if we do it correctly and once we have the right mix, we will not have to depend on the backup batteries at the same level, because the biomass could be used at the right time, the wind energy can be used, and you know for sure that the photovoltaic can be used during the day and so on. Any energy stored from the biomass and the wind energy can be used during the night and so on. Barbados is 166 square miles. The same way that Germany and Canada can exploit renewable energy at the level which they do, we are in a better position: one, because of our size, and two, because of the level of sunshine we get in this country nearly 365 days a year. We are in a better position to be the example to the world on how to achieve 100 per cent. I am saying that we have the capacity and it makes sense.

Right now one of our most difficult problems will be foreign reserves, and the usage of the renewable energy policy in the right way can help us to save substantial sums by ensuring that we use our renewable energy platform in the right way to ensure that we maximise the returns of foreign reserves. I keep making the point, and I will continue to make the point: We might not be able to do anything about what we export, but we can do something about what we import. We have control over our imports but we do not have control over our exports. Another thing is that we might not as a small developing country be able to increase our revenue, but we sure know how to cut our expenditure. I want to repeat this: We might not be sure how to increase our revenues, but we know how to cut our expenditures. I leave that one there.

When the Honourable Member for St. George North talks about an environmental impact assessment (EIA) for Hyatt, it is as if he is saying that we should frustrate every project that comes to the country. Why should you do an EIA when there is no need for an EIA, and when everybody knows that once an EIA is done for an area you do not need an EIA but you might need an impact study? That is an engineer; a qualified engineer allowing persons who are not qualified in the area to give the Honourable Member a piece of paper to come in here and counterfeit his profession. Mr. Speaker, I am saying that this Country Barbados is a very serious place. We are in serious times. We cannot afford to allow politicians to influence people who should know better and allow them to come to this Parliament and go through Barbados misleading people.

When one listens to the Honourable Member for St. George South, one can now understand why the trade union movement is asking the Minister of Finance not to increase revenue but to increase expenditure. Mr. Speaker, do you understand what is happening here? They are asking not to increase revenue but to increase expenditure, when everybody knows that there is something called matching; that revenue equals expenditure, and when the expenditure is greater than the revenue there is something called a loss. The problem in this country is that for too long we have talking about deficit financing, which is foolishness -- let me say this -- because deficit financing means that you can take cash and throw at a loss, which is not true. You cannot solve a loss by throwing cash at it, Sir. You can only solve a problem with a loss by increasing your revenue or decreasing your expenditure. That is why the trade union movement has allowed the Opposition to fool them that you can come and ask a Government to reduce revenue and at the same time increase expenditure. That is what you call total madness, that is the recipe for destruction of an economy, and that is the recipe for all Barbadians now to march. Big people would expect the Democratic Labour Party and the Members on this side to accept that as an offering, where people come and ask us to destroy Country Barbados.

Today now you are hearing that we should subsidise fuel and go and pump offshore and all of that. Look, our programme is right: Get the renewable energy right, and once you get that right you can save the necessary foreign exchange so that you can then concentrate on your fossil fuels. If you do it right, you might not even have to bring it to Barbados. You can pump it and sell it elsewhere; sell it one time. You do not even have to worry about refining it here. Sell it. You do not even have to worry about a ship coming to shore and there being any leakage. The important thing is to get your renewables right, and we are doing that. We are ensuring that we are getting our renewables right because, as I said, that is what we have control over. Too many people believe that we should take all the money that is earned by the Government and spend

it trying to capture a few foreign dollars. Yes, we need it, but what we need is to save the money that we are spending and which is going out.

Mr. Speaker, another thing which we need to worry about -- and I do not care how much they say I like badmouthing international agencies because international agencies have to understand that we have the same brain as them -- is that every time you look around, as soon as we think we have an advantage on something, they try to put controls over us. Let me give you a simple example. We are dealing with energy and what I am talking about is energy too. It comes from sugar and sugar gives you energy. I have never seen a policy yet telling Barbados that it should not import whiskey, gin or vodka.

Asides.

Hon. D.St.E. KELLMAN: I have always seen a policy that as soon as people think we have the comparative advantage on rum, they put policies in place to block it. They even question whether the molasses is now from Barbados. Nobody tells me that the product which makes whiskey is from any particular country, but everything from a Small Island Developing State they try to control and put some stumbling block on so that it cannot have the export advantage. What is even more regrettable is that when you get the export advantage, they try to create a wall between you and your neighbour so that the money you are getting you have to spend on arms and you have to buy the arms from them. We are so smallminded sometimes that we do not even recognise it.

Mr. Speaker, I am saying that this Amendment, which allows us to ensure that we put the proper policies in place, fits into our green energy policy, our blue energy policy, you name it; for the simple reason that we are ensuring the environment is protected not only in the sea but also on the land. It means that if we do it right, we will be the darling of the world and they will be able to appreciate that Barbados not only talks the talk but we walk the walk. This means that we are not only protecting the land which we live on but we are also protecting the sea out there which we have to operate in because we know that if we do it wrong, we will not only impact on ourselves but we will impact on other countries seeing that we are surrounded by water and we have no control over the currents.

2.57 p.m.

Mr. Speaker, I am saying that from an environmental point of view that we have led since the 60s when we started the Parks and Beaches and it is clear that we have no intention of giving up that status that is why we have continued to ensure that we are doing things in Barbados. Sir, it is okay to rush but if you think about it, there is no

special price on renewable energy but once you get it right, country Barbados saves a lot. We could have rushed and exploited our oil resources and increase the supply which automatically would have reduced the price and we could have been out there selling our offshore products, the fossil fuels at a cheap price and the cost of production might have been much higher in these times than the price we are getting for the product so timing is key. There is nothing wrong in taking our time, especially in times like these but it is something wrong if we do not push forward our renewable energy products for the simple reason we cannot look at the price we are getting but we have to look at the foreign exchange that we are saving.

Mr. Speaker, I always make the point that we may have control over the revenues but we will not have control over the foreign exchange when it comes to earning but what we need to do is to ensure that we maximise how we use our foreign exchange and the best way to do it is to try to reduce those two large bills we have.

Mr. Speaker, we also have to appreciate that we cannot only look at things from a singular point of view, we have to see now how we use the renewable energy to help the farmers to have the right supply of water and so on and instead of using fossil fuels and so on to do the pumping, we can now use solar energy to drive the pumps so that farmers can have a year round supply so that we can also reduce that large import bill.

Mr. Speaker, we can understand why the Government came with this amendment. We accept all the criticism coming from the Opposition because we know that unlike them, we do things right but they are known for doing everything wrong. Sir, any country and any political Party that can come here in 2017 call a green economy Budget and at the same time subsidise fossil fuel, it has to be a conflict. When one looks to see where the economy is today, one can understand how it goes there. Sir Lloyd one asked how we got back there and it is very simple. The Barbados Labour Party felt that in order to grow the economy you borrow money. When they were saying borrow, I was saying produce. When they were saying subsidise fossil fuel, we were saying let us continue to build out the renewable energy sector but instead of doing these things they did the opposite. No wonder every time they think we have the right project, they and their friends think that they have a right either to run to the court or to go marching or to go do other things to destroy what we are trying to do for country Barbados. I believe that if one of these people that we have awarded the blocs to were to find oil tomorrow the Barbados Labour Party and their friends would find somewhere to try to see if they could march against the project because they are not interesting in developing Barbados, they are just interesting in sitting in the seat of power to see how they can fast-track and move the hand of the clock. This is not about moving the hand of

the clock, this is ensuring that you steady the ship and ensure that you do the right things.

Mr. Speaker, I say today that we are on the right path. We have no time for marches, we have time to ensure that we protect the jobs of civil servants and everybody that has a job out there. We have time to ensure that we build out the revenues of the country that we can pay the expenditure of the country. We have time to ensure that we exploit the oil resources on land and offshore so that we can improve the economy of Barbados and ensure that we make this country Barbados the opposite to what we found it in 2007.

Mr. Speaker, I support this amendment. I say we cannot only think about the renewal energy but we have to ensure we get that right and when we get that right we turn our attention after ensuring that all the environmental problems are solved to our drilling programme because we cannot allow our drilling programme to affect what we are doing on land and that we must have a relationship between the two in the interest of country Barbados and we are going to march on to ensure that when we march, we march for the progress of country Barbados and we march on behalf of the trade unions, the private sector, and everyone in Barbados because at the end of the day what we are doing is for country Barbados and not against country Barbados. We are putting country Barbados first.

Mr. Speaker, I thank you very much.

Mr. SPEAKER: The Honourable Member for Christ Church South.

Hon. J.D.E. BOYCE: Mr. Speaker, Sir, I am grateful for the opportunity to join in this debate this afternoon as we continue to look at the amendment to Offshore Petroleum Bill. I think it would be appropriate to start by indicating my indebtedness to the Right Honourable Prime Minister for the introduction to this Bill this morning and indeed to the other members of this Chamber who have contributed to the discussion so far. This includes the Honourable Member for St. George South because in his presentation although not willing to give any credit to the very clearly approach which Barbados continues to make into the whole world of exploration of offshore oil potential, the Honourable Member would have sought basis political Opposition position to place before the people of Barbados.

Mr. Speaker, the truth is that Barbados has become a very listening and discerning public and I think that we have to appreciate when we contribute to this discussion in this Honourable Chamber or any where else in the matter that we are dealing with a population that is listening and making their assessments not base only on what we say but based on the fact that knowledge and information is so now

readily available that we cannot throw any manufactured facts or fabricated facts in front of a public and expect them to take it seriously.

Mr. Speaker, these days you are confronted with the truth, you are confronted with the facts, you are confronted with lies, although we do not discuss the question of lies in this Chamber but then there is the new term which is mainly attributed to the political debate in the United States of America, of course, at the time where alternative facts have now become an accepted part of the consideration for public consumption. Mr. Speaker, I want to stay with the facts though. Sir, I have the good fortune of sitting next to the Right Honourable Prime Minister very often on Tuesdays here and learning a whole heap from his approach to this business of sharing information and developing ideas. He handed me a document today and told me I should spend some time rummaging through it.

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I cannot make it a document of the House because it is not mine. It is the Right Honourable Prime Minister's own but suffice it to know the name of the document was produced by the Government of Newfoundland and it is called and introduction to the Petroleum Industry and I have had the opportunity to glance through it. I cannot consider what I have done so far to be anything more than that but the approach tells us that before we engage ourselves or submerge ourselves in a topic it would be useful to try to learn something about the facts that attend to the topic we are discussing. This document puts in perspective the whole question of exploration for petroleum products whether it be onshore or offshore and it is the basis on which the Right Honourable Prime Minister made the point that Barbados as a Small Island Developing State has to make sure that its consideration in terms of the exploration of offshore oil potential are done in such a way that it does not pose any threat to the existence of our inhabitants here on this small island, the 270 000 or so inhabitants that live, of course, on the 166 square miles that we call our island Barbados. The treasure of which, of course, is our sandy beaches and wonderful climate which now form the important and the leading part of our economic development by way of their attractiveness to visitors and the development of our tourism industry. We would be fool hearted to dive head long into any kind of offshore development programme that does not recognise these very basic threads. As a matter of fact, Sir, I make the point as representative of a constituency of Christ Church South and we are mindful of even the simple operations that occur almost twice per week, at the Oistins Bay where the ships carrying petroleum products for Barbados link up to the pipe line which is about probably 500 yards offshore of our beach at Oistins and offload their cargo into the storage facilities now located at Fairy Valley, of course, in the parish of Christ Church. Sir, even this simple operation

has to be checked and re-checked and carefully rehearsed so as to ensure that no accident is part of the process of offloading these tankers. The Right Honourable Prime Minister made reference to the fact that these threats are real and we have lived them. He spoke to the accident in the United States of America (USA) the Exxon Valdez and the fact that in the case of the United States of America (USA), a country of that size, that accident though horrific in terms of its impacts on the people in that centred around the Acts in itself. In the end, the whole question about the cleaning up and the redevelopment of the area was a source of significant growth in terms of the economy of that country, the United States of America (USA). We can afford no such luxuries in Barbados and hence the caution. The other fact of the matter about exploration for oil, whether on land or offshore, Sir, was also made by the Right Honourable Prime Minister but carefully avoided by the Honourable Member for St. George South and that is the price of oil on the international market informs significantly whether exploration occurs or not. When oil was floating around the world at a price ranging from anything like \$100 to \$140 a barrel almost any energy resource you could think of was more viable than fuel oil itself. The producers of fuel oil are never or were ever asleep and so because there may have been significant gains in terms of the basic price of oil in direct monetary returns there also recognised, because it is the business they are in, that there had to be some level of adjustments to that price if there was to be sustainability or, inevitably the rush towards alternative and renewable energy would have been even faster than it has been through the world. Of course, the birth of the conservation on alternative and renewable energy has taken place and it is my view and it is certainly part of the policy of this Government that it will not cease. As a matter of fact, the Barbados Energy Policy to date speaks to the fact that but the year 2020 we want to be able to boast of like 30 per cent or renewable energy in our country. We can boast the fact today that, there are 10 megawatts of baseload. Mr. Speaker, baseload, as we understand it is that reliable electricity and reserved which the generating facility in a country considers their most reliable area of production. We have 10 megawatts of baseload now located in St. Lucy in the area of: Is it Bentham in St. Lucy?

Asides.

Hon. J. D. E. BOYCE: Trents in St. Lucy, yes, of course. How could I have forgotten? It can almost go unnoticed and I happened to know, Sir, the discussion with the Minister in the Ministry of Energy in particularly, that the Barbados Light & Power Company Limited is really pushing to even do more in respect of installation of renewable energy for baseload in this country. We have examples throughout the world which we can aim to because as the Honourable Member for St. Lucy made the point that there are countries in Europe with less than half

the sunshine that Barbados benefits from who have done better in terms of their production of energy using solar energy as their source therefore we need to continue this process of diversification of our energy platform, of our energy economy and to make sure that we constantly make the investment in renewable energy attractive enough that persons at all levels of the investment spectrum would be happy to participate. We get complaints all the time from small investors who believe that sufficient is not being done in terms of incentives for them to participate but one has to come to the clear conclusion. There is an extent to which you can go and then you reach a point sometimes, Sir, of what is termed diminishing returns. Those of us who would have invested in the renewable energy options a couple of years ago like I did about three years ago now. When we started three years ago, the kind of returns you would have gotten on your solar installation, 200 kilowatts in my case, on your roof was extremely attractive so that you were making money from the get go. Of course, today we still benefit significantly in that you do not have an electricity bill per se and certainly there are still funds building on your utility arrangements so that you can look forward to, as they say in Barbados, at least a nest egg when Christmas, Easter or any time of celebration.

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Mr. Speaker, I say that to say that it is a lie, that it is untrue to suggest to Barbadians that this Government has been devoid of a programme which speaks to the investment in renewable energy in the country. Mr. Speaker, the Honourable Member for St. George South would have made documents of the House of studies which would have been done by the hotel sector regionally speaking to the whole question of energy efficiency in the region. These documents are dated March 2012. I got officers of this House to do copies for this side and Honourable Members are welcomed to share them. Mr. Speaker, the point I make now is that these are the kinds of studies that are frontally important in terms of the way forward, in terms of making sure that those of us who operate hotel properties or those of us who operate any kind of business for that matter are constantly aware of the easy opportunities there are to save cost in terms of our operation and to create some level of attractiveness in terms of the way we do business. As a matter of fact, there are some discerning travellers today who will not stay at properties that do not demonstrate a renewable energy programme, so that if you are a fossil fuel consumer there are some discerning travellers who will not use your property.

Mr. Speaker, all I would say about this is that this is a business which is not new, it is not a 2012 revelation or evolution in terms of the hotel sector in the region, this is something that we have been doing constantly, certainly in my days as an energy auditor back in the 1990s and early

2000s we would have travelled the entire Caribbean doing energy audits in hotels, in business places, in industrial institutions, in households and the basic presentations begin to start to follow a certain basis line, you know that you move to, for example, compact florescent lighting, you know you use opportunities in solar water heating to avoid LPG or electric heating, you know that you can go to the extent of photovoltaic installations to take over your electricity demands. Mr. Speaker, all this depends on your consumption, you have to reach the operating capacity that makes the project viable and the like. Mr. Speaker, these are very important studies and I am not in any way saying otherwise. Of course, they have improved in the quality of presentation since we used to do them. We have to admit that as persons become more and more aware of new technologies that the opportunities for presentation of viable projects gets easier and easier. Mr. Speaker, I want to join with the Honourable Member in this regard and commend these two studies to the use of our investors in the hotel sector.

Mr. Speaker, the point I am making is that it is not something which has been absent from the energy programme in Barbados. How else could we speak to the kind of penetration which we have made? We lead the Caribbean and I took time off this weekend, because we had this argument in another place over the weekend, we lead the Caribbean in terms of our penetration in the renewable energy sector. We have moved away from just a legislative framework to enable the activity, to one which there are practical examples like those I have drawn to the attention of the Honourable Chamber in the early part of my presentation where Barbados has demonstrated that there are investors in this country, that there are householders, that there are hotel owners, that there are business people, that there are manufacturers who are prepared to make significant investments in the renewable energy sector so as to make sure that their products become more operationally viable as they reduce their dependency on fossil fuel. Indeed, since renewables largely do not cost anything, we are into arrangements where we can defer some of our basic energy cost.

Mr. Speaker, I was speaking to the aspect of investment in offshore drilling and trying to remove the simplistic position taken by the Honourable Member for St. George South from the table at that time because the truth is that as oil prices were lower or are low in the region of US\$40 or US\$50 per barrel, it is not economically viable for business places, whether BHP Billiton, Rexall or anybody else to go out there and try to invest in deep, deep waters in terms of the kind of investment that has to be contemplated and this is included in the document which the Right Honourable Prime Minister shared with me. Mr. Speaker, the fact is that in contemplating an offshore sector one has to think about the creation of a city on shore, so that given the limited land space to an island like Barbados,

the Honourable Member for St. Lucy is not far away from the answer when the Honourable Member speaks to the fact that even exploration in finding offshore oil in Barbados should not necessarily require that the setup for taking of advantage for this facility has to be located in Barbados but that it can be located elsewhere.

Mr. Speaker, Sir, there may be opportunities I say for cooperation in CARICOM where countries which have vast resources of land, and we think immediately of places such as Guyana, Cuba, Belize and these countries that have large land spaces that are uninhibited that can be utilised for the location of these cities while taking advantage of offshore oil which is preserved or owned by Barbados, St. Vincent, Dominica or any other Small Island Developing State which will not necessarily have the kind of land resources. Mr. Speaker, as I said, you have to set up a city where as I said, depending on the exploration you are talking about thousands of people, two and a half thousand people being housed, you are talking about aircrafts, whether they are helicopters or small light aircraft moving in and out of this facility on a regular basis to satisfy the shift needs out there on the oil rigs and those on shore; then, of course, the actual cargo vessels, the fuel tankers which will take the product from the wellhead itself to the refining location in the region.

Mr. Speaker, we are not far away from these realities since a lot of the things that we are contemplating have happened before, we have been mining crude oil in Barbados for many years and with the arrangement we had with Mobil that crude would have been semi-distilled and sent to Trinidad and Tobago on barter with the Trinidad and Tobago facilities where, of course, we have the practical experience of oil exploration on land and in the Gulf of Paria, so this is something which is informed, yes, by the reality of the kinds of explorations and the kinds of studies which are associated with offshore companies. It is also informed by the realities of the operators of the oil, the oil tycoons, so to speak, of the world, the producers and those who trade in oil. These are usually lands afar off in the Arab countries, in Libya, Iraq, Iran, United Arab Emirates, Qatar, et cetera, countries which are foreign in truth to us, which are indeed difficult countries for even great States like that of the United States of America to get involved.

3.34 p.m.

The point was made, and I do not know if it was made today but certainly in our pre-discussion the facts are that the United States has, of course, more or less trumped the entire issue of oil exploration by moving back to significant productions from shale. This is something which had been held back a little bit under the Obama Administration, but which has changed direction again so that the United States of America is producing at economic

prices significantly larger portions of oil than they would have been, for example, ten years ago. It is a changing and real dynamic and it takes time, and whether you have a large finding of oil in the three blocks which have been identified and for which the licences have been issued, the point is that the cost of getting that oil out from under the sea and the kind of investment and infrastructure required is not something which is going to come about immediately. The facts are, though, that if carefully negotiated these same resources can be used as barter instruments even today. The fact that you have carefully assessed your potential, the fact that you have assigned explorers to the potential and you have given licences, et cetera, will be important in terms of the kind of muscle which we will bring to the table and be able to negotiate ourselves into certain beneficial positions, given that continued careful exploration.

Sir, the Amendments today speak exactly to that, and the Prime Minister was careful to explain exactly what the Amendments sought to do. The point which the Right Honourable Prime Minister often makes is that sometimes you have the great opportunity to sort of frame and draft legislation -- he made that point again -- but then when you have to live and work the legislation, it is another matter. From time to time, Amendments like these are required so as to make the legislation much more practical. It is not a sign of inadequacy, it is not a sign of inefficiency, but it is about coming to terms with the realities of the situation which we are dealing with. We have heard references over the past nine years or so to the fact that even in Barbados, in terms of the public sector legislation which we are using and which we came and found as a Government, is actually being worked for the first time. Appointments in the Public Service, retirement in the Public Service, remuneration in the Public Service, and promotions are things now that have attached to them new legislation which has to be worked. Indeed, Amendments are contemplated in that case; so if we can recognise that we may need Amendments in a situation as familiar and straightforward as that, what about an area of development which we as a country are totally unfamiliar with? We have learnt by association with some of these exploring companies: the BHP Billitons and the Repsols and other interested parties, along of course with the related banking and investment partners associated with these kinds of exploration. We have learnt from them and we have been guided.

MR. SPEAKER: You have three minutes in which to conclude.

Hon. J.D.E. BOYCE: Yes, Sir. We are being guided, and this is what is largely informing the Amendments that are being discussed by the Chamber today, Mr. Speaker. The fact that we move from 90 days to nine months for the full impact assessment gives the licence holder more time to deal with a very complex environmental issue, a very

detailed kind of study that has to be carried out, Sir. In each case, each Small Island Developing State can be extremely specialised. The fact that we are now requiring that once the licence has been taken up the relinquishment of the explored area be reduced from 50 per cent to 25 per cent is again recognising that this is informed by the experience of the persons with whom we are dealing so as to make our product, whenever it is taken full advantage of, in step with modern thinking, Sir.

The third Amendment, of course, is the question of control, and again that was very clearly dealt with by the Right Honourable Prime Minister. In this era of acquisitions and changes in ownership of different entities, it is almost obvious that this kind of Amendment would have to be contemplated. We live it every day in Barbados with the kinds of changes that have occurred in the investment and distribution sector involving Trinidad. Not to call any names in particular, but again in terms of the beverage industry the South American investment in our beverage industry has changed the complete outlook, and the conflicts that may have been associated with the new owners. We speak especially to the relationship between Pepsi and Coca-Cola and Sprite, and we saw it played out in the local business sector only a couple of weeks ago.

Mr. Speaker, I believe that this is a demonstration of an Administration on top of its game rather than an Administration reneging from its responsibility. Sir, I therefore have absolutely no difficulty in associating myself with these Amendments, and I commend the work of the Energy Division and the Right Honourable Prime Minister and his team at the Ministry of Energy on their continued work, recognising that it is a work in progress but something which this country can look forward to benefiting from significantly once the correct foundation is laid and once our people understand the kinds of flexibilities and important considerations which must be associated with this kind of work. Mr. Speaker, I am obliged to you.

MR. SPEAKER: I am obliged. Yes, the Honourable Member for St. Michael South East.

Miss S.J.O. BRADSHAW: Thank you, Mr. Speaker. I wish to make just a brief intervention in relation to the Amendment to the Offshore Petroleum Act, CAP 282 A of the Laws of Barbados. Sir, I do so against a background that the Honourable Member for St. George South this morning would have responded to the Right Honourable Prime Minister's presentation of this Amendment by not only addressing the legislation and echoing the sentiments of all Members on this side that we are in agreement with the Amendments to the legislation, but he also would have given a very broad-based overview of where we are as an energy sector and certainly where we as a Barbados Labour Party would like to see this country's energy sector take us.

That said, Sir, I do not intend to stray from the Amendment that is before this Chamber, as others have done before me. I have some very specific concerns which I would want to raise in relation to the Offshore Petroleum Act and certainly to this particular aspect of the energy sector.

Sir, I do so because I believe that at this juncture of our history and certainly in the climate in which we find ourselves in relation to the economic downturn, most Barbadians hearing that there is a debate on the offshore sector today would do well to hear from Members on the other side; not only what the Democratic Labour Party has done or what the Barbados Labour Party has done over the years in relation to this particular sector, but certainly I think that it would augur well for all Barbadians to fully appreciate where we are in terms of economic development as it relates to this energy sector. Sir, I say so because many Barbadians perhaps understand things like an electricity bill and they understand things like natural gas, but a lot of Barbadians, since we have not been raised with a full appreciation of the offshore sector in relation to petroleum and offshore drilling, will not at first glance understand fully what is entailed by the discussion we are having here today. Sir, I think that certainly Members on the other side, who are certainly supposed to be more familiar with what is happening in the sector, would do well to explain how this particular sector will grow the economy and catapult the Barbadian economy at this time in our history, because it is okay to say that legislation has been passed, it is okay to say that the Barbados Labour Party did this and the Democratic Labour Party did that but I think people really want to have a sense of what does offshore drilling really mean to them.

H:No.D15 (22)

Sir, for my one part, my understanding and certainly what I would like to hear from Honourable Members on the other side is where are we going in terms of the financial returns from the offshore drilling sector. Sir, that is really the buzz word for most Barbadians, where are we going and what are going to be the returns. Sir, certainly I think most people would want to hear as well from this administration what would be the environmental impact on the environment as it relates to any form of drilling or if there are any errors that take place while drilling is done in this particular sector. Are we as a country prepared to handle those types of issues of pollution and certainly any other environment hazards.

Mr. Speaker, there was a public outcry recently among Barbadians in relation to the Cahill Project and I hope and I believe that most Barbadians like me feel that matter has been put to rest because ordinary Barbadians spoke out about a \$700 million plant for plasma gasification which did not engage them in a way which allowed them to fully understand the implications of what this plant was

going to do in relation to waste-to-energy and certainly felt left out of the whole dialogue by an administration who signed off on a document without fully appraising the people as to what was really the Memorandum of Understanding or the content within the basic document.

Mr. Speaker, most Barbadians also felt slighted by the fact that no environmental assessment had been done in relation to that matter. It was interesting to hear the Prime Minister speak this morning about making sure that anything that happens in relation to the offshore drilling sector that could impact on the overall environment is of concern to him. He referred to it as the blue economy. I am glad to hear the Prime Minister expressing such concerns in relation to offshore drilling because many of us would have wanted to hear those same concerns expressed in relation to Cahill, something that was occurring inland and something that stood to affect several other Barbadians who would have been living in the surrounding area.

Mr. Speaker, we are on the same page in relation to environmental impact assessment and environmental plans being important and critical in this sector but what we cannot accept on this side is that this administration would come here today to create the impression that in addition to environmental assessment that there is now an environmental plan, that they have extended the time frame from the 90 days to the nine months and that having gone through the experience with this administration of completely ignoring the legislation in relation to the Cahill Project that they should be somehow congratulated for this particular amendment.

Mr. Speaker, I think that is what concerns the average Barbadians. Yes, we have rule in relation to environmental impact assessments and environmental plans. Most Barbadians cannot build or construct anything of a large scale without the requisite permission but we would want as a people to have the Government commit that there is not one rule for one set of people and another rule for another set of people and therefore the confidence that we would have wanted to have had certainly with the Cahill Project, I think most Barbadians would want to have the same confidence level in relation to offshore drilling, that for some reason somebody does not come along and offer the Government large sums of money to be able to obtain the licence and those persons are given priority and environmental impact assessments are not done.

Mr. Speaker, I know the Prime Minister is smiling across the Floor at me because he understands where I am going because in this Chamber as many of you are aware, there were concerns and certainly documents laid in relation to things done by Ministers that did not attract the attention of the entire project in relation to the Cahill Project.

Hon. F.J. STUART: Mr. Speaker, on a point of order. The Honourable Member is really misleading this House in relation to the Government's indifference to onshore environmental impact assessments. The functionary who has statutory responsibility and statutory discretion in relation to the ordering of environmental impact assessment under the Town and Country Planning Act is the Chief Town Planner and he can only do if there is an application before him for development of any kind. Sir, as far as I am aware the Cahill I hear so much about, never at any stage made any application to the Chief Town Planner. It never even got to the stage where the Chief Town Planner had to determine whether or not there should have been an environmental impact assessment. It is only the Chief Town Planner who can deal with that.

Mr. SPEAKER: Thank for the elucidation, Honourable Member. I am sure the Honourable Member would be guided.

MISS S.J.O. BRADSHAW: I am so guided so but I do feel that the point that must be made here is that across the Board whether in relation to offshore drilling or whether it is in relation to things that happened inland, the average Barbadians would want the assurance from any administration that the rules would be applied across the board that because you are big conglomerate the rules will not apply to you and the small person who is trying to set up and erection for a shop to make an honest living is prevented from doing so by the Chief Town Planning Department in order to be able to make a living. Sir, that is my simple point. I accept that the legislation allows for environmental impact assessments to be done but I do feel that this Government needs to give the country the assurance that we will not find ourselves in a situation where the rules will be ignored because there have been other situations apart from Cahill where the rules have been ignored and the average Barbadians out there know that situations have come to the fore in recent time.

Mr. Speaker, I shall move on Sir, because I know the Honourable Prime Minister is getting a bit uncomfortable about this issue. Sir, again, I do feel that this debate should be one which informs this country about the economic potential in a sector such as offshore drilling. There should be debate which speaks to the number of job opportunities which could be created from this sector. There should be a discussion where, for instance, the Minister of Education along with the Honourable Member who led the debate to speak to issues in relation to educating our people in the vocational training opportunities that are available in the sector. I personally feel this is not an area where either side should have one upmanship over the other one. I do believe that that is a specialist area, one in which members on both sides in a lot of cases do not have the requisite technical knowledge to even speak with authority in the area. (8:03) What I do feel, however, is that is a sector

which I think that there is common ground in relation to the few resources that we need to inject into the sector in order to make money. It is one of the areas similar to international business where you need to put the legislative framework in place, you need to provide the technical training for your people but then you leave the platform available to persons outside to be able to assist the country to develop. It is one of those areas, Mr. Speaker, again where this administration again I believe has dropped the ball in relation to the fact that it did not have to spend a lot of money but rather could generate substantial revenue from the sector if simple things were done in order to be able to provide the platform and the infrastructure that was necessary to be able to capitalise on it.

Mr. Speaker, this is not a Barbados Labour Party idea or concept or a Democratic Labour Party concept. This is something I do feel that both sides could come to an undertaking that regardless of who is the Party in power that we are in a position to be able to advance the offshore drilling sector in a way that redounds to the benefit of all Barbadians. There are engineers in Barbados, production managers and persons who would be able to earn a living from this particular sector. I think that we have to start thinking of certain sectors in a way that takes the partisanship out of it because only when we start to take the partisanship out of it that we start to recognise that both Parties regardless of who is leading at the time can play a significant role in developing the sector because too often everyone is trying to position themselves for who has done what and who has passed what piece of legislation.

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The facts are there. The two pieces of legislation that came before this one were passed in 2012 and we are here in 2017 and really and truthfully not much movement has happened and I think if the Honourable Prime Minister is fair he would recognise that a lot more could have been done, not that things have not been done, but there are things that could certainly have been done to accelerate the sector in a way that the Government of Barbados and the people of Barbados would not be being asked now to share a part of a tax burden that is killing the average person in this country. This is, as I said, no different from the international business sector. We lost millions upon millions of dollars because of what the Honourable Member for St. George South continues to describe in this Chamber as inertia on the part of this Administration, things that did not require us to do much. If you look back at every single Budget that has been laid by this Administration over the past nine years you will see promised pieces of legislation that would have had to have been put in place in order to energise the sector and to capitalise on much needed revenue for this country but just like the offshore drilling sector, we have found ourselves in a situation where perhaps it is that we lack the requisite

expertise in some aspects but the fact of the matter is that these are two areas which I think, there must be consensus and certainly an approach which says to the people of this country that there is little division between the two parties in relation to advancing this sector.

The other thing, Mr. Speaker, that concerns me is that when I listen to the Honourable Member for Christ Church East in his presentation, it was interesting that he took an approach that spoke to the environmental issues and what Barbados was doing and how we need to address these issues in relations to the environment as it relates to offshore drilling, placing a lot of it in a historical context. What, Sir, concerns me is that we are attempting to move forward to talk about offshore drilling and what treaties we have entered into but day-to-day garbage collection in this country continues to be a concern for Barbadians living in this place. Simple things whether it is recycling, whether it is ensuring that our communities have the requisite garbage bins to collect litter in this country, things that do not require sufficient funds are still being ignored and not addressed in this country, Sir, and with all due respect, I feel that when we speak of offshore drilling, we can move to that position but I feel that the small things as a country, we need to get those things right because we can only get our people to understand the big picture when we start to mobilise them in a way where they understand the small things. If you get the recycling right and you get the garbage collected and you get into the minds and the psyche of people that they need to keep Barbados clean and you get them to understand how important the environment is, then you can move to talking to the big issues of the marine environment and pollution and the things that will affect this country in the event that there are any environmental hazards as a result of the nature of offshore drilling.

My colleague, the Honourable Member for St. George South, would have spoken to another aspect in this debate as it relates to what is happening in other territories. I too would have wanted to hear from the Honourable Prime Minister as it relates to what is happening in other territories and I too would have wanted to hear from the Honourable Prime Minister and other Members on the Other Side whether they are in discussion with other territories in the region that have either explored offshore drilling, whether there are in discussions with persons who are actively doing it. We heard about Guyana. We heard that Barbados and Guyana at one point would have started out doing the offshore drilling around about the same time but at a certain point Barbados was further advanced than Guyana and yet today there are reports that Guyana has far exceed Barbados in terms of the exploration of oil. Sir, again, I can only speak to what is reported in various news reports, what is reported in various magazines which speak to the impact that the exploration of offshore drilling is having on the Guyanese economy because these things, Sir,

whether Members on the Other Side want to appreciate it or not, and they always talk about these media reports and these articles reviewing the tourism sector, for instance, encourages people to come to the country, I can see that it is no different in relation to the petroleum sector. If it is that articles are being written by persons outside reviewing the Guyanese petroleum sector it would stand to reason, Sir, that the persons who are interested in investing, if they are weighing the options as to where to invest in terms of offshore drilling they would be reading the same articles that I am ready and they too would have an understanding that Barbados is not as advanced in its offshore drilling exercises as certainly Guyana is at this point in time. I give the example, Sir, and you would have heard of Exxon Mobil that last year announced a major oil find from exploratory drilling in a 6.6 million acre area known as the Stabroek Block. Now this is equivalent to about 1.4 billion barrels of oil and this was a major step and certainly a major find for the Guyana economy. It has been heralded as a resource that certainly will help to build out a struggling economy in Guyana. There is also the Liza Field which is another offshore drilling site where this has been described as one of the biggest oil discoveries in recent memory. Now again, I do not think the language that is being used is being used to describe the offshore sector in Barbados so again, I am only asking the questions of Members on the Other Side because I think most Barbadians reading up on this particular sector would share similar concerns and I would hope that the questions will not be dismissed by the Honourable Prime Minister as he is so good at doing but instead I would want to hear that this concerns him in the same way that it would concern other Barbadians that if we could be doing more that we should be doing more. Those are the assurances that I feel the people of this country would want to hear and not so much that we brush off Guyana as though what is being reported about the Guyanese offshore drilling industry is something that is inaccurate or that it is not happening.

I also would want to point out, Sir, that the Guyanese Government recently approved a \$500 million oil and gas services centre which is to be built on the outskirts of Georgetown in a place called Crab Island and what is interesting is that while all of this exploration is happening there are projections in relation to the Guyanese oil industry that by 2020 they would be in a position to be able to export. I am not hearing from this Administration those types of discussions. I have not heard in this debate that by a certain period of time we would have proffered out a certain number of licenses. I am not hearing from this Administration that Barbados intends to be able to inject a certain amount of millions or billions of dollars into the Barbadian economy. I am not hearing from this Administration how many jobs are going to be created. I am not hearing from this Administration that any of these things are being done within the sector or that by a particular time Barbados would be in a position to say that

we are in a position to export a certain amount of oil as a result of the finds that have been made in this country. Sir, again, this is not a criticism of the Government so much it is an appeal, on the other hand, to this Administration to come to debates certainly giving and leaving the people of this country with a better understanding of where we are because Barbadians everyday are grappling with being able to put food on their table and to be able to make ends meet. They are grappling with over \$500 million in taxes. They are grappling with increases daily in the cost of living, Sir, and I do feel that the hope that needs to be on the horizon rest in some of these sectors and some of these services that we may be able to provide which are not the traditional sectors that Barbadians have come to rely on. These are the discussions that Barbadians want to hear. We know that sugar is on the decline. We know that we are not export the amount of sugar that we used to before. We know the tourism is fickle in the sense that there are other destinations that may be injecting more into their economy. We know that we have to be competitive in those sectors if we are to stay on top of our game. We know that we are impacted by things like hurricanes and for instance this afternoon a storm is supposed to be visiting islands within the region and in particular, Barbados.

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Mr. Speaker, I understand the fragile nature of the industries upon which Barbados currently relies, but what we cannot do is to simply come to this Honourable Chamber with an amendment, however justified that amendment may be, without speaking to the things that are right now pulling at the heart strings of the average Barbadians in relation to how this particular sector which all of us have agreed has the potential for growth and to be able to allow us to spend very little but certainly to be able to capitalise on a lot, but we are not hearing from this Administration anything that would give us the confidence that you have got it together. Mr. Speaker, projections are important, even if it is that this Administration falls short of those projections.

Mr. Speaker, every year we hear in budget after budget that we are projected to earn a certain amount and that we have fallen short of that. The fact is that Barbadians at least could appreciate or could determine their future investment whether in their children's education or whether if it is in a particular business. Mr. Speaker, if the assurances are given by this Administration that it is doing the things to allow people to be able to invest in the particular sector and people within the tourism industry want to have the assurance that the bills for energy are going to come down. Mr. Speaker, we have heard of the energy audits but the reality is that a number of hotels have not really benefited from those energy audits, so that we are talking the policy but when we ask for the information in terms of how many people are actually benefiting, how

many people have been avoided from having to be laid off because the energy audits have worked and the electrical bills of the hotels have actually been reduced, we do not hear that information from the Honourable Minister of Tourism nor from the sector because the realities that they are facing are different realities from that of the Government of Barbados and from the people of Barbados as well.

Mr. Speaker, Sir, I do not intend to go wide in this debate as other Honourable Members have done, I feel that we need to drill down what this debate is really about. I would hope that in his wrap-up that the Right Honourable Prime Minister could speak to some of the issues that I have raised in terms of where we are, how do we compare with other territories, where are we going in relation to the continuity of work that has been put in by the civil servants into this sector, is it that we need people who are more technical or more specialists to be trained from Barbados or from outside, what is it that is required to accelerate this sector in the same way in which International Business Sector was accelerated to be able to put us on a platform where we have more than one thing to rely on to be able to drive the economy. Mr. Speaker, with those few words, I am obliged to you, Sir.

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

Hon. S. A. LASHLEY: Mr. Speaker, I enter this debate in support of an amendment of the Offshore Petroleum Act, 2017, and to say that this debate does present an opportunity to place before the public of Barbados the perspectives of the Government in relation to a very important emerging sector in Barbados. I believe that the Right Honourable Prime Minister has already set the tone in terms of why we have come to this Honourable House in terms of amending this legislation. I believe it is perhaps a good time that we are debating such an important sector. The opportunity of debating the petroleum sector in Barbados does present a number of important features in terms of what is required to reflect on how we are transforming the Barbados economy.

Mr. Speaker, the last speaker who spoke encouraged the Government to set out what are the real economic opportunities available in terms of the petroleum sector and made the point that it is not good enough for the Government to come to this Honourable House, in the words of the Honourable Member, to debate a few minor amendments to the Offshore Petroleum Act, without connecting itself to the fundamentals affecting the Barbados economy. Mr. Speaker, I want to continue from where the Honourable Member has left off because I believe that this is perhaps where there is the very notable difference and divide between the Opposition Barbados Labour Party and the Government and it has to do with the

visioning that is so important in terms of the offshore sector. I believe that both parties can claim some involvement in terms of getting this sector off the ground, the legislation, of course, would have been enacted in 2008 but quite a bit of the drafting would have been prepared prior to that and therefore quite a lot of the work certainly had to be done when this Government came to office, but while these changes...

Mr. Speaker, I have to underscore that the changes to the legislation have been occasioned by the fact that the necessary ground work has been going into the negotiation of licensing arrangements, setting the legislative agenda and platform upon which a petroleum sector can take off in Barbados. Mr. Speaker, it is as a result of the experiences coming out of those negotiations that the Government has seen it fit, upon advice, to come to this Honourable House to make some changes to legislation. I believe that that alone should suggest to the Honourable Members on the other side that not only is the Government working diligently in terms of propelling the sector but that important decisions have been made in terms of getting the offshore drilling programme underway.

Mr. Speaker, more importantly, as we are debating this sector and as we are talking about how we are going to reposition the Barbados economy... Of course, the last Honourable Member did make the point that there are a number of issues affecting Barbados and that we are going through some very painful economic challenges but the Honourable Member, in my view, did not understand that what we are debating here has very much everything to do with how we reorganise and reposition the Barbados economy. Certainly, the Government's plans for the offshore petroleum sector, indeed, the entire energy plan of the Government is buttressed on the fundamental mission of drastically changing and altering the basis upon which the Barbados economy functions. Mr. Speaker, you cannot speak of dealing with the other issues impacting the Barbados economy without looking at how you are going to evolve ways of saving foreign exchange.

Certainly, Mr. Speaker, I think the Honourable Member asked for statistics. I do not think that Government can be blamed for dragging its feet in relation to a sector that has been emerging. Mr. Speaker, quite a bit of the work, much of which is extremely tedious, has had to be done in very difficult circumstances. The offshore drilling area is not an area that is free of difficulty and complications, it is a new area and to a large extent I certainly have to credit the officers in the Division of Energy and those who have been involved in some very tedious and difficult negotiations but I think, Mr. Speaker, what has to be said in here is that this Government has shown that it is not about to jump into engagements with powerful international companies without having proper and regulatory arrangements in place to protect the future

interest of Barbadians. Mr. Speaker, we are talking about a multibillion sector, we are talking about real seismic information that demonstrates that there are energy platforms under the seas in our territorial waters and if we are careful in terms of how we exploit them, then the benefits to Barbados can be enormous.

Mr. Speaker, I want to say that I credit the Ministry of Energy for taking its time to put the right regulatory framework in place, so while it may appear that some time has elapsed, I believe when you look at the information you can see that proper attention has been placed in relation to what has been happening, Mr. Speaker.

H:D15(25)4L16 p.m.

The Opposition spokespersons who spoke already basically indicated that the Government has done nothing. What is the economic impact of this sector on Barbados? What have we been doing to ensure that persons can be prepared for taking advantage of a sector that certainly holds enormous potential for Barbados? Mr. Speaker, what I can say is that I first of all want to reflect on the vision of the Government. The vision of the Government is for Barbados to become a 100 per cent renewable energy island within the next 50 years, and we want to do that based on the indigenous local renewable energy sources. That is the vision.

One of the things which we have done so far is that the Government has provided in excess of \$14 million in low-interest loans to businesses for the erection of solar photovoltaic systems under the Energy Smart Fund. That is an empowering measure to ensure that businesses can get low-interest loans so that they can position themselves to take advantage of the alternative energy arrangements that have been there and, of course, the incentives which are there. The passage of legislation alone has been key to ensuring that not only businesses but individuals can actually benefit from the shift that we are asking for in terms of alternative energy. Mr. Speaker, we have also done quite a bit of work in relation to ensuring that the economic potential of this sector can be realised. Of course, I think the Member asked a very valid question. I believe that one of the things which the Government has been working very feverishly on is ensuring that we can have the relevant technical expertise available to Barbados to be able to manage and regulate this sector in a way that will pay us the kinds of dividends which are critical for the Barbados economy.

Mr. Speaker, I think that one of the major potential benefits, particularly of involvement in the whole alternative energy offshore drilling sector, is the potential for the empowerment of particularly young Barbadians. Mr. Speaker, this is a particular industry that is not only relevant to Barbados in terms of what we are doing, but

certainly the training and retraining of our young people in critical and specialist areas within the offshore drilling arena, and generally the petroleum sector, will be critical in terms of creating that shift which is necessary for the Barbados economy to reposition itself. Mr. Speaker, I do not think that you can underestimate by any measure the importance of the offshore drilling programme, the importance of the energy policy of the Government and the importance of the use of alternative sources of energy to propel the Barbados economy. Certainly when we started some years ago, the international oil prices were much higher than they are today and there was automatically and certainly a shift by Barbadians in terms of moving very rapidly towards alternative energy sources. We know that certainly as the international oil prices have stabilised and have come down to some extent, there has been somewhat of a lull in relation to the push by Barbadians to move towards alternative energy. Nevertheless, Mr. Speaker, that has not altered the policy of the Government. The incentives will still be there for persons who wish to make the shift. We believe that certainly the potential for the offshore drilling sector offers Barbados the opportunity of utilising the resources coming out of the offshore drilling sector, so as to be able to help us finance our overall vision and policy of moving Barbados towards an economy that relies on alternative energy and, hopefully, sources of energy that are provided from local and indigenous sources. Mr. Speaker, I think that is a very powerful visioning, because we are aware that quite a bit of our resources are utilised by the importation of energy; whether those energy sources be petroleum in terms of gasoline or diesel. Now, of course, because of the depletion of the sources for natural gas, we are having now to import natural gas. Indeed, you remember two Christmases ago we had to increase the amount of importation of liquefied petroleum gas, particularly in relation to the hotel sector which is very heavily dependent on that.

Mr. Speaker, we are talking about a huge saving if we are able to achieve our target of that 100 per cent over a period of time. While that is happening, Mr. Speaker, the movement towards licensing arrangements in the area of offshore petroleum programme has also reaped tremendous benefit for Barbados. Government has to date acquired in excess of \$7 million in revenue from the implementation of the Barbados offshore petroleum programme. As that programme accelerates and as more licences are issued, I believe that the revenue gains to the Government will in fact increase significantly. Mr. Speaker, I think that quite a bit of work has happened in terms of the plans for the offshore drilling sector. The fact that we have come here to debate some changes to the legislation to ensure that we remain relevant does suggest that the Ministry of Energy has been doing its homework, and certainly the Minister with responsibility for this sector has been on the ball in terms of ensuring that the legislative framework can be made relevant to what is happening on the ground.

Mr. Speaker, I also want to say that there have been quite a number of achievements certainly in relation to the renewable energy sector. The Member who spoke last for the Opposition asked for specifics, and I am very happy to give some specifics in terms of what is happening so far. I think certainly when I listened to the Member for St. George South in his very wide-ranging speech this morning, you would have got the impression that the Government has done nothing and that the Government has been in some kind of delayed mode in relation to the offshore petroleum programme and the energy sector generally. You would have got that impression without recognising that there is certainly objective information out there which tells a story that is very different to what the Opposition is speaking. Each time I have to reflect, particularly when we are debating a sector that really ought to pull our collective minds together. I think there is no politics, as far as I am concerned, in the offshore drilling sector or any debate for that matter that relates to how we are going to propel the offshore drilling sector and what the necessary ingredients are to ensure that we can remain relevant to negotiating arrangements. Not only that; once you have negotiated arrangements, we have to ensure that we can police the whole array of licensing arrangements once they have started. We are talking about vast resources beyond the shores of Barbados and within the economic exclusive zone of Barbados, which we still have to police once we have actually been issuing licensing for offshore companies to drill.

4.15 p.m.

Mr. Speaker, that remain one of the most phenomenal task of any Government particularly within the Caribbean sea that are keen and interesting in exploring its oil resources. The oil resources are there but to what extent we would be able to police them in a way that ensures that we are not being exploited and that certainly our resources can redound to the benefit of future generations. Mr. Speaker, I believe that the legislative arrangements have created the kind of legislative base that can make the difference between a sector that is planned and a sector that is unplanned. Sir, from where I stand I believe that quite a lot of work has gone into to ensure that what emerges and what evolves is a sector that is planned and there are several other ingredients that need to be put in place and I think that we have to really give credit where credit is due.

Mr. Speaker, Sir, as it relates to the overall outputs that have come in terms of the renewal energy sector and of course, the offshore drilling aspect of it, as I have said the Government intended that the resources from that would be used to help us in our renewal energy programme. We are still a country that is focused on creating the most successful green economy in the world. Sir, Barbados as a Small Islands Developing States is certainly highly respected internationally for the significant process it has

made in that regard and it continues to be a global leader in several of the international forum where the important subjects are raised and we certainly should not in any way de-emphasise the important role that Barbados has to place. I think that this sector has been able to allow for Barbados to move in a direction that would help us to become much more sustainable as it relates to not only providing energy at an efficient rate but providing clean energy to Barbadians.

Mr. Speaker, I did overhear one of the Statements made by the Honourable Member for St. George South. I think that he was referring to what happens in Singapore in relation to the movement towards electrical vehicles and sometimes we have to be very careful in comparing economies. I know that in recent times we are very prone to making some very wide correlations between Barbados and other economies without recognising that there are innate differences that cause us to adopt different policies. Sir, one of the things Barbados is doing is looking at the whole opportunity of electrical vehicles and I believe that there is a programme in terms of a trial programme by which that potential in terms of the use of electrical vehicles are being explored.

Mr. Speaker, I also want to speak to what has happened over the last two years in relation to the significant efforts that Barbados has made in terms of the renewal energy sector and for sure, what has emerged is a new regulatory regime has been established in the form of the Electrical Light and Power Act for the generating of electricity from renewal energy sources. Sir, that was one of the first things that had to be done to ensure a level playing field in relation to that aspect and to date 70 applications for licences for systems ranging from 6 kilowatts to 149 kilowatts have been approved and that suggests to me there has been progress in that regard. Sir, we have phenomenal development in the north of the island in St. Lucy where the Barbados Light and Power has been able to develop a 10 megawatt solar farm which will be, in my view, an impetus to even more widening acceleration of the pace at which that aspect is developed and, of course, there are other systems. I believe that the policies of the Government have been very central to many householders establishing renewal energy system and some of them have been so successful that they have been able to sell any excess on to the grid of the Barbados Light & Power Company Limited and I am advised that to date there are about 1 300 homes and businesses and over 20 public buildings are now power producers. Mr. Speaker, Sir, that is an indication that not only have the message gone forward but there has been success in taking that message into the homes of Barbadian to be sensitive to the gains that can be had from the alternative energy sources.

Mr. Speaker, rebates have also been provided for 3 000 residences for energy efficient appliances under the

Energy Smart Fund and of course, there are many other success stories in there.

Mr. Speaker, I also want to say that the whole question of where we position ourselves in terms of establishing not only an alternative energy sector but transforming how we provide energy in Barbados. There is tremendous role for the Government to play in energy sector in Barbados. I see the Government as playing a key role as regulator, as establishing the framework legislative and otherwise to allow for this sector to be well managed and to be well regulated and in particular the offshore drilling sector has got to be managed in a way that we are careful and that we can make safe projections in how the resources would redound to the benefit of Barbados.

Mr. Speaker, having said that I often notice and I did hear it in the contribution of the Honourable Member for St. George South that in evolving the energy sector in Barbados the Government has almost to be like the entrepreneur. I think that was mentioned in area of wind energy, that the Government has to get in there and somehow take this particular subsector and run with it in order for it to be successful and, Mr. Speaker, I must differ in that regard.

Mr. Speaker, I believe that there in no way we can see the full potential of the energy sector in Barbados without a key role being played by the private sector. Sir, I say that whether or not that private sector is reinforced by the infusion of foreign investment and, of course, the very careful partnering with international companies who wish to invest in this sector. Sir, be that as it may, certainly my view is that I would like to see the development of some indigenous companies who are keen on getting into the energy sector and using it as an impetus for growing their businesses but also in some way transitioning their businesses. I say that within the context in terms of my own view and I believe that this is also the view of the Government that we are in transitional times. (9:03) We have to understand when opportunities are made available. It is not as simplistic to say that the energy sector is there and that nothing is happening. I think that what I would want to hear coming from the Opposition benches particularly because they are so concerned about economic policy, they are so concerned about various things as we are in terms of how we reposition the Barbados economy is that we see this as an opportunity for not only the emerging generation of entrepreneurs in Barbados but certainly for the University of the West Indies as it relates to how our educational system responds to this emerging sector in all of its facets has built into it, Mr. Speaker, a number of key opportunities both in relation to learning and to the earning of revenue.

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We are poised at this juncture even as we debate these few amendments, Mr. Speaker, because I believe, as you know, we come to the House with amendments and some people may refer to them as simple amendments. I do not really think of any in relation to amending legislation as being simple. I think they are important enough for the Government to bring them here but they create an excellent opportunity for us to deliberate on how we are going to shape the policy of the country and the policy is not only the domain of the Government. Within our system of Government in terms of how we administer policy the Parliament has a very important role in that regard and it is here that we are able to give our input collectively as a Parliament, not only as a Government, but as Opposition in terms of how we envision particular key areas of our economy and the role that they have to play in the creation of what I call the new Barbados economy. I believe that the energy sector well-positioned can play a very critical role but we have to be able to see the opportunities and I do not think you can accuse the Government of not presenting the opportunities because the way in which foreign exchange will be earned in Barbados, will be extremely different from what we have been doing in the past. Mr. Speaker, new sectors will have to come up but I would hope even as we evolve new sectors such as the energy sector with all of its dynamism and opportunities that we ensure our young Barbadian entrepreneurs not only believe that they can become owners of wealth and that they can become movers and shakers in terms of this emerging sector but that we put things in place to be able to provide the opportunities for them to progress. There is, in my view, Mr. Speaker, and I want to congratulate the Ministry of Energy for the progress so far. One of the things we have to do in Barbados particularly as we are seeking to build new sectors, one of them, of course, is the alternative energy sector. The attempt at greening the economy, Mr. Speaker, is a transformational thing. It is transformational because it is premised on not only generating new sources of foreign exchange but saving foreign exchange. The vision that I outlined of ensuring that we can have within the next 50 years a 100 per cent renewable energy economy sourced locally from indigenous sources is a phenomenal and fundamental economic development for Barbados. It is really part of the answer to what we are seeing now where in sometimes simplistic terms we are not grasping what is happening with our economy.

Mr. SPEAKER: Honourable Member, you actually started at 4 o'clock so I am going to give you two minutes to wind up.

Hon. S. A. LASHLEY: Thank you, Mr. Speaker.

I as speaking in terms of localising this debate within the context of the measures that the Government are placing before Barbadians that are designed to create new strata of economic activity, indeed creating new economic

sectors and these new economic sectors whether it be the energy sector, the cultural industries sector, or other sectors are really going to be very key towards driving the kind of economic results that we need. I am certainly very pleased at the progress that has been made so far. I know that some of the acceleration may have been difficult because this is a new and difficult area; offshore drilling within the context of Barbados and I think what the planners have actually seen is the void or the lack of preplanning in relation to our educational system where these new sectors will have to see and will have to trigger transformation in our educational sector where we begin to acknowledge that we cannot continue to manage our educational plants based on traditional means so our energy sector is calling for new and different areas of learning. Our young people now are going to have to be trained and re-tooled towards managing this particular sector and I think this offers enormous opportunities for our young people and indeed for the Barbados economy to re-invent itself and become relevant in a world that has changed drastically over the past 20 years and we are now playing catch up, for whatever reasons, I would not go into but this sector is one of the emerging opportunities that the Government has placed before Barbadians in a way that will be transformational and will assist in solving many of our economic challenges.

With those remarks, Mr. Speaker, I am obliged to you.

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

Hon. R. L. SEALY: Mr. Speaker, I rise to support this Bill before the House. It is an amendment, of course, to the Offshore Petroleum Act and I want to declare upfront that I am supporting the amendments but in doing so I want to support the Honourable Member for St. Michael South, the Right Honourable Prime Minister, who also has ministerial responsibility for this area of energy and in doing so, of course, the other Minister in the other place as well, the Minister of State, who have provided visionary leadership, oversight of this general area. I will join with some other Members who also saluted the technocrats that have allowed us to be able to function to provide the policy oversight for this sector and specifically those in the division of energy and telecommunications. It is a fact that you have to rely on technical advice in order to function as a Cabinet or as a Minister but it is particularly important in an area like this where the level of tedium can be ramped up very quickly and I can say that the officers responsible for this area have certainly worked well insofar as helping the Government to provide an energy policy that is sensible and in the national interest. The judicious mix that we speak about between the traditional fossil fuels and moving into the renewables but doing so in a manner that does not compromise our energy security is important. I think I should just also mention, since I am on this issue of

technical advice and technocrats just to say that the Honourable Member for St. Michael South East has a habit sometimes, it is not the first time I have noticed it, it happened in here today again, but when you are going after the Government for not doing environmental impact assessments you are not attacking anybody over here you know. There is an officer, the Chief Town Planner, who has statutory responsibility for that. You are really attacking him.

Asides.

Hon. R. L. SEALY: It is not grandstanding. It is something called the Laws of Barbados, those blue books down there that you should acquaint yourself with. I am quoting from the Laws of Barbados and I am grandstanding? What am I really hearing though? An officer of the Court, you know?

Asides.

Hon. R. L. SEALY: An officer of the Court is accusing me, Mr. Speaker, of grandstanding. The Laws of Barbados empowers the Chief Town Planner to require environmental impact assessments. It is not a function of a minister therefore I have had to counsel this Member on this already. Stop attacking public officers from the Floor of the House. That is not what the House is for.

House D 14 Seq 28 4.34 p.m.

You can attack us, you can talk about our policy but at least we do have a policy, but I think it is the right one. We have indicated, as I said, that, yes, we are going towards the renewables, we are excited by what is on offer in terms of the offshore hydrocarbons. I well-recall when the Offshore Petroleum Act was enacted in 2007, that was supposed to be the savior of Barbados.

Asides.

Hon. R. L. SEALY: In those days of Opposition there were only six of us and we did not have Google, we had to do research but nevertheless the then Offshore Petroleum Act when it was moved we heard that, and I am quoting.

Asides.

Hon. R. L. SEALY: Do you want the year? It was Friday, August 10, 2007. I believe that was the first Friday after Kadooment Day, so that maybe people's heads were a little giddy because we heard: "Barbadians get on board and hopefully we would become the vehicle by which Barbados moves from developing country to that of developed country status." This is what we were hearing all about.

Asides.

Hon. R. L. SEALY: We talked about sugar and tourism and now we have: "Today, I introduce to Parliament a new sector." We remember that parading, eliminate the national debt, all of that kind of thing was taking place and so on. We remember all the excitement. Mr. Speaker, the point that the Opposition made then was... First of all, hydrocarbons have been exploited for economic reasons in Barbados since the 1800s, the "man jack" et cetera, the refinery on Needhams goes back to more than 100 years, so that we are not talking about anything new per se' so that there was really nothing to oppose, it was something that already existed, it was not any new sector. There was some excitement, we all remember that the United Nations Court had arbitrated on the matter, the Convention of the Law of the Seas, that started out about fish but ended up about oil, which is fine. We also know that elections were approaching so that you had to come with something that was exciting, you had the very unusual situation where a Parliamentary Sitting was adjourned for Cabinet to meet to come back, so that there was a heated rush about getting this Offshore Petroleum Act in place.

Mr. Speaker, the point that we made then was that basically you just needed to take some time. Of course, I was ridiculed for making a statement about the fact that the oil had been down there for many thousands of years, what was the hurry to get it up, but it all had to do with putting our environment at risk, particularly the very precious collection of ecosystems that make up our marine ecology, they are very precious - the near shore, the far shore, of course, the reefs, the ecosystems and so on and so you could not necessarily go into that very wild.

Mr. Speaker, the point that was made then in the debate by the Democratic Labour Party... Mr. Speaker, I am at page 16 of Hansard. The legislation has few shortcomings. I spoke earlier about the question of the environment, it is clear that because of the absence of proper environmental protection legislation in Barbados, we are forced to rely on a very short section that calls on the environment to be protected in the "Environmental Duties" at Section 38. That is what the Democratic Labour Party said in the legislation, the very section that we are now amending in order to come up with an environmental plan that makes sense for this sector.

Mr. Speaker, you cannot spend three months doing an environmental plan for an offshore drilling operation, well, you are not building a block of apartments someplace, it is not a normal situation, you need a protracted period of time in order to have an environmental plan. Mr. Speaker, the whole point I am making is that we supported the sector then and we support it now but that we just think it needs to be developed properly.

Mr. Speaker, we are of the view Barbados is a services-based economy and that that will continue to be the case, the proceeds that come from this sector have to be plugged into -- and I think the Right Honourable Prime Minister made this point -- the renewables that naturally have an extended life. The resources from hydrocarbons are finite and therefore we have to think of this sector with the long view. That thinking is not entirely original, countries with far greater resources in this same area, countries with billions of barrels of known reserves, countries that are producing millions of barrels of oil are thinking of life beyond oil, they are looking to get into services, including tourism services; some of them are trying to learn from Barbados, believe it or not. Mr. Speaker, oil-rich countries are thinking about life after oil and here it is that we have potentially some reserves and we are talking about getting out of what we do best. No, we think we have to remain a services-based economy and that we see this in essence as an opportunity to give a fillip to what we are doing, that is why it needs to be developed so responsibly.

Mr. Speaker, I am happy to hear about the find in Guyana and I am sure that that would be great for the Guyanese and it will be great for all of CARICOM but I think that we have to be careful drawing comparisons, Guyana is not a tourism dependent country per se'. Yes, they have a tourism sector but we cannot necessarily make those comparisons. Of course, their find is much closer to the surface and therefore is a little more economically feasible for them to exploit their resources. Mr. Speaker, I do not think that we should say look at what they are doing or at what rate they are moving at, we have to move at the pace that makes sense for us, Mr. Speaker and I think that that is exactly what we are doing.

Mr. Speaker, the stated energy policy of completely having all of our energy being that of renewable energy sector in another 50 years is in no way inconsistent with exploiting our crude and of course making sure that we can export it. We are told by the United States of America Energy Information Administration, the Environmental Impact Assessment Study specifically in their outlook document, the International Energy Outlook, 2016, that between developing and emerging economies there is going to be a 71 per cent increase in energy needs by 2040. Mr. Speaker, that tells us that there are still tremendous opportunities because a lot of these countries are not as swift in moving to the renewables as we are and that there will still be a need for crude or for that matter traditional hydrocarbons and so we have an opportunity to export what we are producing even if we are not necessarily relying on it to the same extent. It is an opportunity and therefore one that we should pursue.

Mr. Speaker, the other thing that was pointed out 10 years ago and is still the case is that what we have is at

tremendous depth and that while there have been some technological advances in the whole question of deep wells and so forth, the production wells for oil, we still have to accept the reality that there is great cost and great risks involved in extracting oil from those lower depths. I think that we cannot, of course, get overly excited. We are glad that BHP Billiton has two blocks, 'Bimshire' and 'Carlisle Bay', and 'Blackbelly' went to Repsol, but there is still a process. There are the other ones, again, 'Green Monkey' and 'Steel Donkey' and all of them are still out there. Eventually we will get around to that. We did not give them those names. We inherited those names, Mr. Speaker. The last Administration did that; not us, we did not do that one.

4.45 p.m.

Asides.

Hon. R.L. SEALY: Nonetheless, Mr. Speaker, we think that we still can move towards our energy goals, which are very ambitious, and that we can do so and still at the same time take advantage of our upstream and downstream opportunities in terms of our hydrocarbons and the indigenous production of them, and of course have a policy that makes absolute sense in terms of ensuring that we remain secure in that regard. I was, of course, extremely heartened by the presentation also by the Member for Christ Church East, the Minister of the Environment, who was able to keep everything in appropriate context in terms of the protection of the environment. I thought it put everything in context, both in terms of being conscious of protecting the environment while you are engaging in this offshore drilling exercise and in terms of putting it in the overall context of where we are also going as a nation in terms of our energy needs. I do not accept the view that I heard in here today that somehow there have been conflicting signals being sent by this Government in terms of our view. We have been very clear. We want to be completely renewable in a half-century but at the same time we have set some targets in terms of 2030 and so on. There are the 65 megawatts which have been approved for renewables and that threshold, I am certain, will have to be moved up on the basis of the way in which it has been taken up. I am told that right now 23 megawatts are being generated; 1 300 homes and businesses and 20 public buildings. That is quite a bit. Of course, when you consider the near-60 000 LED bulbs which have been distributed, we can see now that there is a very clear vision on the part of this Government with respect to being green and totally environmentally sensitive in generating our energy needs. Again, you cannot have a services-based economy in a modern context and you cannot continue to have the high standard of living that we all have become used to, and not look at how we handle energy needs. That is exactly where we are.

Mr. Speaker, I think I have made the point that while I understand there is some excitement in this region with respect to oil -- not only with the find in Guyana but we have heard the news that Venezuela has actually passed out Saudi Arabia in having the world's largest proven reserve....

Asides.

Hon. R.L. SEALY: They are not producing as much but they have more to offer. There are other islands in the region, and in fact even Trinidad now is claiming to have found some other resources as well. There is a lot of excitement but at the same time we believe that we need to make sure that we are very careful with what we are doing. The negotiations with BHP Billiton in particular have been protracted and, to be blunt, have not always gone smooth, but it is still important that we take into consideration what is the best in terms of the national interest. Like everything else in life, you have speculators out there, you have people who have nefarious intentions, and we have to navigate carefully through all of those factors and make sure that we can have a sector, again, that is in the national interest. I am satisfied, of course, that that is what we are doing here today. The Amendments, actually, which we are doing today, yes, come as a consequence of the Government being prepared to take its time to get this right and, of course, to learn from the previous mistakes when sometimes you rush in an indecent manner. This issue of the relinquishment, for example, was thrown up from the negotiations. Perhaps if at the time of the drafting of the original Act time had been given to the drafters and they were not ramrodded to bring something in here because of the Election timetable or whatever, maybe it might have been in the original Act. I do not know. I am just saying, but that is, of course, something there.

I will understand that in terms of the issue of controlling interests you may not have been fore-frontal at the time, and we are dealing with that issue here now. Again, we talk about mergers and acquisitions and so on as if they are something that happens in large North Atlantic countries or developed countries, I should say, but they have happened right here. We have had a situation where a local conglomerate was taken over by a Trinidadian conglomerate and the Trinidadian conglomerate inadvertently, without necessarily originally setting out to do so, ended up owning 25 per cent of the room stock in Barbados. The interest in a manufacturing concern had a small interest in the same hotel concern and it ended up with just over 50 per cent controlling interest. They did not set out to end up in that position, but of course we then as a Government had to resolve that whole situation, attacked constantly by the Opposition during the whole exercise, of course. Nevertheless, we did what we had to do, and I think that therefore I support that particular Amendment that if you are going to be embarking in a relationship with

someone for something like this, which is a significant one. It is a long-term relationship. When you embark on awarding a bid block, there are seismic exercises, there are exploratory exercises and then there is the production end of things. I have already mentioned all the environmental considerations. It is a serious relationship, and you need to know that who you are starting with is who you are finishing with and not that you might turn up one day and find that the boardroom is now entirely different; with people who may come from some place else where their standards and so on might not be in keeping with what your expectations are. I think that Amendment is a sensible one, and it just goes to show how dynamic this area is.

I therefore support that view from the Member for St. Michael South East. It is a dynamic sector and the Parliament must be able to respond. I do not agree that it is so complicated that none of us can understand it. I think that we need to take advice and not be afraid to listen to the technical sources of advice. That is not only for this, but for all areas of Government. That is exactly why we have such a competent Public Service and why so many of them work so well, and I think they have done a very good job in advising us and we have been able to push the objectives of this Government. We have always been pushing the idea that our policies need to be environmentally sound, and we have certainly checked that box in a very significant way with what we are doing with these Amendments to the Offshore Petroleum Act; or should I say to the Offshore Act generally?

5.04 p.m.

I am certainly pleased that the approach has been to just take time. This is not a time to get heady, this is the time to be steady. This is not the time to get heady about oil, money, and the national debt being eliminated and everybody money galore, and milk and honey flowing down Broad Street and so on. I do not think that we need to engage in that. I still believe and I think that the Honourable Member for St. Michael South East and the Honourable Member for St. George South are saying that we should have come in here with projections, how many barrels of oil, how many jobs you are going to have but, Sir, really, I think that is getting a little besides ourselves. We need to find out what it is we have and what would be the sensible rate of production. Sir, apart from the obvious concerns you environmental and otherwise, you really think that at this stage, a Minister responsible for energy could tell you how many barrels of oil we will be producing and exporting or for that how many jobs would be created. Well, Sir, that would be just ripping out a number and you do not do it like that. There will come a time for that but as I make the point....

Asides.

Hon. R.L. SEALY: The former Minister Liz Thompson did not project any jobs and so on. She promised to eliminate the national debt and to make Barbados a developed country and that is true but we are not engaging here in any pie in the sky foolishness. We understand that at the time the legislation was weak in terms of how it dealt with our environment. We point it out and the could not even amend in Committee but now it is rather ironic that the mover of that Resolution is now a guru on the environment at the United Nations but nonetheless, these things happen and I am very proud of what she is doing for Barbados now. She has had an epiphany I guess and has now developed a love for the environment and, Sir, that is fine but certainly when she moved this legislation it took three months to do an environmental impact assessment for an offshore drilling exercise. No, Sir, that is not sensible. Sir, for example, all the talk about the Hyatt Hotel, we allow the Town Planner to insist and the Town Planner insisted on environmental work to be done and we did not stand in his way.

Mr. Speaker, both members on the other side that spoke, within minutes to taking to their feet, they were on Cahill. Sir, so devoid is the Barbados Labour Party on an energy policy that all they can talk about is Cahill.

Asides.

Hon. R.L. SEALY: Yes, they did not talk about Greenland, that is a good point but again, you cannot expect to do an environmental impact assessment on something that does not exist. You cannot expect that to occur. Let us just again think this thing out.

Mr. SPEAKER: Honourable Member, you have five more minutes in which to conclude.

Hon. R.L. SEALY: Mr. Speaker, I know that some people may not agree with me but I see this whole question of oil production for export to be almost like gravy on our services base economy, tourism, international business, professional services and education services. We are a services based economy and this question of offshore and the export of hydro carbons has to be gravy on top. Sir, as I have said, countries with billions of dollars earned in this sector, countries with huge reserves are looking at life after oil, so we are going to go into oil and forget what it is we have been doing and doing so well? To be quite blunt, Barbados can reach employment and become a net exporting country on the basis of our services and, Sir, if we do it right, we can get there. Sir, therefore, the proceeds and the gains from offshore drilling have to go into what we are doing to become a totally renewal energy country because, Sir, others are doing it.

Mr. Speaker, can you imagine Saudi Arabi spending tens of billions of dollars in researching in solar energy, a

country that is producing more oil than anybody else and is still thinking about life after oil, so we are track. Sir, this Democratic Labour Party Government is on track.

Mr. Speaker, we understand it is finite resource one we will still develop. We are not prepared to ignore it but we have to put it in its correct context. I want to once again salute the work of the entire at the Energy Division, the technical team, the administrators, the Minister in the Other Place and of course, the mover of this Resolution who has provided astute leadership in this area and in so many other areas and, therefore, I support this amendment, Mr. Speaker, and I am obliged to you.

Mr. SPEAKER: Yes, the Honourable Member for St. James South.

Hon. D. INNIS: Thank you, Mr. Speaker, I rise just for a few minutes to give full support to this Bill before the House to amend the Offshore Petroleum Act, Cap 282A.

Mr. Speaker, let me say that I fully endorse the sentiments of the Prime Minister as Minister of Energy and my colleagues on this side who have been very pellucid in respect of Government objective of developing the offshore and petroleum industry whilst at the same time holding steadfast to a commitment to ensure there is no reneging on the importance of renewal energy and our goal to become 100 per cent renewal energy proficient in the next 30 years to 50 years. I think that point is very important because you note the rather two feeble commentaries on the side of the Opposition that sought to confuse the issue of offshore petroleum drilling and development with our work in terms of the renewal energy sector. It is very important and very instructive that as we press ahead the Government ensures that we create the best enabling environment for those who wish to invest in this industry. Sir, some may say that we have been at it for many years but Sir, as you know, an investor is not going to come and take that chance of putting their millions and millions of dollars into this sector if we do not have right framework, regulations, legislatively and all the other things that necessary to creating an oil industry. Sir, that is why I join with my colleagues in giving full commendation to the staff in the Ministry of Energy, those who are the technocrats, the geologists and those who have those special skills to help us unravel the petroleum industry and also those of the legal profession who took the effort and the initiative and the support of the Government to get out there and get a better understanding of the law in relation to petroleum development and drilling and have collectively provided the Government of Barbados with the best possible advice as to what is the kind of enabling environment to make it happen.

Mr. Speaker, I have seen the investment that we have made in sending public officers to conferences in

Texas and other parts of the world, to sending them to trade shows, to investing in continual professional education, to ensuring they have access to current literature and to even be able to have engagement with their counterparts in other jurisdictions. Sir, that is all part of the capacity building that has been so critical for us to get to the point we are at today where we force ahead with creating an enabling environment.

Sequence 31

There are those who would like to see large vessels offshore, but you would not see them unless you fly out, but large vessels offshore drilling for oil and sucking it out of the earth and getting involved in refining, et cetera. It just does not happen like that. One may ask why is it that at a time where the world cries of fossil fuel has been rather low and stable we are still pressing ahead with this. As the Minister of Tourism and the Honourable Member for St. Michael South Central just alluded to, we are not going to count our chickens before they hatch. This is a very focus match towards an industry that has great potential for the transformation of our economy in a very sustainable manner. We are talking hear about making investments that perhaps none of us here would be able to benefit from but future generations would so do. That is why I am a little sad but not disappointed or surprised really that the Opposition Benches have seen it fit not to actively participate in this debate today because we must move away from this belief that it is always just about the headlines in the papers this morning and all the exciting issues, marching, levies, taxes, et cetera. We must get back to focussing on the future of Barbados as this debate here today certainly helps to point us in that direction. We are talking here about the new Barbados not just about finding oil offshore or whatnot but what it means to our society. The fact that we are now able at this point in time at the brink of it, to be able through the legislative arrangement to ensure that we have the right framework to attract the right people to our shores or offshore to do this development work. It means that, as we have done in certain party agreements that I have seen, have those potential investors make a commitment towards helping us further develop training in niche areas at the University of the West Indies (UWI). That is commendable. That is futuristic. It means that we are able to use a cadre of skills that otherwise would not be available. Do you know how many individuals that I know who have studied geology and who have not been able to find gainful employment in Barbados? They have gone to Saudi Arabia, they have gone to Australia, they are working all over the world and would love to come home and make a contribution to their homeland Barbados and we are creating that environment. It is not going to happen tomorrow but it will happen. The world price of oil is not going to remain as low as it has been in the last couple of years so we are going to be able to build out a new set of skills, new to us really, to help

forge this industry along and then you look at all the attendant services that go with the development of an oil industry. I met some guys in a building down town last year who have been here for a little while running a business and all they do is provide support services to the oil industry. They do not get involved in any drilling. In the international business sector in Barbados, Mr. Speaker, you would be amazed at the number of oil and gas companies that have offices in Barbados. You would be amazed at the number of oil and gas companies especially out of Canada and out of Latin America that have home offices in Barbados where staff are responsible for negotiating contracts, working out deals, making payments for goods and services. There are a couple hundred Barbadians sitting in Barbados providing support services to the oil and gas industry in far from places, places that many of them have never visited and perhaps will never visit. Look, for example, at Mexico and other places, the oil and places, the oil and gas industry and the fact that we have created some niche products particularly in the international insurance industry that have made Barbados the domicile of choice for many of them in that industry. Mr. Speaker, as we take our blinkers off and look at the bigger picture we recognise that this has the potential to really transform Barbados in a very positive and sustainable manner for generations to come. It is an industry that we have really little control over as you see world prices go up and go down but the truth of the matter is that we, as a Government, are not placing all of our eggs in one basket. This is not being seen as the saving grace of Barbados as others have seen it before. It is seen as a solid and steadfast effort to further diversify the Barbados economy and to provide greater 5:04

INCOMPLETE JULIETTE

House D 14 Seq 32 5.13 p.m.

Tuesday, July 18, 2017

Hon. D.O'N. INNISS: Mr. Speaker, the Government is actively considering possibly extending or providing a new licence that will then give us on the regulatory side the comfort level to be able to possibly consider providing the players with the guaranteed period that they would want, 15 or 20 years, so that there comes a better bankable project that can make investment in the renewable energy sector.

Mr. Speaker, this is also very significant because we have really done a pretty good job at developing the renewable energy sector in Barbados. As I said before, we still have some way to go but we certainly have done very well under the circumstances. There are large oil producing nations who today are trying to do what we have been doing in renewable energy sector and they will learn from us.

Mr. Speaker, last week I had the opportunity to be at Astana, Kazakhstan at World Expo 2017 where the theme is Energy -- The Future. Kazakhstan has over the years been a significant oil producer. I was amazed, when I toured their pavilion with their Foreign Minister, at what they had been doing in terms of renewable energy. There is nothing in their pavilion that is about seven storeys tall spoke to fossil fuel, it spoke to renewable energy, how that renewable energy is generated either by wind, sun, et cetera, and how it is being deployed across their grids and across the system. As you looked around to other pavilions you marvel at how the lives of so many individuals are being transformed through renewable energy, so that parts of a country that you could not before provide electricity to through the grid system can now generate their own power and can get their own level of economic development going on. We do not have that in Barbados but we certainly have no room for complacency as we grow it out as well, so as we march forth with the fossil fuel development, offshore drilling and what-not, we are not losing sight of our commitment to developing a sustaining and renewable energy sector in Barbados.

Mr. Speaker, I am satisfied that our work here in this Honourable Chamber today is very critical and that its benefits will be seen for generations to come. We know that the fossil fuel has a finite life span and that there are countries who many years ago were doing very well out of it but they realised that their reserves have been dipping and dropping. We have a chance now to be able to find some wells off Barbados' shores that will certainly help in our contribution to that product globally but would also help in the economic development of Barbados, the transformation of Barbados for a while to come.

Mr. Speaker, I believe that all of us, Government and Opposition, can join hands today and commend the Minister of Energy and the Minister in that Ministry, the technical staff in the Ministry who I wish to say once again has provided excellent leadership to the Government and guidance on this very complexed matter. I have been very impressed with what I have seen coming from that Ministry of Energy in respect of the renewable energy sector and the offshore petroleum drilling industry as well and it bodes well for the future of our public sector and this economy on the whole. Mr. Chairman, with those few words, I am obliged to you, Sir.

Mr. SPEAKER: The Right Honourable Prime Minister.

Rt. Hon. F. J. STUART: Mr. Speaker, I am not going to be long at all because there is no need to be long. I should like thank all Honourable Members who have contributed to this debate on these amendments to the Offshore Petroleum Act, 2017. As it turns out, there was really no opposition to the proposed amendments, if there

had been any opposition we would have heard it. The Honourable Members on the other side embraced the amendments, accepted that they were necessary but then decided to go off on frolics of their own on other issues that really have nothing to do with the issues before this Honourable House.

Mr. Speaker, I want to thank Honourable Members on this side of the House for the very incisive contributions which they have made to the debate -- the Honourable Leader of the House, Honourable Members for St. Michael South Central, Christ Church East, Christ Church West Central, St. Lucy and St. James South who has just sat down, all of whom made very incisive contributions to the debate and who understand the importance of what it is that we have done here today. Mr. Speaker, I have to repeat that Barbados is very well-served by the Department of Energy of which it now boasts. Last Wednesday when I was winding up a projects meeting at the Lloyd Erskine Sandiford Centre, I had to make a few remarks about the public service of Barbados, because I continue to say that when I hear people talk about the public service of Barbados, I do not recognise the public service that they are talking about, you have to be in meetings with the real brains in the public service of Barbados to be able to appreciate what it is we have at our disposal here in Barbados.

Mr. Speaker, very good examples of that are the technocrats in the Department of Energy, led of course by the very energetic Permanent Secretary and I want to thank them for the excellent work that they have done over the years and have been doing to protect the interest of Barbados in this very important sector of our economy. As all Honourable Members on this side who have spoken and have indicated we are on the threshold of a great transformation in Barbados. Mr. Speaker, we are not making that statement to suggest that there are any miracles around the corner, certainly not the kind of miracles to which the Honourable Member for St. Michael South Central referred in the speech made in this House in 2007 when the Bill was introduced, but if we get this right, if we get our offshore petroleum sector right, there are a number of things on shore that we will get correspondingly right because there is an organic relationship between what we are able to achieve off shore and what we are able to achieve on shore.

Mr. Speaker, I am not going to get into the fortunetelling about how many jobs the sector will create and how many bills that it will pay, we leave that for when the actual exploration begins to happen and the gains are being actually registered, but these preparatory initiatives have to be put in place. I am advised by the Department of Energy that as of now, in the implementation of our offshore petroleum programme, that the Government has been able to make just about US\$7.5 million and when we

conclude our negotiations with BHP Billiton over the environment plan... The Government has sent back its comments on the environmental plans submitted to BHP Billiton, the environmental plan and the Environmental Impact Assessment Study awaiting their comments. When we get that concluded and they are then obliged to pay the signature bonus, that signature bonus is going to be US\$5.5 million. Mr. Speaker, we are only talking up to now about two blocs, the Carlisle Bay and the other one assigned to BHP Billiton.

5.28 p.m.

When we get around to dealing with the Repsol block that will happen, but there are 26 blocks in the offshore acreage, and over time as more and more actors come on stream, the returns from this sector will begin to manifest. I think we have had a good debate, and I want to thank all Honourable Members for their very sagacious and incisive interventions from their various standpoints. Mr. Speaker, there is really no need for me to delay the House any longer on this. I therefore take this opportunity to beg that this Bill be read a second time.

MR. SPEAKER: Thank you.

The question that the Bill be read for the second time was put and resolved without division.

On the motion of Rt. Hon. F.J. STUART, seconded by Hon. J.D.E. BOYCE, the House resolved itself into Committee. Mr. J.D. PAUL in the Chair.

COMMITTEE

Mr. CHAIRMAN: The House is in Committee.

Clauses 1 -- 5, inclusive, were called and passed.

On the motion of Rt. Hon. F.J. STUART, seconded by Hon. J.D.E. BOYCE, the 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 Rt. Hon. F.J. STUART, seconded by Hon. J.D.E. BOYCE, the Bill was read a third time, passed and cited as the Offshore Petroleum (Amendment) Act, 2017.

ADJOURNMENT

Hon. J.D.E. BOYCE: Mr. Speaker, with that we have come to the end of Government Business for the day. I beg to move that the Sitting be adjourned until Tuesday, July 25, 2017 at ten o' clock in the morning.

Rt. Hon. F.J. STUART: I beg to second that, Sir.

The question that the Sitting be now adjourned until Tuesday, July 25 at 10 a.m. was put to the Honourable the House and was resolved in the affirmative without division, and Mr. SPEAKER adjourned the House accordingly.

5.29 p.m.

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BRADSHAW, Miss S.J.O. (St. Michael South East)
BRATHWAITE, Hon. A. D. (St. Philip South)
F.J.STUART, Rt. Hon.
INNISS, Hon. D. (St. James South)
KELLMAN, Hon. D. St.E. (St. Lucy)
LASHLEY, Hon. S. A. (Christ Church West Central)

LOWE, Dr. the Hon. D. S. (Christ Church East)
SEALY, Hon. R. L. (St. Michael South Central)
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SUTHERLAND, Mr. D. G. (St. George South)

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EDITORIAL NOTES — NOT PART OF THE REPORT

Prepared with the transcript; for checking against the recording and the Minutes.

EDITORIAL QUERIES

Points noted while preparing this report from the edited transcript. The text has not been altered except where stated.

Q1. Masthead. The session is not stated in the source, so no session line is printed.

Q2. Opening. The convening sentence is incomplete in the source; it reads only ‘met at 10.15 a.m. on Tuesday, July 18, 2017.’ Printed as in the source.

Q3. Papers. The heading ‘FIRST READING OF BILLS’ is run into the end of the only paper laid (‘The Electric Light and Power (Fees) Regulations, 2017. FIRST READING OF BILLS’). Printed as in the source.

Q4. Take-slip, Prime Minister’s opening speech. The first take-slip reads ‘H:No.D15 (1)10.47 p.m.’, although the Sitting began at 10.15 a.m.; presumably 10.47 a.m. Printed as in the source.

Q5. Order No. 14, Dr. the Hon. D. S. Lowe. A sentence of Dr. Lowe’s speech, ‘Mr. Speaker, all offshore EIAs must meet the following basis objectives’, has been set as if it were a speaker’s name, with the list that follows as the speech. Printed as in the source.

Q6. Order No. 14, Hon. D. O’N. Inniss, about 5.13 p.m.. The source carries the typist’s note ‘INCOMPLETE JULIETTE’ as a heading within Mr. Inniss’s speech, followed by ‘House D 14 Seq 32 5.13 p.m.’; the other take-slips are numbered D15. Text may be missing at this point. Please confirm.

DEBATE SUMMARY

(Editorial summary — not part of the record.)

The House of Assembly met on Tuesday, 18th July, 2017 at 10.15 a.m., with Mr. Speaker in the Chair; prayers were taken by Reverend Mark Harewood. The Minutes of 11th July were confirmed. The Prime Minister, Rt. Hon. F. J. Stuart, laid the Electric Light and Power (Fees) Regulations, 2017, and the Leader of Government Business, Hon. J. D. E. Boyce, moved the first reading of the Value-Added Tax (Amendment) Bill, 2017. Standing Orders were suspended for the rest of the Sitting.

The only Order debated was Order No. 14, the Offshore Petroleum (Amendment) Bill, 2017. The Prime

Minister, who has ministerial responsibility for energy, set the Bill in the context of the Government’s aim to make Barbados the most advanced green economy in the hemisphere and the United Nations’ Agenda 2030. He explained that Section 15 would be amended to give an applicant nine months instead of 90 days to submit the environmental impact assessment and environmental plan; that Section 19 would require a licensee to relinquish not less than 25 per cent of the licensed area after each exploration phase other than the last, instead of 50 per cent; and that a new Section 29(a) would provide for change of control of a licensee.

For the Opposition, Mr. D. G. Sutherland, Member for St. George South, said the Opposition had no difficulty with the changes, which he had gone through in ten minutes, but argued that Barbados spent over US\$250 million on oil imports and pressed for faster progress on renewable energy and battery storage. Dr. the Hon. D. S. Lowe, Member for Christ Church East Central, set out what the environmental plans and assessments must contain. After the suspension until 2.30 p.m., Hon. D. St.E. Kellman criticised the Opposition’s record on the environment, and Mr. Boyce spoke for the Government.

Miss S. J. O. Bradshaw, Member for St. Michael South East, raised environmental impact assessments onshore and drew a point of order from the Prime Minister, who said that the Chief Town Planner, under the Town and Country Planning Act, had the statutory discretion to order them. Hon. S. A. Lashley spoke of the emerging sector, and Hon. R. L. Sealy, Member for St. Michael South Central, recalled the Opposition’s claims when a former Government introduced the sector on Friday, 10th August, 2007. Hon. D. O’N. Inniss, Member for St. James South, described the training of public officers for the industry and said the Government was considering new licences of 15 or 20 years to make renewable energy projects bankable.

Replying, the Prime Minister said there had been no real opposition to the amendments; the Government had so far earned about US\$7.5 million from the offshore programme, BHP Billiton would pay a signature bonus of US\$5.5 million once its environmental plan was settled, and there were 26 blocks in the offshore acreage. The Bill was read a second time, passed through Committee (clauses 1 to 5) with Mr. J. D. Paul in the Chair, and was passed as the Offshore Petroleum (Amendment) Act, 2017. The House was adjourned until Tuesday, 25th July, 2017 at 10.00 a.m.