THE

SENATE DEBATES

(OFFICIAL REPORT)

FIRST SESSION 1999 – 2004

THE SENATE

Tuesday, December 19, 2000

The Senate met in the Senate Chamber, Parliament Buildings, on Tuesday, December 19, 2000, at 11.00 a.m.

PRESENT

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

His Honour Senator C. L. BOLDEN, C.B.E. (Deputy President)

Senator the Hon. P. C. GODDARD (Minister of Health) (Leader of the Senate)

Senator the Hon. G. S. H. MURRAY, B.A. (Hons.), J.P. (Minister of State, Prime Minister's Office and the Civil Service)

Senator Miss C. Y. FORDE, L.C.P., J.P. (Parliamentary Secretary, Ministry of Education, Youth Affairs and Culture)

Senator T. E. BARKER B.A. (Hons.), M.A. (Econ.) (Parliamentary Secretary, Ministry of the Environment, Energy and Natural Resources)

Senator the Hon. Dame Patricia SYMMONDS, D.B.E., G.C.M., B.A. (Hons.), P.G.C.E., J.P.

Senator Miss J. C. ODLE, J.P.

Senator J. E. D. WILLIAMS, B.Sc., M.B.A., J.P.

Senator G. E. N. BROME

Senator Mrs. J. P. ALLEYNE, Dip. Man. (Hons.), J.P.

Senator D. D. MARSHALL, LL.B. (Hons.), L.E.C.

Senator C. A. MASCOLL, B.Sc. (Econ.) (Hons.), M.A. (Public Finance)

Senator C. LeR. TROTMAN

Senator Mrs. P. E. RICKINSON, B.A. (Hons.), M.P.H. (Harvard) S.R.N.

Senator C. K. LAURIE, D.I.C.T.A. (S.T.) FBSTA

Senator Sir JOHN STANLEY GODDARD, K.A., B.Com., C.A., Hon. LL.D. (U.W.I.)

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

Senator the Rev. L. W. B. ROCK

Senator Mrs. V. E. NEWTON, S.C.M., B.A. (Spec. Hons.) M.A., LL.B. (Hons.) (U.W.I.) F.L.A. (Gt. Brit.) L.E.C.

Senator L. H. McCLEAN, B.Sc. (Hons.)

Prayers were led by Rev. Father Errington Massiah.

MOTIONS

SENATOR THE HON. P. C. GODDARD: Mr. President. I move that Standing Order 45 (2) be suspended for the remainder of the Sitting.

The question was put to the Senate and agreed to without division.

PAPERS

SENATOR THE HON. P. C. GODDARD: Mr. President, I rise to move the first reading of the following Bills:

1. Fair Trading Commission Bill, 2000.
2. Utilities Regulation Bill, 2000.
3. Insurance (Miscellaneous Provisions) Bill, 2000.

The question was put to the Senate and agreed to without division.

ORDER NO. 4 – JOINT SELECT COMMITTEE ON THE FAIR TRADING COMMISSION BILL, 2000 AND THE UTILITIES REGULATION BILL, 2000

SENATOR THE HON. P. C. GODDARD: Mr. President, in discussing the Joint Select Committee on the Fair Trading Commission Bill, 2000 and the Utilities

Regulation Bill,2000, Honourable Senators will recall that a Joint Select Committee was established from both Houses. Dame Patricia Symmonds, Sir John Stanley Goddard, Senator Dale Marshall and Senator Clyde Mascoll and myself represented the Honourable Senate in this endeavour.

The object in establishing the Fair Trading Commission is to strengthen the legal and regulatory framework for the regulation of utilities and to establish a legal and regulatory framework for consumer protection, fair competition and to build a strong institutional infrastructure to support all of these areas.

This is necessary for the liberlisation of monopoly utilities in the operations of their functions in the future and to open up some measure of competition in this area of our economic activities in Barbados.

Subsequent to this Report, there has been some discussion in public about the introduction of metered rates in the telephone company system. As we all know, we are moving to a much more liberalised and competitive environment for our telecommunication systems in Barbados. This follows a general worldwide trend. I might state, at the outset that there has been no agreement on permitting measured rates in Barbados. In addition, any such proposal would have to come before the new Fair Trading Commission and the new Utilities Regulators for any decision to be made. I might say that, personally, I am absolutely opposed to any metered rates in Barbados.

The reality of our economic activities clearly indicates that metered rates would be inimical to the growth of the use of the internet and electronic commerce in Barbados. I might remind Honourable Senators that the growth of electronic commerce is for both international companies and local companies. Significant strives have been made in Barbados in electronic commerce over the last two points. The prime beneficiaries on the local scene have been the hotel industry and particularly in the small hotel arena.

Small hotels marketing themselves on the internet have found that they can dispense with the services of excessively high costs of tour operators. They can deliver a better product to their consumers, they can market directly to their target market and they have filled their hotel rooms and in some cases the occupancy in summer has moved from as low as 15% to as high as 75% and 80%. Also, in the winter they have found that they can get the full rate for their rooms, fill every one of their rooms and not pay an overseas intermediary for the booking of those rooms. This has a tremendous economic impact on Barbados. It improves the hospitality profitability, it improves our foreign exchange earning capacity and it keeps the money earned by the hospitality industry, to a large extent, in Barbados. We have seen one area where electronic commerce has been extremely beneficial to the local economy.

In addition to that, there are international companies who have established global marketing operations in Barbados and who do considerable trade out of Barbados around the globe. As this industry develops, I can see that this will become one of our main economic areas of activity. It is highly dependent on a robust, cost effective, competitive broad band telecommunication system.

In this regard, telecommunication systems are going through a revolutionary stage for the entire life of the telephone companies, from the time of Alexander Graham Bell until now. Telecommunication systems were built on an intelligent network. In other words the network contained the intelligence. It regulated the flow of traffic. It regulated all the checks and balances to ensure that the call went to where it was going and essentially, the telephone company had several layers of intelligence in their networks. This made the system extremely rigid. It made it very difficult to change anything within the system and it meant that for every change you made you had to go through every one of those several layers and make consequential changes, some of which were extremely expensive and very complex. The new environment is to have an unintelligent network system with all of the intelligence at the periphery of the network.

I take some time to explain this so that Honourable Senators will understand the revolution that is taking place, will understand the obsolescence of the existing telephone company systems from AT&T in the United States to Bartel in Barbados so that when people talk about the sunk cost, it is equivalent to a buggy and a whip as the sunk cost to transportation. It is obsolete. It has little value. The new network systems will be faster, it will be optically switched and it will work in the internet protocol system. This will reduce the cost of telecommunication tremendously. A cost which I am absolutely sure, will be passed on to the consumer in a competitive environment, but I underscore in a competitive environment.

We want to effect a smooth transition. We do not want to have hard landing. So we recognised that we have to have a phased-in approach to this whole aspect and in this process we will need additional regulation, not less, because when you move from a monopoly situation to a competitive situation you are changing all the ground rules. You have to ensure that transition is managed properly; that there is no disruption which will adversely affect the consumer. Ultimately, the whole thing is about protecting the consumer's interest, and that is a fundamental issue.
11.20 a.m.

Therefore, we have to bring into being, the Fair Trading Commission, and a new Utilities Act. That is the whole reason behind this whole development.

In there, we talked about the fostering of competition, and rivalry, securing economic efficiencies in the

operations of business enterprises, and utility companies, development of a more competitive market place, in providing fair market access to new entrants, particularly small enterprises.

Let me just talk about small enterprises for a minute. That is where the majority of innovation comes from. That is the area which is fertile and vibrant, and that is the area that we need to ensure can shape the economy, in the future, by bringing new ideas, new technologies, new systems – not all of which may prosper, not all of which may flourish, but, if we get a success ratio of one out of ten, we are far ahead of the game.

So, it is important that we focus on this issue of providing fair market access to new entrants, particularly, small enterprises.

As we travel down, through the path of experience, companies start to recognise that most of the bright people in this world, do not work in their companies; they work elsewhere.

It is to the utilised proof of those bright people that work elsewhere, that will benefit our overall economy, and help everybody, flourish.

What we are talking about is expanding the pie, and expanding the pie, at a very, rapid rate.

We talk about the increase in consumer's welfare, through increased consumer's choice, and lower prices for goods and services, and, I might add, a greater selection, a greater diversity of the market-place.

In this, we tend to think about tangible goods. We tend to think about apples and oranges, cheeses, and ham, and so on, but, the greater value of this will come in intangible goods; where we have access to new ideas, information that was unobtainable before, and be able to educate ourselves, and to develop, and to create new concepts.

I see the growth of individual businesses starting at home. The home office, in the future, will become a common part of every household in Barbados.

Now, this is nothing new for Barbadians, because, how many homes have we seen with a shop that joins to the side? They have their own business. That is entrepreneurial activity.

All that we are doing is taking this into the new dimension, taking this into the electronic age, where, somebody, in Carrington Village, will edit a video, and, ship that digital editing back to Hollywood, or to London, or wherever it came from. That is what we can do.

Now, we need to talk about increased consumer welfare, and, in this regard, let me come back to the measured rate issue.

The *Times* of London, ran a campaign last year, that indicated that measured rates were the greatest inhibitor of the use of the Internet.

They drew a parallel between the United Kingdom, where the average Internet use was between 14 and 16 minutes, and the United States of America, where the average use was between one hour and five minutes, and one hour and fifteen minutes.

In addition to that, a much lower percentage of people in the United Kingdom, actually use the Internet, than in the United States.

The London *Times* then pointed out, that the great inhibitor was British Telecom measured rates system that they have in the United Kingdom, as opposed to the flat-rate system that was obtainable in the United States of America.

A flat-rate system, for example, for the State of Georgia – anywhere you are, in the State of Georgia, you can make a telephone call – and, I do not know how many times that Barbados can fit in Georgia, but, many, many times.

That campaign showed that the British economy was being entered, because, people were not developing their skills, and not utilising the benefits of the new technologies – the new communication medium.

Now, I might say, that that campaign, certainly seems, to resonate in the United Kingdom, because, a year later, British Telecom just announced that they will offer the Internet, on a flat-rate system, at a price that is highly competitive than what obtains in Barbados.

It indicates that this whole issue of measured rates is a very important thing. One that has to be carefully understood, and, one with which, I am sure, the Fair Trading Commission and the Utilities Regulation Boards, will deal with appropriately. So, that is how I see this thing going.

We also need to establish significant consumer protection measures to protect the consumer from unfair trading practices, of business enterprises.

Now, we always recognise that there are good corporate citizens in Barbados, who practice very positive, consumer-related practices.

However, we feel that these practices need to be encoded. They need to be codified, and be brought into law.

The way this will operate is that the Fair Trading Commission will oversee the legislation that will define the Fair Trading practices of Barbados, and, the legislation will have some teeth in it.

The Fair Trading Commission will be established as a statutory corporation, and they will be responsible for –

a. The enforcement of the Utilities Regulation Act,

b. The Fair Competition Act,

c. The Consumer Protection Act.

That is how this will operate. Under the Utilities Regulation Act, it is intended –

a. To achieve economic efficiencies by utility companies in the delivery of service, and the best way to do that is through competition.

b. To ensure the long-term sustainability of services it provides, and, the best way to do that is to make sure that the transition is a smooth one. That it is not disruptive. That it provides an environment which will foster investment in this area.

c. Companies will be able to finance their functions.

d. To protect the interests of consumers by safeguarding their quality of service.

f. Allow for the access of service to customers.

Now, in this regard, competition will drive rates down. It will bring new technology on board, and it will allow people to connect to the Telecom system in new and creative ways.
11.40 a.m.

There was a headline in one of the international papers today where it cited that amongst the poor, wireless communication is booming and this is because it is a less bureaucratic way of delivering service and it is a more instantaneous way of delivering service. You can get a wireless communication in four hours and you can have it funded in many different ways. They can be creative and therefore the rates can be tailored to suit your pocket.

It could be that you may only want to use the thing for an hour a month or an hour a week. They can build that into the system and you can have something where you can pay a few dollars just to get that service. Then, you can upgrade it at any time you can afford to do so, or when you so desire, so there are new systems coming in place.

It is clear that Regulation acts as a proxy for competition and that ultimately, the Commission will only seek to regulate where necessary. As I have said before there will have to be intense regulation and intense supervision in the transition process to ensure that there is adequate connectivity, that there is a proper way of accessing the networks and that it is not done in a way to discourage new entrepreneurial activity and new entrance into the marketplace and to penalise people unfairly.

We also have to be very conscious of predatory pricing which is designed to eliminate people from the marketplace so that you can then later, height the rates whenever you feel fit to do so.

The utility services will ultimately be brought under the regulatory scheme by ministerial order in its stages, as it will be necessary for sector studies on new regulated sectors to be completed before these sectors are regulated by the Fair Trading Commission. Sir, this just puts the thing in place and allows for us to start gradually moving out of this area.

In fostering a more competitive environment, the Commission will administer and enforce new fair competition legislation. This new legislation will be specifically tailored to the problems existing in Barbados' business environment, while ensuring compliance with regional obligations under the Protocol 8 Competition Policy.

The Fair Competition Act will address matters such as abuse of dominant position, mergers, interlocking directorates and unfair trading practices such as price fixing and time selling.

A number of fundamental principles have guided development of illegal and institutional frameworks of the Fair Trading Commission in order to establish an independent, accountable, transparent and strong enforcement institution that can appropriately balance the interest of consumers and businesses.

In other words, if you just take one side of the equation into account and do everything to benefit the consumer only, you could conceivably drive a business to the wall and it will fail and ultimately, that will disenfranchise the consumer. Sir, remember that everyone who works in the business is also a consumer so we have to think of all the consumers in the society, those who work in the businesses and outside of the businesses and it is in our interest to have a healthy economy.

We have to balance the interest of consumers and the success of various business enterprises. What we are trying to do, is to eliminate or to reduce the more unseemly

business practises which ultimately, reduces competition which removes choice and increases prices in the marketplace.

If we do that locally, the choice will be overseas, once again, on the Internet because now you will be free to buy anywhere, anytime and Sunday shopping will become a mode point because the Sunday shopping will be done at home, behind the computer on the Internet rather than in a store which might be opened.

What we are seeing is a changing environment and a changing situation which has turned a lot of our preconceived notions up on its ear. It is very important that this institution has an organisational autonomy or independence, as it is expected that the organisational structure of the Commission will enable it to recruit and maintain well-qualified multidisciplinary staff. It is critical that the Commission is able to recruit persons with commitment, stamina and integrity.

Sir, in a highly technical age with technology changing at a rapid rate, it is important that we recruit people or have access to people who understand the new technologies that are coming down the road. How these new technologies will affect the current systems and what opportunities and/or threats they may pose to our systems in Barbados.

For a very long time, we have struggled with inadequate support staff and we have had to employ overseas consultants to better understand the systems with which we are dealing. I think you will all recognise that an overseas consultant has an overseas consultant view and a Barbadian expert may have a Barbadian view. Therefore, we have to develop our expertise and we have to be able to hold that expertise in Barbados because this expertise now becomes an international commodity. That man or woman who develops that expertise is employable anywhere in the globe. Sir, bear in mind that Germany has just approved 50 000 or 60 000 work permits from the Indian subcontinent to be able to get software developers into their society. Germany, ladies and gentlemen and Honourable Senators, it is really remarkable.

Sir, when we talk about developing skills, we also have to create the environment to keep those skills in Barbados and to have them work for us. This is extremely important and the busying pace of technological change means that these people have to stay current.

It is truly remarkable what we are looking at in the new century that is before us. It is also very important that the Commission has and maintains an arms length relationship from consumers, regulated firms, business and the Government. In a small society this is difficult to do but it is something that we must attempt to do. This independence has also to be reconciled with accountability and a key element in the development of the Commission is to ensure that the Commission remains accountable to both public and Parliament.

11.50 a.m.

Therefore, to this end, the Commission will be required to publish an annual report that will be laid in Parliament setting out its activities and operations. The accounts of the Commission and the use of funds by the Commission will also be scrutinized by Parliament. Additionally, the Commission has statutory duty to consult with regulated utilities and consumers in the exercise of its powers and to publish guidelines on its functions and powers.

The operations of the Commission must be transparent and it has to have fair, accessible and open procedures. Both the consumers and corporations will be given fullest opportunity to present their views to the Commission before decisions are made. A provision has also been made for private hearings to be held by the Commission to ensure that the Commission can protect the confidentiality of commercially sensitive information or proprietary information of the marketplace and this is as true for a supermarket as it is for a telephone company or for a pizza distributing company. We have to understand that there are trade secrets and that there are specific skills that need to be protected or else we would have a man's hard earned ingenuity stolen away from him to his economic detriment to the benefit of someone else.

The Commission will exercise wide powers over important parts of the economy. It is vital, therefore, to ensure that the Commission is given strong enforcement powers. It will have powers of search and seizure as well as the power to impose fixed penalties on service providers and business enterprises for failure to furnish information. These powers should encourage provision of information and minimize the difficulties inherent with a symmetry of information between the regulator and regulated companies.

In this regard, it comes back to the point of getting the correct staff to man this institution. You have to have the technical competence to be able to ask the right questions. Far too often, previous rate hearings have been stymied by companies answering precisely the right questions but not giving the information that is needed. We need to understand how the company or the system works so that we can extract the information to be able to better understand what is going on within a monopolistic predominant structure.

Mr. President, it is with this background that the Report of the Joint Select Committee on Fair Trading and the Utilities Regulations was developed. The Bills will be

discussed following this debate. I think that this is an important part of our development. It takes into account the great need for greater competition not only in telecommunications but also in the area of generation of power. There needs to be greater flexibility in how utility companies would work so that they can better respond to changing technology, changing consumer demand and becoming more efficient because they are the fundamental inputs to our business activities. Be it the hospitality industry, be it the light industry, be it the distributive trade, they are going to be the engines of growth. They will provide a competitive environment. It is not just all about cost, it is also about the technology being used.

There is a critical need for Barbados to have access to wide bandwidths of telecommunication structures. In this regard, Barbados needs to have access to fibre optic submarine cables that would carry multi-gigabits and ultimately teraflops of information per second. One may say, why Barbados, but as a senior director of a company once told me, 'Barbados does not need advanced technology like that, it is only a developing country.' I said, 'that might be so from your perspective here in London but it is not so from my perspective in Barbados'.

Barbados is as important at international business mode as anywhere else on earth. Therefore, we need to have this broad band capacity so that the true businesses of the future can be done in Barbados and that we can utilize the creative talents of our people with music, art, dance and production of video content to be marketed around the globe.

We are talking about a new economy. Let me illustrate. The value of the steel in the average automobile today is about US$500, the value of the microchips in that same car is about US$850 but the knowledge in that car is more important than the substance. That is what makes it work. This is an everyday car. I am not talking about the top end of automobiles.

Once we understand that the economy is moving to knowledge and that we are designing a new economy, we will need to understand why we have to have competition in the telecommunications market, why we have to have broad band access and why we must have choice. It is vitally important that this takes place as soon as possible but it must be done in a rational and smooth transitional manner.

Mr. President, I think that the passing of this Resolution and the continuing debates that it ensues will go a long way to creating an environment for us to capture the opportunities of the future. This is a very exciting period of time in Barbados. We will not see the results immediately. This is not a Christmas gift or a New Year's happening but within two to three years we will start to see the emergence of business activity which will propel this economy forward which will put us into an environment and will increase and enhance job creation, which will create true entrepreneurial activity and the opportunities for those people with expertise and knowledge not based on any class, race or sex. For women and men, it is an equal opportunity environment. It is an exciting time for Barbados. It is truly a liberating time and I am just sorry that I am not now starting out in business because I think that the future for our young people is an exciting, challenging and rewarding one. However, it is for us to put mechanisms in place to ensure that they benefit in full from this opportunity.

Thank you, Mr. President. I move that this Resolution do now pass.
12.00 noon.

SENATOR C. A. MASCOLL: Mr. President, there is no doubt that this piece of legislation is critical to the future of Barbados but this Administration has a habit of making everything appear to be the most exciting event ever to occur. I recall the approach of the millennium. I recall the ideas to promote Barbados because it is the most easterly Caribbean country and the sun will rise first and therefore we have an opportunity to promote Barbados as a major destination for the millennium. Let me say that the Commission is attempting to bite off too much, that the Fair Trading Commission is attempting to become involved in too many different types of activity and a simple proof of that relates to the so-called independence of the Commission.

Here it is that you have a Commission established to safeguard the interest of consumers to regulate services provided by service providers, monitor and investigate the conduct of service providers and business enterprises and it is not by accident that the word "fair" is used to describe the Commission. It is not by accident. It is because the intent of the Commission is to ensure that the providers of the service would receive adequate returns on their investment while at the same time the intent of the Commission is to safeguard the interest of the consumer.

I therefore am saying that the Commission will find it exceedingly difficult to achieve those two tasks on the one hand safeguarding the interest of the consumer and on the other ensuring a fair rate of return of investment for the providers of the services and whatever else they are asked to do.

To extend that, therefore, I would wish to suggest that perhaps the most vital piece of legislation that will fall under the Commission is the consumer protection legislation and that if the major interests of the Commission would be the fixing of rates to justify fair return on investment then that piece of legislation for consumer protection cannot at the same time be under the direction of

the Fair Trading Commission. It smacks of an inconsistency.

There is a certain degree of trying to play on both sides of the coin, in which case, an issue that really should be determined by the economic forces would have to consider the political expectation of the Government of the day in determining where it lies, that is, we are now saying that the reason for the Commission is to allow the free market to determine where it should be, to allow forces out there the invisible hand to control and decide on the basis of the interaction with demand and supply where prices of different utilities should fall.

If that is so we can accept that the market is going to dictate. How are we going to understand that that same Commission is expected to pursue a political objective of protecting the consumer because that is going to be more a political consideration than a concern of the economic forces.

From the outset the Commission lacks balance, focus, as to precisely what the mandate of the Commission should be and ought to be at this stage. I am calling, as we all should be calling for consumer protection legislation because as far as I know and I have been accused of not being a lawyer, there is only a Sale of Goods Act dated to the nineteenth century which does not protect anybody. The principle of Let the Buyer Beware is employed. Therefore I am suggesting that there is need for substantial consumer legislation in Barbados but that it cannot be under the armpit of the Commission which is looking after other affairs that seem particularly at variance or in conflict with that objective of consumer protection.

As usual, there is some degree of rush in Barbados. There is the attempt to allow Barbadians to understand what it is to own a share and to participate in companies and we have a sudden rush to achieve that objective. We have the establishment of a Commission in which we are being told that there should have been and there will be sectoral studies of various kinds across the economy in order to be able to determine fully where we should be going and various utilities, so that the Commission comes and then the studies will inform the Commission.

I am saying that how could you have decided what would be the responsibilities of the Commission without having pursued the necessary foundation work to inform the Commission of its mandate and its agenda.

Again, although we are seemingly going in the right direction, we are seemingly so prepared to rush and hurry everything because time is not on our side. Time has not been on our side for the last six years because we have failed to make decisions in the interest of this country. I say that because we continue as a country to boast about how much we have been able to achieve over the last six years while when you fully analyze and assess what is happening we are not preparing for the same future that is going to be so challenging to us.

Let me cite one case to demonstrate that before I get down fully into my discussion on this Fair Trading Commission. In 1994, the then Leader of the Opposition who happens now to be Prime Minister of Barbados stated clearly that he had an employment strategy which was focused almost exclusively on the development of the offshore sector or the international business sector in Barbados.

The focus of that presentation in the Budgetary reply utilised information from the then Deputy Governor of the Central Bank, Dr. DeLisle Worrell, who was looking forward and was trying to assess where Barbados should go. He had clearly identified the international financial system of the offshore sector, collectively known, and the use of information technology was identified as a major component of our future Barbados.

That strategy was ignored and we have allowed the offshore sector along with the tourism sector to decline to a point where we can hardly be in a position to retrieve the prospects that obtained in 1994 or so.
12.10 p.m.

In fact, in a recent report from North America the former Deputy Governor of the Central Bank of Barbados identified that we have missed an opportunity in the informatic industry. No one can deny it because rather than go the route of information technology, telecommunications, tourism and services, we have been prepared as a country to go the route of employing numbers in the public sector in Barbados as a response to our failure to deal with preparing the Barbados economy for the challenging future. In a similar vein, we took six years to deal with the WTO agreement. We took six years to implement bound rates. We took six years to look effectively at the effects of globalisation which meant that we provided the manufacturing sector with only four years as apposed to ten years to cope with all the challenges that would attend us as a result of trade liberalisation and globalisation. I am now hearing that this Resolution to establish the Fair Trading Commission is revolutionary. Mr. President, the thought may be revolutionary but the reality is, that once again we have not effectively prepared ourselves for the challenges.

I listened to the Leader of Government Business on the Other Side suggesting that small hoteliers have been able, over the last year or two to increase their occupancy levels from 15% to 75% in the summer and that it might be a direct consequence of the use of the Internet as a marketing

tool. Mr. President, that may be so for a hotel that has four rooms but it is not so for larger hotels because the evidence does not support it either. In fact, over the last three years in Barbados, the same way in which international reserves have declined when you net out borrowing, the tourist expenditure of Barbados has declined, not only in nominal terms but has declined significantly in real terms and it continues to do so. The Central Bank of Barbados publication states that clearly at pages 1 and 2. It says:

> "Long stay tourists incurred expenditure of approximately $1.2 billion was below $1.3 billion recorded in 1998."

Mr. President, when we continue to talk of tourism we have to address the reality that spending in Barbados has declined consistently over the last three years. I am privy to know that small hoteliers do not have the resources or the kind of quantity and quality technology. In fact, it is a major shortcoming of small hoteliers, not that they do not understand the need for it but they just do not have the resources to go into the market as effectively as they would wish in order to promote their product internationally. They have had to rely on tour operators and other people who exploited them over the years and no one can convince me that any magic has attended them as a result of the use of the Internet and that it has translated into an increased occupancy from 15% to 75% in less than two years. It cannot be correct and it is part of the marketing strategy employed, rather than the use of substance, to promote these Resolutions to form a Commission that should help carry us forward. This is part of the overall strategy of this Government. This Government engages skillfully in the use of public relations whenever there is an opportunity to excite the people without providing them with the reality of progress.

Mr. President, I said at the outset that the Commission is attempting to 'mind talk' too much and I am correct on that. First of all, we have, if we are serious, to look at the different kinds of utilities that we have in Barbados. Mr. President, utilities are formed historically out of natural monopolies. In the context of Barbados the provision of electricity would be out of a natural monopoly. In the context of Barbados the provision of water would be a natural monopoly. The change of the world environment towards liberalisation will not make the character of the Barbados Light & Power nor the Barbados Water Authority any different because those natural monopolies will never become international competitors and you must understand that. The Barbados Light & Power cannot store electricity and will never be in a position to compete against St. Lucia Electric Company or any other electric company around the world. The Barbados Water Authority will never be able to compete with any other Water Authority in the Caribbean or any other place around the world.

Mr. President, let us not be fooled that the introduction of globalisation or trade liberalisation means an awful lot to the Barbados Light & Power or to the Barbados Water Authority. On the other hand, telecommunications by definition will engage in competition because you are talking about the movement of information predominately. You are talking about being able to link all across the world so that in that distinction alone the Commission has to be careful that it is not biting off more than it can chew because there are distinctly different entities and ought to be treated distinctly differently. The Commission must not believe that it will ever hold the ability to cope and deal with the several different characteristics of these so-called monopolies. The natural monopoly is the basis for which there is major consideration being given to this question of fairness because we believe somehow that a monopoly will never get the opportunity to compete and, therefore, we are seeking on that basis and that basis alone to deal with the question of fairness. It may be true as it relates to the Barbados Light & Power and the Barbados Water Authority but that is not going to be true of Bartel or Cable Wireless or any such company.

This Commission needs to revisit the intent of the Commission. There is no reason why they cannot be separated because I am saying that particularly with those two monopolies, this Commission is going to find itself between a rock and a hard place. How do we protect the interest of the consumer while ensuring a fair rate of return on the investment for these other entities? Mr. President, nothing is going to change for the Commission because there will still be all kinds of contention as it relates to what fairness is.

Mr. President, the question of fairness. When all is said and done the question of fairness comes down to the price that is offered to the consumer. Mr. Commissioner, whoever he maybe, the political interest which attends the consumer outweighs the rate of return for the provider of that utility in the interest of the politician.
12.20 p.m.

The question of pricing of the utility is of paramount interest to the commission by way of the extension of the tentacles of the political directorate into the running of the commission. I am saying, and I repeat because I need to repeat the point especially for the nurses, that you cannot have a situation in which the commission is seeking on the one hand to get a fair rate of return and still to protect the consumer.

It does not end there. Let me, by the way, demonstrate precisely what I mean. The Barbados Water Authority under the Value Added Tax was exempted, water is exempted from a VAT. It therefore means, Mr. President, that if the Barbados Water Authority incurs any expenditure that includes Value Added Tax it is not in a position to get any credits or any refund from the Value Added Tax office. The Barbados Water Authority therefore has in this environment to absorb the impact of Value Added Tax. If it were a different organisation that was not Government and was not providing a necessary commodity, it would have complained to the authorities to pass on that increased cost in the form of VAT to the consumer.

The question is, what would prevent the Barbados Water Authority from approaching the Fair Trading Commission to justify an increase in water rates because of the incidence of the Value Added Tax over the last four years? The question is, what would prevent, and I repeat, what would prevent the Barbados Water Authority from approaching the Fair Trading Commission to justify an increase in the water rates as a result of the incidence of Value Added Tax in the last three to four years? The answer is there is nothing that can prevent the Barbados Water Authority from approaching the Fair Trading Commission. There is every reason if the Commission is established to do what it is supposed to do that the Barbados Water Authority should see it fit to approach them to justify any such increase.

That fundamental example cannot be disputed. This is not about marketing, this is about the realities of life. Why are you going to change from a utility system that we have had over the years to a market driven system and expect me to expect that things will remain the same? Change does not maintain the *status quo*, it changes, in fact adjust the *status quo*. Sir, that simple example of the Barbados Water Authority, having to scope with the incidence of the Value Added Tax is an example of how a Fair Trading Commission would change the face of pricing of public utilities in Barbados.

What should I say if I were a politician on the Other Side? Should I say that the Commission will ensure increased prices of utilities? Would that be considered a purely political point or having demonstrated that it is a fact of life which the Barbados Water Authority would have to cope with. Could I conclude, without any political persuasion that in fact prices of water and other utilities will have to increase? If that is the conclusion, logically reached, then I am justified in my argument in looking to the future not with great expectation for the consumer but with the understanding that the consumer must now look to pay the real price rather than a price subsidised by Government. Fair trading would mean in many respects adjusting to market forces and if that is the case then fair trading must mean increase prices of utilities in Barbados.

How else could you explain, almost overnight, a seal of a major utility company in Barbados having the confidence to go public in his pronouncements on whether there would be metered calls or the maintenance of what we now have. What would have inspired us to be so confident all of a sudden? A man not known for his pronouncements at all to have this overnight rush to come and say, you know we are considering and we have more or less have been given the assurance that there will be metered calls in Barbados.

I do not know what it is. All I can say is that, perhaps, that policy decisions are now also being determined by the market, so that policy makers in Barbados do not now have the weight. They can look at the forces of supply and demand and whether they are private policy or public policy makers, they can make judgement because all of us are being consumed by the forces of the market.

What makes now, therefore, the politician different from the private sector man? What makes him different? One is in pursuit of profit, the other is in pursuit of power, one is in pursuit of a vote, the other is in pursuit of a dollar.

The thing, therefore, Mr. President, is how do you know to distinguish between the two when the market forces now come to bear on decision making in the way of which they will in the future? The distinguishing feature was once again to be the treatment of the voter. It is the only thing now that will really distinguish a private sector decision maker from a public sector decision maker. In short, globalisation and trade liberalisation will remove the mystique of the political decision maker. Even the political decision maker is now exposed to the forces of the market and this is precisely what we are witnessing here with this thing called Fair Trading Commission.

It is not coincidental, it is not by accident that we are considering the Public Utilities Board to be archaic, it is because the forces of the market are finally acting upon us in a way that we cannot escape. So much so that the confidence which I suggested that this particular CEO now has, may very much be a result of a *qui quid pro* where the shortened licenced period of that monopoly might have been the direct result of some commitment to going the route of metered calls. On the one hand we have a situation in which we do not have to wait for an extended period for a monopoly to be dismantled because of ...

SENATOR THE HON. P. C. GODDARD: On a point of issue, Mr. President. It is very clear that any request for a rate change would have to go before the Fair Trading Commission. Therefore, it is inappropriate to suggest that a commitment has been given prior to the Fair Trading Commission being established and therefore I think that the Honourable Senator ought to withdraw those remarks.

12.30 p.m.

SENATOR C. A. MASCOLL: Mr. President, I understand the intervention, for what it is worth, an attempt to slow me down, but, I will not be slowed down.

Mr. PRESIDENT: I think, Senator, that you should put the best structure of the intervention of the Honourable Leader of the House.

He rose on a point of order, and, you are at liberty to respond to it, rather than casting aspersions on his motives.

SENATOR C. A. MASCOLL: Mr. President, I will adhere. I will agree, totally, that his intention is honourable.

Mr. President, I am suggesting, therefore, that the future of Barbados, would be caught in this kind of matter. That is, the public decision makers, are, for the most part, will be giving and taking. That is what the world has become.

The World Trade Organisation, Trading Liberalisation, Globalisation – they are all principals. The tenets of those organisations are really contrary in spirit of democratic socialism, as we have practiced over the last thirty or forty years in the Caribbean. They are really contrary.

We have promoted good government, we have promoted the provision of social services, we have promoted almost leaders who, in many respect, seem to be even more powerful than the President of the United States of America.

That is the impression that we have given for years. When you look back at the history, you can conclude that they have been more powerful. Many of them have been far more intelligent, and far more intellectual than the President of the United States of America.

This new environment is presenting for us, all kinds of new challenges, where we even have now to question the very tenets upon which political parties perform in the earlier part of the last century.

Let me go on therefore, to look at the other areas of telecommunication. As I said earlier, telecommunication is a different creature altogether, because it can be said that they will have to compete globally and they have to.

As I said, it cannot be said, that Barbados Light and Power, or the Barbados Water Authority will have to compete globally. They are going to be confined to this State. Unless of course, they attempt to go regional.

If they go regional, that makes it more difficult, having to cope with the land space, and sea space, and cost of, say, the provision of something like electricity.

If you were to study the European experience, you will see that rates are established all about Europe, and there are all kinds of Europeanisation of the delivery of electricity, because, it is such a large structure, but countries share. We would not be in a position with other regions to go that route.

So, we cannot Caribbeanise electricity or water, as the Europeans have done.

Now, let me look at another aspect. While having said that, let me look at something that is possible. Electricity can be delivered from solar energy. It can be delivered from wind energy, and, we have not, even in this legislation, as far as I am concerned, given sufficient attention to that possibility, or reality, or reality in the future.

So that while I have said that we will never see, in my lifetime, I think, the electricity company, The Barbados Light and Power having to compete globally, there is nothing that can prevent, in the future, the upsurgence of solar water heater, or wind energy – which we have tried in the past, but, we have not been able to deal with it extensively.

Now, an attending factor to that electricity thing, again, without even recognition of it, is something called "powering", and if you recognise something in Barbados, that, whenever oil prices look as if they are going to go through the roof, you can possibly expect the Permanent Secretary, in the Ministry of Finance, to come and say "we have recently, agreed, in principle, to bring a partner from overseas, and calls it venture capital, who would provide the venture capital, and we are going to explore fully, the offshore possibilities of oil, in Barbados". When the prices go back down to $20.00, it goes through the eddoes.

I say that, to say, that, again, that is related, as much as it seems to be peripheral to this issue, it is related because the Commission is also going to be in charge of natural gas.

As the former good Chairman of the Barbados National Oil Company will know that natural gas and oil, will come together.

I am saying, that, when you look at the future, therefore, even in the determination of the price of the natural gas, whether it is there, or not, oil exploration would have implications, for the pricing of natural gas.

All these things now, Mr. President, are very complexed, you know. They are very complexed. What happen is that we have gone ahead, and, we are seeking to establish a Commission, without having studied the various sectors.

I am saying that, perhaps, again, we have gone "cart before horse". We are anxious, because it is really about how do we show that we are doing something meaningful, in the interest of the average Barbadian. That is where the problem is, because, while the Commission is about the pricing of the utilities, we are seeing, and, I repeat, I have no choice but to repeat, that there is still the desire to stick to consumer protection legislation, under the Commission, so as to appeal to the average Barbadian.

It is a political motive. It is a political thing, because you cannot appear, in the Commission, to be on the side of the Public Utilities.

I am saying, the coming together of the two is not logically consistent. Not logically consistent. It does not stop there. This thing gets very, very complicated. Mr. President, as I said in the opening preamble, what really do we mean by "fair"? Who are we being "fair" to? Are we being "fair" to the provider, or the user of the utility.

Now, there is no doubt, at all, in my mind, that the cost of Internet services in Barbados, are too high. Perhaps, one of the major deterrents to the establishment of the off-shore sector in Barbados, that portion that relates to that, could have been, or might have been, the excessive costs of the utilities. Then, also, the ability to supply.

In fact, I am not into this area of E-commerce, but, one does not need any special monopoly of knowledge, but, let me say that E-Commerce, now, is being rooted as a major opportunity to Barbadians, and Caribbean people, alike.

Yes, it has to be, but we all know that even to have to set up an account on the Internet, if you are going to pursue E-Commerce, it is a major hazzard in Barbados.

So, that, if I wanted to sell – it is true. If I wanted to sell a local product, even to establish a foreign currency account, to get a number, to allow an European to put his visa card account number in place, and for him to transfer money from his account to mine, somewhere, there is a problem, even as we speak. So that little thing constitutes a major problem, to the establishment of E-Commerce in Barbados.

Mr. President, this thing gets particularly difficult when we look to the future.

Let us look at the commercial banking system. Do we know that the present cost is in excess of one dollar per transaction in Barbados.

In the United States of America, the transactionary cost has been reduced to much less than five cents, per transaction, as a result of technology?

Even in an area, like commercial banking, where it may seem unrelated to this exercise, but it has to be a major component of it, because all the major utilities services have to deal with this transaction and there has to be facilities, facilitated through a commercial banking system. That too, has severe implications for the overall pricing policies of the Commission that is proposed. It gets complicated.
12.40 p.m.

Sir, having said that, how then do you attempt to constitute the Fair Trading Commission? Where are you going to find the expertise? Barbados? Do you honestly feel that all of these resources will be found in Barbados? Who should be in charge of the Commission?

Sir, do you know what happens, we are always told in these instances that a legal mind is best prepared for these kinds of tasks. Now that may not necessarily be the case but there is a bias in this society as we all know, even for the heading of Commissions such as these that legal expertise would outweigh every other kind of expertise that we can think of.

The problem with that is that even if you find them, what sort of experience would they be able to bring to this found thing called the Fair Trading Commission? Then, in all fairness, how do you staff the Commission? Having not dealt with the pricing or having had a situation in which public utilities for years have determined the price and it was just a question of going and listening to hearings and discussing depreciation and other things and how because putting aside a whole set of money in an account called 'the reserve', how do you now get the appropriate staff to look at the several different dimensions of public utilities that they would have to attend to in the future?

If you do not want to agree with me that the Commission's task seems to be too large, then you have to have very good departments of this Commission to deal with specific areas of expertise: telecommunications, electricity pricing and Barbados Water Authority pricing and all these other different facets. Listen, Sir, do you know in a very strange way that this becomes even more complicated than the previous Public Utilities Board?

Sir, so that while you may hear talk that the late very Honourable Wendell McClean might have spent too much time discussing this at BARTEL and it became exceedingly burdensome with a financial cost to companies, who is now going to determine the fairness of the price? The Commissioner? And how will it really be determined, Mr. President? When the Commissioner listens to evidence from both sides, is he not going to be equally bombarded with information? What will he be able to use from the past?

The irony of all this is that he still has to revisit the Public Utilities Board's hearings because you cannot make a decision in this time period about the pricing of electricity or telephone rates or any such thing, without looking at the historical realities of the utility companies so you have to revisit.

The question is, since that is necessary, would the Commission consider putting all of that information from the past into files that would make it easy to reference? That is, there has to be reference material for proper decision-making on the question of fairness of price of the various utilities and the past hearings must be the basis upon which fairness has to be determined.

If you do not do it that way, it means that you are going to be completely revisiting the whole question of the pricing of utilities in Barbados. How do you then for the first time decide to use a completely different model in the need and the quest to arrive at a fair price? It is complex. It is a very difficult task ahead but it is made to seem easy and it reminds me the 'made simple' books that we get in accounts and economics and other things, everything made simple. When you look at it the underlying principles are the same as in all other books so you still need to have the principles explained. This is made to seem simple.

It is just a question of sticking the Public Utilities Act and the Fair Trading Act of 2000, under one umbrella and then at some subsequent stage, introducing the Consumer Protection Act and that now constitutes this new found Commission that would solve all the problems in public utilities pricing in Barbados.

Mr. President, I must confess that when I first looked at it, there was a certain degree of innocence but then when I actually perused the pages of the documents presented to me, it became quite clear that the Commission is biting off more than it can chew.

Sir, I will end on these notes. This Commission is expected to set maximum rates for public utilities' services and it has to do so in light of the fact that market forces for the first time will be used to fully determine the pricing of public utilities in Barbados. There is no other way that it can be done because if we have accepted that Barbados' water rates have been kept low because of political intervention, if we have accepted that electricity, for whatever reason, has been kept low because of political intervention, if we have accepted that we have been able to exercise some degree of control over telephone calls and the payment of bills for whatever reason, over the years, then why should we now accept that the change to a commission is going to mean, the market price would have to be the guided principle in this new globalized environment. If that is so, it means simply that the prices now for the consumer will have to be higher.

Sir, the Government side does not want to say that because that is not good politics. It is not good to say that the Fair Trading Commission will result in higher prices to the consumer. Why should you say that and how could you say that, when that would cause all kinds of political discussion about Barbados. What else could you conclude other than that there will be increased prices of utility services in Barbados.

It is the only reasonable thing to conclude and we have accepted that across the length and breadth of Barbados. We have accepted that consumer prices all over, we have accepted that the real estate market now reflects the real value, we have accepted that land prices have gone where they have gone because of the freeness of the market, that is, you allow foreigners and everybody to come and purchase at whatever price and what is there that is going to prevent public utility services from being priced the way the market will determine? What will prevent it? There is nothing to prevent that from happening, but there it is not a case in point where the establishment of the Commission is going to lead to any reduced prices of public utility services in Barbados.

12.50 p.m.

It cannot, that will be contrary to everything else. All that we are told by the Barbados Telephone Company Limited and Cable and Wireless is that foreign calls are down, but do we know why they are down? I am not an engineer but it is very simple, they are down because of globalisation. If you are going to call someone in the United States of America, you have immediately entered into the international market.

Asides.

Mr. PRESIDENT: Order, please!

SENATOR C. A. MASCOLL: Therefore, once you begin to compete out there, offshore, the forces of demand and supply would ensure that prices will fall so there is no other reason for the reduction in the price of foreign calls in Barbados. Similarly, that is why you can expect local calls to reduce. That is just a question of local versus international. It is just a question of competition versus no competition. Once you get competition, even by taking up your telephone and calling overseas, there is every reason to expect why foreign calls would be reduced in price. That is as simple as 1, 2, 3. There is no other explanation for it. Therefore, all the talk that the experts of Cable and Wireless are bringing is nothing but pretty talk. When you go out there, the forces of supply and demand will drive down your prices and Cable and Wireless has no other reason for that. The difference between a local call and a foreign call is that when you pick up your telephone and call internationally you are calling in the competitor's

arena and, therefore, calls have to reflect that. Do not tell me no. That is the reality of globalisation, Mr. President. That is what it is.

In fact, on my feet, I have just now recognised in short what is happening in Barbados but let me end on this note. There would be some in this Chamber who may have difficulty in this debate because as far as I know in life self-interest always comes first and there are all kinds of justifications when you are promoting your own that you can use to do so. I will sit, Mr. President, and expect and anticipate that there may be some kind of tension. It would not be the confluence of ideas that we have seen over the years but there will be some kind of tension as a result of that self-interest being paramount.

Cable and Wireless has had its days. It is time for more competition to prolong prices. The Barbados Light and Power will never have to confront us. The Barbados Water Authority will never have to confront that. Unfortunately, for Cable and Wireless, they will have to confront that and it is in the interest of this country that they do confront it so there is nothing wrong with that. That simple distinction is the basis upon which I am asking for the Commission's mandate to be revisited, because I am saying that you have to be, on the basis of natural monopoly, dealing exclusively with the local market and other kinds of monopolies, which are not natural, which have to deal with the international market. That should be the major distinction in terms of determining what kinds of services are placed under the Commission and what are not. It has to do with nothing else.

As I conclude, the other major thing is that you cannot have a Commission that is seeking to give a fair rate of return on an investment and still be dealing with the protection of the consumer. We will deal exclusively with that or at length with that when the Act comes to this Parliament.

Another thing is this. I am being asked in this particular debate to understand that the Commission would some day include consumer protection legislation so that I am more or less hamstrung because the Commission is being established with the understanding that the consumer protection legislation would come so when it comes, what difference will my contribution make. Even if I hold a position that it should not be there, I have agreed more or less in principle having had this debate that it should be there when it should not be there.

That leads me to conclude once more that part of the problem with this Honourable Chamber is that even when it is obvious from what is being done should be amended, there is absolutely no amendment.

I thank you, Mr. President.

SUSPENSION OF SITTING

SENATOR THE HON. P. C. GODDARD, Mr. President, I beg to move that this Sitting be suspended for one hour and we will resume at 2 o'clock.

The question that the Sitting do now suspend until 2.00 p.m. today was put to the Senate and agreed to. Mr. President suspended the Sitting accordingly.

1.00 p.m.

RESUMPTION

Mr. PRESIDENT: This Sitting is resumed.

SENATOR THE HON. DAME PATRICIA SYMMONDS: Mr. President, if we are to contend successfully with the challenges faced regionally and internationally brought about by globalization, and if the capacity of our productive sectors is to be built to ensure Barbados' sustainable development in the long-term, there must be a new regulatory environment that facilitates the growth of commerce and also safeguards the interests of consumers.

In this respect, there is no inconsistency and in my opinion it is a fair, balanced perspective. In addition to this, our productive sectors must be able not only to be more productive but to be efficient and I think that has to be stressed. In order to compete and thrive certain factors have to be tackled. For instance, the absence of real market forces and the abuse of the dominant positions held by monopolies and oligopolies, a word I find difficult to pronounce and secondly the cost of doing business, particularly the cost of utility services which are provided by monopolies. These often hinder entry into the market by some enterprises thereby marginalising or shutting out a number of willing businesses and consequently extending the interest of consumers.

On careful reflection, Mr. President, one would realise that there is very little regulation in Barbados with regard to commercial activity and I speak with some experience having been on the Public Utilities Board for seven years, albeit it was several years ago and the Public Utilities Board was established in 1955, but it deals with applications for rate hearings by only two utility companies, as we all know, Cable & Wireless BARTEL and the Barbados Light and Power Company Limited. The present system of regulating is patently inadequate when considering the best practices in other regulatory systems. I have to emphasize that the PUB can only set rates and its members are handicapped by having to fix rates by reference to criteria that guarantee a fair return to the utility. The utilities are not obliged to increase efficiency and the increases in operating costs are passed on to the consumer

and that is one of the factors which must be considered when looking at this Report.

Utility planning and regulation, as the Leader pointed out, have undergone changes in many other countries and Barbados must keep up with modern practices. It has to be pointed out that under the Fair Trading Commission there will be a gradual move from the current rate of return regulation to new incentives compatible with rate setting mechanisms such as profit sharing. More important, Mr. President, instead of increases being borne by the consumers as happens at present under incentive compatible rate setting regulations any such increases will have to be borne by the shareholders. Again, and this is very important, and I must say that this is something that I used to feel when I was a member of the Public Utilities Board that it has no sharply defined powers or, as the Senate Leader said, it has no teeth when it comes to the regulation of service standards or responding to customer complaints and concerns. This flaw will be remedied by the Fair Trading Commission because the quality of service is of major importance.

People sometimes complain that service is interrupted and of course no consequential reparation or payment. There are times, too, when service is disrupted without notice and where there are monopolies one has no option. It seems irrational that only two companies should be regulated. There is no reasonable explanation for this and therefore, as has been pointed out, the Fair Trading Commission will have responsibility for the Barbados Water Authority, the National Petroleum Corporation and the Transport Board.

I think, too, that another advantage will be the expansion of the Board and its responsibility. I know that there has been a query about that and that has been challenged by the previous speaker as to how that can be implemented but the Public Utilities Board will employ full-time staff, professional staff, doctors, lawyers, economists, accountants, engineers and persons qualified in customer service. I think that that too is very important.

There will be equal opportunity in the business arena both by the consumer and by the business sector. I think in New Zealand it is referred to as light-handed regulation and the intention is to open markets to guard against excessive concentration of economic power and to provide for competition and rivalry in markets.

The composition of the Commission seems to me to be very reasonable and one that is practicable and the establishment of the Fair Trading Commission is crucial at this stage in the development of the economy and it is anticipated that significant benefits will result. It is nothing rushed, nothing hurried. It is being done with both the consumer and the business sector in mind.

Therefore, with these few words, Mr. President, I wish to say that I am very pleased to support the Resolution.

Thank you.

SENATOR Mrs. P. E. RICKINSON: Mr. President, I rise to support the Resolution but there is a query I have here. I do not know if it is a typographical error. Page 22, section 45(2) under Part VI: Miscellaneous. It says on the third line every director and officer of the service provider or business enterprise shall be liable to summary conviction to a fine of $50 000 or imprisonment. That is if they do not conform to the law.

When it comes to the Utilities on page 70, Part VII it says every director or officer of the service provider is guilty of an offence. The one on the Utilities seems more feasible because to me it says that the directors are responsible for the running of the business and in the absence of having directors if there is an officer responsible for running the business the person is guilty. In the other one, it seems to me that everybody seems to be guilty who are part of the Commission if they do not conform to the laws. I would like to get some clarification on that matter.

My area of interest in this Bill was really as consumer protection but reading and re-reading the Bill I realise that that is yet to come. The legislation specifically dealing with consumers is yet to come. This does deal with consumers, in that they are consumers of water, sewerage project, electricity *et cetera* but not the other large part of consumerism that I had anticipated.

Like Senator Mascoll, I see the objective of safeguarding the interest of the consumer and also making enough money to run the business as competing against each other in my humble opinion. I am not so sure how it is going to be achieved because on one side of the coin the organisation must make enough money to pay its way and on the other side of the coin there is the consumer who would like medium type of prices to pay for the good be it sewerage or whatever.

In connection with sewerage and water, I query putting water under this Fair Trading Commission.
2.10 p.m.

Mr. President, I feel that we should aim to have water in every home. I do not know if the Fair Trading Commission could regulate the Barbados Water Authority so that it makes profit and also make sure that every home has running water. If every home does not have running water there should be a stand pipe at least fifteen metres apart so that at least every person has access to running water.

While I am on this topic, Mr. President, I would like to quote from the Global Book of Diseases:

> "Some of the factors contributing to diseases worldwide are malnutrition, poor water, sanitation, hygiene, unsafe sex, alcohol, tobacco and occupation."

Mr. President, malnutrition and poor sanitation contributed to one quarter of the diseases and this was expected to drop by the year 2020. I hope in the interest of having this dropped, we would have water in every home throughout Barbados.

Mr. President, I would like to ask if water is going to be part of the Fair Trading Commission and if there is a plan to privatise the supply of water and the sewage services? Mr. President, electricity is privatised, telecommunication is privatised and, are we planning to go the same route with water and the sewerage system? I would like to know about that, particularly the sewerage services, since it comes under the Fair Trading Commission.

We have a sewerage system that presently serves Bridgetown and we have had great difficulty in getting all the houses connected to this sewerage system. We have the South Coast Sewerage System which has not yet been completed and we still have to have all the pipes connected. We are planning for the West Coast Sewerage System which will also have to be connected.

I am trying to find out if this Commission will safeguard the interests of consumers since it is in the interest of both consumers and the national health to have suck-wells for all homes and for hotels to have treatment plants in order to get away from pit latrines. Mr. President, there is a cost to providing all these things and I want to know if the Government will bear the cost or if the consumer will bear the cost? If the consumer has to bear the cost will the sewerage supply services, which people have to pay, be increased in order to provide these services in the interest of the consumer?

Mr. President, I am glad that no decision has been made to meter the rates. I sincerely hope that this does not come to pass in the near future since in my view we have an aging population and many elderly people depend on the telephone for companionship. These elderly people have a system where they will call someone, rest, and then call someone else. If the rates are metered then the Ministry of Social Transformation will have to try and find other ways to combat the loneliness of these elderly people.

Asides.

SENATOR Mrs. P. E. RICKINSON: People say that if rates are metered they will be cheaper. I do not know, maybe they are cheaper for people who do not want to use the telephone very often but as I have said, the elderly really depends on the telephone for companionship.

Mr. President, I would like to query written and old complaints by consumers on page 19. I would like to see us moving towards video and tape complaints rather than relying just on someone to write what you have said, reading it back to you and signing it. The technology is there and I hope we can move into the area where there are videos and tape complaints from consumers.

Mr. President, I notice on page 22 that the magistrate might issue a search warrant for a member of the Commission to visit people to look at books with or without the police. Do you really want Members of the Commission going into people's home alone asking for documents? Would it not be better to have them accompanied by another Member of the Commission as a witness or better still by a police officer? I wonder if that is really what is needed? Do we really want members of the Commission going into people's homes alone asking for documents? Would it not be better to have them being accompanied by another member of the Commission, somebody who would be a witness or better still by a police officer if they are going to search someone's house to look for documents *et cetera*?
2.20 p.m.

Another area that I would like to query is on page 10 of the Utilities Bill where it says that the Commission can low the rate for charitable organisations and disadvantaged persons. When I read the clause that they can low the rates for charitable organisations or disadvantaged persons, maybe, this is one way of marrying the two that they do not compete against each other so that the disadvantaged could lower rates of water, electricity, the sewer *et cetera*. This would be acceptable to me as a person.

An area that I like is on page 13 of the Utilities Bill in the area of conduits because they are always digging up our roads and I sincerely hope that they can all use one conduit as written in the law so that we would not have everybody digging up the roads and when they do have to lay conduits that they lay them at the side of the road and make them big enough that everybody can use them.

One area of the Utilities Bill is on page 14 where the court could appoint an administrator to manage the business. Mr. President, which sounds good but if the court wants to appoint an administrator they would need an administrator immediately, not next year or three or four months so that we can search for someone to bring in to run the business because the skills will be limited unless we employ the use of retired persons. That is the only query that I have on page 14.

There are two other queries where the utility can be exempted. The legislation reads to me as though if you

feel you have competition you are not coming under the Fair Trading Commission. I do not know if I am reading it wrong or if you do not then you will be regulated by the Fair Trading Commission. Is it that regulation will only come into play if there is not enough competition or is it that all of these utilities will come under the Fair Trading Commission? I am not sure what that means.

My last topic is on page 19, the Minister can override the Commission. The Bill is an excellent Bill. You have a high-powered Commission set up to do things and then there is a clause allowing the Minister to override the advice of the Commission. I do not feel that is right. Maybe the law says that the Minister must be able to do that. If you are going to spend so much time setting up such a high-powered Commission, I feel that clause should be omitted.

With that, I support the Bill.

SENATOR Sir JOHN STANLEY GODDARD: Mr. President I had the honour to serve as one of the Representatives of the Senate on the Joint Select Committee. I think that it might be useful to summarise how that Committee functioned for the benefit of the Members here.

It was established in September, 2000 and the Other Place had six representatives and the Senate appointed five. A quorum required three from the Other Place and two from the Senate. There were six meetings and two of those meetings were formal, the first and the last. The meetings in between were informal and the reason for that was because of a lack of a quorum. You would be pleased to hear, Sir, that the Senate always provided sufficiently for a quorum, the deficiency came from the Other Place.

The meetings were held in this Chamber. The Members of the Joint Select Committee sat over there and those persons who wished to make oral or written submissions sat on this side. They made their presentations and they were questioned for clarification or whatever comments. I think that all those meetings went well and they served a very useful purpose. You will notice, Sir, that a large number of amendments, both the Fair Trading Bill and the Utilities Regulation – most of those arose out of the discussions we had in here with those who had made submissions and then discussions within the Joint Select Committee itself.

My disappointment, Sir, and I must register it, is that of the six meetings only two could find a quorum. Every meeting was scheduled to start at 2 o'clock, it never started until 2.30 p.m. The business of Parliament is serious business and it must be treated seriously. To me there was no excuse for that, people whom we had invited to make presentations were standing outside waiting and then suddenly having to decide that we do not have a quorum but in any case we will invite them in so that they will have the opportunity of making their presentations.

I raised this point in this connection because each time that I have had the honor to serve in this Senate, comments have been made that there is a need for more parliamentary Committees. We have certain Committees now and few if any function effectively. Whereas these Committees operate in the United States, Britain and Jamaica, I am told, I do not know that we are ready for that, given the way that we seem to perform or not to perform when a committee has been appointed. This is a very important piece of legislation and I think that it was right and proper that it should have been referred to a Joint Select Committee of both Houses. These Committees have to take their assignments seriously. If you accept to serve on a committee, you are expected to serve on that committee. Certain members attended none of the meetings.
2.30 p.m.

The fact is that we have Parliamentarians on a part-time basis, only the Members of Cabinet are full-time. Maybe, it is impractical for it to be otherwise. An analysis of this would have to be done in much greater depth. All I am saying is that on the basis of how we function at present in our approach to our Parliamentary business, it is not encouraging to see that the work of Parliamentary Committees though constructive is not taken more seriously I believe there is a need and a role for them and in any serious bit of legislation, such as this Fair Trading Bill I support the resolution, Sir.

The Fair Trading Commission is nothing new. I went on the Internet, and, I was amazed at how many countries already have a Fair Trading Commission. We can learn from their experience and check their systems with ours.

One of the submissions that were made to us, in the Committee, was to the effect that it did not seem that the public sector would be bound by it and that this Bill applies to the private sector only. I am not sure if that is correct, or not. I do hope it is not, Sir.

The President of the Chamber of Commerce and Industry said that there were two entities in which Government had a substantial interest, and both of those entities rented space at the Grantley Adams International Airport in the duty-free shops, and that he hopes that they will have to compete with the private sector in the future if those tenders were to be awarded to them. The implication was that they were given special consideration.

When this becomes the Fair Trading Act, it must be the Fair Trading Act for the whole country. I do not see why the public sector should have any preference whatsoever over members of the private sector in that regard.

I also had questioned the supply of public ground transportation services. It was in one of the original drafts, but, I think it has been deleted.

My interpretation of that is that many buses and ZR vans fall outside of this legislation.

I believe, I was told, that there is legislation coming down to deal with that. If that is so, Sir, I will accept that, but, I see no reason why they should enjoy any special privilege. Finally,

TELECOMMUNICATIONS

The Utilities Regulation Act covers a range of services as defined in schedule (2)

1. The supply and distribution of electricity.

2. The supply and distribution of water.

3. The supply of sewage services.

4. The supply of local communications.

5. Supply of international communication services.

6. Supply or distribution of natural gas.

Referring to technological, I refer, Sir, to the rapid technological advances in telecommunication.

While I do not see a need for having a special, separate Bill to deal with that, I believe that they will require more special attention, than any of the other areas that would be covered by this legislation.

Sir, with those few remarks, I close. I thank you, Sir.

SENATOR J. E. D. WILLIAMS: Thank you very much, Mr. President.

In rising, of course, to speak to and support this resolution, I would first like to begin by making in the interest of full disclosure and fairness, the point that I have worked in telecommunication for over thirty years. I have worked for what people referred to as a "monopoly company" and indeed, I still work for what is referred to as a "monopoly company".

I do not want, Mr. President, my comments to be construed as the comments of the company, in which I work, but, indeed, my comments as a Senator, in this Honourable Chamber.

It is particularly important because for example, when Senator the Honourable P. C. Goddard introduced the resolution, he did make a number of comments – some associated with persons within the organisation. Therefore, too, I would have a view, and, as Senator Goddard knows, normally, my view gels with his own, but, there are also times when there are points of departure.

This resolution, Mr. President, and, indeed, the Fair Trading Commission's efforts, to my mind, represents real fundamental and revolutionary legislations, in this country.

For example, in the case of the Public Utilities Board, the emphasis, up until now, has always been on cost. Looking at cost, and based on the arguments advanced by the provider, seek to offer the provider a fair rate of return on his investment.

The area that was not addressed has been the whole issue of efficiency, and, I think if there is one good thing that is going to come out of this resolution, is the fact that, in the future, equal emphasis is going to be placed on determining costs, as well as direct focus and attention being given to ensuring that all operations operate in the most cost-effective and efficient way, possible. I think that, to my mind, is revolutionary.

There are a lot of things that are driving that. Also, important, as well, is the fact that real attention is being given to consumer protection, and, for the first time, in a way, that it now becomes codified in law.

At the outset also, I like Senator P. C. Goddard who introduced the resolution, I too would like to thank personally all those persons who would have assisted the Ministries, the Government and their efforts, in arriving at the Draft legislation that we have because, I think the greatest transparency was given to the process in developing the legislation, in a way that the public at the end of the day, would feel satisfied, in its mind, that if everything was done possible to ensure that we have the very best legislation before us.

I would want to say that, again, in any legislation that is brought, not every one is going to be totally satisfied with every aspect of it, but, I believe that the fundamental things, the real issues that have plagued, even the regulation of the utility services, and so on, those issues have been addressed, by way of this legislation.

We also have of course, the placing of it in context. There are a number of things that have been happening around us. We keep referring to the World Trade Organisation, and the fact that that regime has replaced the old regime in the way that trade is being done these days, but, it is also true to say, that the World Trade Organisation continues to press companies and governments, and so on, to move to ensuring that prices move towards costs. That is key, and fundamental.

The World Trade Organisation is simply saying if you are going to price a service or product, make sure that it moves towards the cost of providing that service.

Later in my presentation you will understand that, therefore, we have to come to grips with some other fundamental issue. For example, even when it comes to the whole question of the pricing of telecommunication services.

We also have seen tremendous efforts, led by our own Prime Minister, in trying to establish a Caricom Single Market and Economy.

This of course, seeks to coordinate and address the movement of goods and services within the region. Ensuring of course, that we do not continue in the 'business as usual' mode.
2.40 p.m.

We also, Mr. President, have had tremendous changes in our tariffs or tax systems. We had, for example, broadened our tax base with the introduction of the Value Added Tax system but all of these things have been done in a very sensible manner and to my mind, that underscores the reason why we have reaped the successes that we have.

I listened to Senator Mascoll having tremendous concern as to where the resources and skills will come from for the Fair Trading Commission to achieve its objectives, to be efficient and to be able to carry out their operations. You know what is amazing is that on the outset of the introduction of the Value Added Tax system because of its complexity and so on, there were similar areas of concern about where these resources are going to come from. We have observed that you have introduced it, having taken the time with it, looking at it diligently and not rushing it and the only comments that are made these days are that it has been successful and the monies ought to be used for this and for that and so on.

I am satisfied that we have the skills in this little country. We have the people with the skills and we are going to attract the kinds of human resources that will enable the Fair Trading Commission (FTC) to get on with its job.

Therefore if globalization is saying to us that it cannot be 'business as usual' and that we must get on with the business of making sure that our environment is as business friendly and business accommodating as possible, hence it is an absolute must for us to have a Fair Trading Commission in the format as is being proposed by the Government.

Sir, on the whole question of the cost of doing business, I am certain that Senator Sir John Goddard will agree with me that one of the things an investor will always look at carefully and critically is the cost of doing business. Therefore, on the one hand you can have all these international agencies and institutions guiding and offering the way forward but we too have to begin to address it in a real way, hence, the Fair Trading Commission.

Mr. President, we really need to look at those things that we have at present. I am glad that the Bill is going to address three basic themes: The consumer protection, price fixing mechanisms which I will speak a little bit about and establishing the rules for free and fair competition in Barbados.

The approach by the Government and the Ministry must also be commended because in looking at what we have, and the way forward, the Government saw it fit and appropriate to have a careful review. For example, the work of the Public Utilities Board (PUB) and that was done with the assistance of London Economics where they made a number of recommendations for the improvement and functioning of utility regulations. Sir, out of those kinds of consultations, hence we arrive at the Fair Trading Commission.

Therefore, the FTC is going to be intrinsic to everything that we do to our basic existence and it will bring about of course, to my mind, fundamental and radical change in the way things are done now in Barbados. The FTC is intended to be a people's organisation, looking after people issues, looking after the concerns of the public, the consumers, business people, making sure that an investor is able to get a fair return on his investment but making sure at the same time that the consumer is protected and there is clear order to the determination of prices and so on.

Quite naturally, Mr. President, utilities will play a significant part. I firmly believe that once there is a monopoly operating that there would always be need for regulation. That is my view. I believe part of the price for any entity to enjoy monopoly status on the one hand must have some kind of regulation on the other.

I believe that what you will find and what you do find where monopolies find themselves having to compete, the level of regulation diminishes as competition becomes greater. Hence, you will find that whereas in the beginning the FTC probably will have to demonstrate greater control and involvement. You will find that that involvement will gradually diminish as there is greater competition in whatever area of production.

The current legislation governing monopolies, has been in existence for the last 45 years or more. Quite naturally, lots would have changed since then. These are days where we need to make decisions and make decisions quickly. I believe that our experience with the PUB has been almost a painful one because it has always been a very long time-consuming and costly exercise.

I think decisions can be made quicker and at less cost to the consumer. Sir, remember, particularly in the case of rate hearings that we have experiences with the PUB, we have had one particular case Mr. President, where that rate hearing lasted 37 days. There were some 3 426 pages of transcripts. There were 12 witnesses called. There were 190 exhibits. The initial hearing costed approximately $2.5 million but then you had other reviews that costed $376 000. Then, it went to the High Court and that costed $350 000. At the end of it, the cost of that rate hearing was almost $3.5 million and one may believe that that cost was borne "by the company".

I said to you, Mr. President, that the focus has always been on cost. Determine what the cost is and then peg the price of the service. Therefore, that $3.5 million went into determining what the cost was and that cost then was borne by the consumer.

Aside.

SENATOR J. E. D. WILLIAMS: That is the way that it is because the focus of the PUB, up until now, was not a question of efficiency but offering a company a fair rate of return. There is no company, to my mind, that would want to have to go through such a long exercise and process to arrive at a cost while there are certain services that you want to offer that you cannot and at the end of the day, that money now is being passed on to the consumer. I believe that those experiences will be things of the past.

In the future, Mr. President, for example a company that wants to make changes to its prices will be required to set out the reasons clearly, in advance, to the Commission and the Commission will also stipulate whatever information it considers appropriate and necessary to be in a position at the end of the day, to make a fair and reasonable decision. The hearings therefore will, and must be at streamline. Therefore, the hearings will and must be streamlined.
2.50 p.m.

As we know it, the Public Utilities Board (PUB) also offers provisions and opportunities for people to make objections. In the case of objectors, the view is that the provision will be there. Of course, rather than objectors engaging in long-drawn-out exercises, and sometimes not really addressing the fundamental issues, they too will be required to submit their objections in advance. They will also be facilitated through the Fair Trading Commission to be able to get whatever information they determine and consider appropriate to help them to make their submissions.

There is also going to be one added feature that I believe is going to be good, that is, that legal counsel is going to be provided for objectors. Oftentimes the feeling is that if these persons had the resources and assistance of legal counsel to help them hone in on their thoughts that indeed their submissions could be more meaningful and could really help in the process. These public counsels would be used and introduced to help objectors with their arguments before the Commission. It is also possible for these same public counsels to go before the Commission and argue and articulate the position of the objectors if they so desire.

Presently, Cable and Wireless has a system where if it wants to make a change to the price of its services, it will do so by making an application to the Minister and the Minister would after some consideration make his determination as to whether it is approved or not. There is no possibility of a request being mandated or subject to analysis. To my mind, I think that is indeed a weakness of the present system. As a result of this legislation, both the international side as well as the national side that is presently regulated will both come under the ambit of the Public Utilities Board.

While on this point of Cable and Wireless and the whole question of policy – I know that the Leader of Government Business made reference to the whole question of the metering of local telephone calls – I believe that we need to look at the matter fairly and squarely. I know and I have said that even with the pressures from the World Trade Organisation, seeing that prices must move toward cost and must be cost-based, there can be no way that if that is the case that the prices of local domestic calls can be kept where they are because it is true that there is obviously cross subsidization between international calls and domestic calls.

That being the case, if we are saying on the one hand that we want international rates to come down and on the other hand we are saying that prices must come down, basically, we have no choice because market forces will determine the price of products and services. To my mind I cannot see how a Commission is going to simply say that a company, despite being able to demonstrate what its costs are, must keep prices as they are. My firm belief is that the prices of local domestic calls would have to go up.

However, I agree with Senator Goddard that one does not necessarily have to use a method only of measured rates. I believe that the approach ought to be choice. I feel it should run the whole gamut, Mr. President. I feel that those persons who want measured rates should have the choice of measured rates. I feel the choice should be there for them and for persons who simply say they want to remain on the present system, I believe it should be there as well. I do not believe that there is a need to replace one with the other but offer choice to the consumer because out of all of this, Mr. President, there is one fundamental point that people do not recognise and it is this.

There was a point in time in Barbados when water was on a flat rate basis and no matter how much water one uses, everybody use to pay the same thing, so there was no incentive on the part of an individual to simply say they are going to conserve water. The reality is that in the case of telephones, a person can sit on a telephone for an hour or five hours or for a day and the cost remains the same. However, when you pick up your telephone and you want to call your next door neighbour or somebody a little further down the street or for that matter as we would say in Barbados 'over in away' you want to have connectivity, you do not want to hear 'I am sorry all circuits are busy now, please try and call again later'.

That has to do, Mr. President, with network management and network availability. Cable and Wireless or any provider at the national level has to gear the level of plant in terms of usage. If you had a situation where half the country was on the telephone for an entire day, what you basically have to do is to design the network to accommodate that.

Now, the question is, would there be greater discipline if one had to pay for calls as they use them. I do not know. When I look at water, it is metered. When we look at electricity, it is metered. I believe that the National Petroleum Corporation would also meter theirs. I believe, Mr. President, that anything else you would find is on a pay as you use basis but when it comes to telephone, we are saying we do not want to be measured rated. Hence, as I said, to my mind the way around that is to go across the gamut and offer those persons who want measured rates, the opportunity to do so and those who want to remain on a fixed rate, I believe they should also have that facility.
3.00 p.m.

I believe that a comment might have been made on the whole question of the apparent reduction in revenue on the international side. This is basically for Senator Mascoll's benefit. He alluded to the reduction in cost and I really believe that he meant the reduction in revenue because if you look at the cost, our minutes would not have gone down but what would have gone down would be the cost in revenue coming into the organisation simply because we have things like international accounting rates where you have to pay foreign administrations for the use of their networks and those accounting rate settlements are not normally on a 50– 50 basis.

The international rates are what determine the revenue on our in-payments. The accounting rate would have gone down from .50 US cents to .19 US cents. At the same time, Cable and Wireless would have over the last year reduced the cost of international calls by an average between 27 per cent and 30 per cent and in one or two categories it was even more than that.

Also, you have the whole question of the usage of Internet and other kinds of possibilities where people are able not to use the BSBN traffic – I prefer to use that kind of language. The total sum of all of these things, Mr. President, would be quite naturally a reduction in the level of revenue. Specific to the legislation before us I believe that it is going to bring a whole sense of discipline to the way – and I do not want people to see this legislation in the context of telecoms or only of Cable and Wireless. This legislation is all-pervasive and affects everybody and not only a Light and Power or telephone company, BET or Cable and Wireless or NPC, or whoever, would have to be efficient and focus on efficiencies but everybody will have to focus on efficiencies as well. If you are going to offer price to the consumer it has to be based on some rational determination as to what your costs are on the things that you do to become as cost-effective as you can be.

We hear a lot of comments from time to time about cutting out fat. I hear these things, Mr. President, but I only can say to you that I work for an institution that is always concerned about costs and efficiencies and to make sure that we offer the very best quality service to the customers that we serve.

This legislation ensures that everybody has to look at the whole question of cost. The good thing about it as well is that it also allows any utility company to focus on cost to the extent that it can make profits over and beyond what is expected but at the same time it has an obligation to share some of those extra gains as the union leadership will always say, share with the consumers.

Mr. President, I am not sure how much longer I have.

Mr. PRESIDENT: You have one minute, Senator.

SENATOR J. E. D. WILLIAMS: Mr. President, there will obviously be some other matters coming before us this afternoon that will also offer an opportunity for me to speak. I must say that this legislation before us and certainly the legislation to follow are indeed revolutionary. It will not be business as usual. We have to be as a country in a position where we can compete,where business in itself can be allowed to compete successfully and fairly.

I believe, Mr. President, that Government ought to be congratulated and I do support the Resolution. I am obliged to you, Sir.

SENATOR Mrs. J. P. ALLEYNE: Mr. President, I do not have a whole lot to say on this Resolution because I feel that if a Joint Select Committee of Parliament has been set up it has done its homework. I will just say a few words. I think that this is a very important piece of legislation especially now that we face the full impact of economic liberalisation.

Unlike Senator Mascoll, I do not think that it is a political thing. I more think that it is a necessary thing at this point in time in this country. It is indeed an exciting period in our economic lives in this country because we are having unparalleled developments going on in this country.
3.10 p.m.

Sir, I do not believe that Fair Trading Commission is put in place to protect consumers. I believe that it is aimed at enhancing competition even though it is also to promote consumer welfare and protect consumer interest. This is why we now have to wait on the legislation for consumer protection.

I believe that the driving force behind the Fair Trading Commission should be a commitment to the equality of opportunity and to guard against undue concentration of economic power. I believe it is going to take a lot of politics out of decision-making when it comes to economic areas in this country. Sir, we have the Bill but we have not yet begun to understand the complexity of what is going to happen. I really do not believe that we should throw our hands in the air and say that it is complex but we have to tackle it because it is very important for this time.

Sir, I understand that Fair Trading Commission is going to determine the rate of return, at the new public company for the new terminal which this island will have.

Sir, the part I find interesting is the part with misleading advertising. I think it is going to be a very interesting aspect for the Fair Trading Commission to cover. I think that it is going to be interesting to see how it is going to work. It is very exciting and I look forward to it.

Mr. President, I wholeheartedly support this Resolution.

SENATOR C. LeR. TROTMAN: Mr. President, I rise to give support to the Resolution before the Chamber.

I would wish to make the point that I am of the view that there should have been sight of both instruments at the same time. When I say that there should have been sight of both instruments, I am referring to this particular Bill that accompanies the Resolution as well as a Bill covering consumer protection legislation because in those circumstances we would have been able to have a full look at what it is the Government is endeavouring to do rather than be put on a fair promise regarding what is intended to happen sometime in the future. In as much as we do not have absolute control of precisely what takes place down the road, it really is a misfortune that we are expected to believe that the consumer protection legislation would cover protection for the consumer to the extent that we would expect from this Government and to the extent that would make us comfortable in taking on what is in fact, only stage A of a two-part series.

Senator Williams spoke about the need for us to recognise that this instrument has to be business friendly. I support him and agree with him in that regard but I want to go beyond that to make the observation that it has to be business friendly in these circumstances but also it must also be recognised to be user friendly and worker friendly. In fact, I am saying that we have a number of constituents that we need to satisfy in the drawing up of this legislation and in those circumstances we would have been better positioned had we been able to look at the total picture. It does not mean that the Bill which accompanies the Resolution is not a commendable piece of work and I would not say that there are not some attempts in the Preamble to address the safeguarding of the interests of consumers. There is vast difference between the stated intention and the actual practical recommendations that seek to give some kind of operationalisation to the suggestion which there was at the outset. In that regard, my support has to be qualified and I should have to come back to that somewhat later on.

It is not that I do not wish to commend the Objects and Reasons but in regard to the safeguarding of the interests of the consumer we must realise that to some degree Senator Alleyne has a point, although it does at the point of addressing process, speak to the concern there is to protecting the welfare of the consumer.

The Bill really speaks to matters which are out and beyond that, more so than it does to the protection of the consumer. Senator Williams is absolutely correct that it speaks to the process of engendering greater levels of efficiency within the business community and that has to be recognized for what it is. It is an effort being made to streamline those operations, make them more efficient at the same time that it seeks to give Government the opportunity to police how the job is done and to ensure that the job is done by the business sector in a way that satisfies the concern that the Government has stated very clearly for bringing the price closer to the cost. If in doing so, the consumer has been protected, then that is a happenstance that is favourable to all people. The protection of the consumer does not take place only at the level of the price. This particular piece of legislation speaks only to the area of the price in that regard and, therefore, falls short and merits a qualification in that particular instance.

It must be that because of the size of the Report and the time that the Commission had that the legislation sometimes has become burdensome and lumbering and could be enhanced to some degree. An example of this might be found in Section 17 of Part 2 on page 15. I mention this to give an example of what I mean when I say 'lumbering'. It says that:

> "The Minister after consultation with the Chairman gives the Commission directions of a general nature in

respect of the policy to be followed by the Commission in exercising its function in respect of utility regulation."

Surely, we as Barbadians are much better able to express ourselves than in that lumbering manner in which this thing delivers itself. I believe when we come to Committee stage we might be able to correct matters of that sort.

Sir, in Part 2, Section 3(j), at page 8, I would want to make some comments which go back to the original one I made about consumer protection. The section speaks at (j) to the object being to educate and assist consumers in resolving complaints *et cetera.*

Mr. President, the reality is that in Barbados there are few consumer protection agencies. It is not that some have not tried but consumer protection groups have not taken off in this country and it has been left over time to the trade unions to develop that kind of consumer protection service which has never been its main function and it is now increasingly becoming so. It has been left as well to other members of civic society and NGOs which are springing up now and who make comments in that regard from time to time.

If we know that in this Honourable Chamber, the persons who draft the legislation must equally know that the question of educating and assisting consumers needs to be a function performed by some agency other than the Government itself. If the aim of this piece of legislation will be to have the Commission educate and assist the consumers in resolving complaints, then how, in what manner and to what extent must of necessity arise. How is the Commission going to educate? It does not have, so far as I have been able to read within the lines that are set down here, any function. It does not cover within its administrative function any arrangement for the task of educating. It has of necessity to be left to others. In those circumstances I believe that when one gets to (j) and what follows at (4) where:

> "The Commission shall in performing its functions under 3 a, b, d and f consult with the service providers, consumer interest groups and other parties that have an interest in the matter before it."

I believe that when the text gets to this point it needs to recognise the reality of the situation before us. It seems to me that it has to include recognition that the trade union movement more than any other institution has taken the responsibility and that it has to be part of the consultative process. It is not mentioned even though we are in this country committed to social dialogue as part of our developmental process for the country in this very important piece of legislation there is that singular omission which, to my mind, does a very grave injustice to the social partnership that we are developing.
3.20 p.m.

The task of the Congress of Trade Unions and Staff Association ought to be developed and courted in the effort of the education that is required and the assistance, generally, that is being called for. If we do not do that we are merely using words in this particular piece of legislation.

I wish to go beyond that, Mr. President, with my concerns and I wish as well to draw your attention to page 26 which represents another area of my concern. Page 26 and section 39 we are noting that all cost incidental to the hearing of an appeal may be defrayed by the parties to the appeal in such a manner and proportion as the judge determines. Quite naturally this maybe from the perspective of legal persons, what is in standard.

Our concern has to be, if we are going to be looking at Fair Trading and that Consumer Protection, we have at the same time to recognise that the possibility exists and, indeed, that most of the time the challenges may come and will come from those people who are the poorer consumers. The better off consumer, if he gets a rate or something which he or she maybe unhappy with he or she maybe able to go and negotiate the difference based on frequency of business and the level to which his or her patronage is required by the service industry, but the poorer consumer, be it natural gas or telecommunication services, has one choice take it or leave it. With the legislation that is coming, one would expect that the poor consumer will be able to challenge what there is. All that need to happen in these circumstances is for that challenge to be carried up stairs to the High Court and we may in those circumstances find a position where the pursuit of justice might be lost on the shoals of poverty or the incapacity to pay. In short, this legislation must provide within that section where the poor, indigent and the abused are able to find accommodation, providing we are not talking about the fickle, frivolous and the trivial.

It would seem to be that unless we are able to do that we cannot guarantee that the full thrust of our interest might be pursued, recognised and addressed. It is possible that this would come in the sister piece of legislation, that is the one for consumer protection. Since we do not have that consumers' protection now before us, we naturally would find that persons like me would have a qualification which we need to do in these circumstances.

The main focus, Mr. President, that I wish to bring to you is to be found at page 22. At page 22 we note that the magistrate may at any time issue a search warrant authorising an officer of the Commission named in the warrant with or without a member of the Police Force to enter and search such building or place specified in

the information between the hours of 5.00 a.m.and 8.00 p.m. I have a problem with that.

I believe that we have all taken a strong objection to the occasions when the Barbados Defence Force has been called upon to do certain work in assisting the police and we have felt that there are certain functions which are the natural preserve of the Royal Barbados Police Force and that we must not reduce justice the way we understand it and the pursuit of that justice by putting in place any other systems or structures which may contaminate and damage our understanding of our rights as individuals or our other rights as they may appear.

I have a very great difficulty with having anybody presumed that he or she could enter the property of someone else and I want to examine this for itself and examine on the implications it will have for other pieces of civil liberties. The same time I looked at that I looked at section 4, which is beneath it, that the officer of the Commission, referred to in section 2, is not personally liable for any loss or damage arising from the execution of a search warrant under this section.

Supposed he or she kicks down a door what happens? We can very glibly sit around, Mr. President, and argue that 'a' or 'b' covers something. I am saying that I have qualifications about any piece of legislation or anything that goes to the ordering of society which allows for action to be taken by persons for whom they cannot become personally liable and I have a concern with that.

Mr. PRESIDENT: Order, please.

SENATOR C. LeR. TROTMAN: Mr. President, my concern has to do with that level of indemnification. What I believe is that I know what is intended and the intention clearly is that whereas the individual who is damage might make claim that the person who has carried out the damage is indemnified. I think that we have to find a way by which we will express this idea so that the impression does not go abroad that anyone who searches or has the power of a search becomes like the typical kind of cowboy policeman that we see in the pictures who can do as he or she feels when he or she has the benefit of a gun on the hip.

I believe, Mr. President, that page 14 allows for further expressions of my concern. It speaks to the matter, in part 2 section 13, of the appointment of officers and employees as the Commission may deem necessary. I would like to strongly urge upon this Chamber that it makes the Honourable Minister responsible aware of the fact that we are right now in the middle of a process of a wage and evaluation exercise being conducted in the public service. I believe that if we are going to hire persons who are to be able to effectively fulfill these jobs, we are going to have to pay well. I have no difficulty in making that as a non-qualified statement.

I need to go beyond that to an issue of concern, that until we have completed the exercise of the evaluation and we know what new values are attached by the public service to different kinds of jobs, we may in fact, find ourselves in situations where the complementarity which there should be between statutory boards and the civil service proper might be undergoing some kind of difficulty. I will like to urge that very great care be taken in how we approach this particular issue.

Naturally, as the document says, there will be provision for secondments, transfers and cross references. What difficulty there will be as the appropriate Minister here would recognise is the difficulty of having a person know to go or not to go, to accept or not to accept and we will therefore need to be as transparent as we can be and to advertise as early as we can and to be sure that we involve the relevant institutions and parties in a consultative process which will remove the possibility for there being difficulties which might be equal to or comparable with the problem we had about four years ago when we were dealing with the 'A' Team.
3.30 p.m.

Senator Murray twinkled his eyes and smiled with me, as he remembers – the tourism "A" team appointment.

So, the question of inconsistencies, and contradictions must be avoided wherever that is possible. I would urge that that would be done.

What I cannot see happening is the address of what I conceive to be another kind of inconsistency, at page 14.11 (4) where it speaks to a person in subsection (2) being guilty of an offence and being fined $50, 000.

This happens to be in an area where some one who works for a Commission, or the Commissioner himself, may make the mistake of telling someone else something that is happening.

That can happen in several, different ways. I think we need only to recall the *profumo affear* to remember that people were very concerned about how people can involuntarily express ideas, which otherwise they would have been much more prudent in handling.

Compare and contrast that though Mr. President, with what we see on page 11, section 8 (4).

A Commissioner, who fails to comply with this section –

that is to say, who fails to declare an interest, at the appropriate time –

"Is also guilty of an offence."

Whereas, the person who involuntarily may give information is charged $50,000, the person who deliberately fails to recognize that he has a declared interest, he is fined $25,000.00.

It seems to me, Sir, that that, is a contradiction.

It would seem to me, that either we would revisit that, or we would have to look at precisely what we are intending by the exercise of penalties.

This is why I say we have to concern ourselves with qualifying what is before us.

Given the fact that we are limited here by time, I cannot go into much else that I would wish to say, but I would wish in conclusion, Mr President, to compliment the provisions in the Bill for allowing for public Counsel, at the first challenge.

I compliment the Government as well, for giving the promise of consumer protection legislation.

I compliment the Government as well, for establishing a method to be used for consultation involving civil society, urging only, that this consultation be made fuller, better, more deep-seated, and more committed to the ideals of social partnership, and that, this commitment to social partnership will go beyond that in the establishment of the Board, to ensuring that the social partners, and, in my case, the Congress of Trade Unions and Staff Association will be represented on the Board of Directors.

I am obliged to you Sir.
3.40 p.m.

SENATOR THE HON. G. S. H. MURRAY: Thank you, Mr. President.

Sir, I think that up to this point the Debate has been interesting, and I was particularly interested in some of the concerns raised by certain Members.

I think we have to remember in this regard, that there is no such thing as perfect legislation, and that is why legislation has been amended from time to time.

We will take all the concerns into consideration and wherever possible, we will seek to effect them.

That apart, now Sir I hope, I intend Sir, to take this discussion out of the realm of so much of the speculation that has ensued so far, and bring it into some very hard political realities.

The point is Sir, that this measure has come to the Chamber, through politics, and not through speculation. Through political action, through political power, through political decision, even at the level of the Joint Committee.

Senator C. Mascoll, in his presentation, sought to demonstrate that this thrust by Government, in the area of Fair Trading Commission, and the area of Consumer Protection, was a public relations gimmick. As though this Government needs to indulge in such activities when we have such a fulsome programme that keeps us busy day by day.

But, thank God, if he thinks such, I need to assure him that any such public relations gimmick did not ensue out of the Jennifer Lazzlo philosophy, or programme, but it was home-grown, it was Barbadian.

I will show your Sir, it is not a public relations gimmick. If you go back to the Barbados Labour Party's Manifesto, in 1994, page 8, it says briefly –

"We will ensure the accountability and efficiency of all monopoly utilities and re-examine the relationships with other multinational providers."

That is what we said about this issue, in 1994.

Let us come to 1999. In 1999 Sir, we went much further than that, because we would have had time to think it through, to consult with persons, to formulate other, and in 1999, we said this about this whole question.

On page 42, we devote a page and three-quarters to this whole issue, under the heading Fair Trading Commission.

It goes through a great deal of background and then it says –

"The Barbados Labour Party will:

a. Abolish the Public Utilities Board, and replace it with a Fair Trading Commission.

b. Extend the Commission's span to regulate Cable and Wireless BET, Barbados Water Authority, Transport Board, National Petroleum Corporation, in addition to the Barbados Light and Power, and Cable and Wireless BARTEL.

Empower the Commission to:

a. Regulate service standards.

b. Monitor compliance with rates and standards.

c. Respond to customer complaints and customer service issues.

d. Create a position of People's Attorney to assist objectors at hearings and in related judicial proceedings."

The Commission also will be responsible for the administration of Fair Trading and Consumer Protection Laws, that are in the final stages of preparation.

Therefore, I thought I should put this in its proper context to show that this is not some fly-by-night action by Government in seeking to distract the public's attention from what might be considered more difficult and more trenchant problems in the society.

If we were to look at the Democratic Labour Party's 1999 Manifesto, any hint of Consumer Protection, any hint of a Fair Trading Commission, comes under the very broad rubric of telecommunication, page 28.

Perhaps, Senator McClean, who might not be as familiar with his Manifesto as I am, might want to know that they are saying –

> "Our telecommunication policies will play a major role in the success of our social and economic policies. We will therefore, continue to negotiate with service providers to ensure state-of-the-art technology and reliable service, at affordable prices.
>
> The new Democratic Labour Party will do everything humanly possible to ensure that Barbadians do not pay per call for telephone calls made locally, and that rates for international calls are dramatically reduced."

So, we can compare the thinking, the philosophy, the seriousness with which both parties approached this issue as recently as 1999.

Sir, so that apart, I want to commend a number of parties who were involved in the process of seeing this measure come to this Senate today.

First of all, against the background that I have demonstrated, I would like to commend the Government for conceptualising, for sticking to the issue, for seeking to invite, entertain, and take on board a wide section of points of view of the Committee.

I also want to commend Minister R. St. C. Toppin for spearheading this effort, and for taking what was a concept and begin to give it form, shape, matter and substance and also for bringing it to this point where the House of Assembly can pass it, and, that we can deal with it today. 3.40 p.m.

I also want to commend the Joint Select Committee for its work. I think it has made our job easier and it has distilled a lot of information. I heard of interviews from a wide cross section of the community, from the political parties, from the private sector and from individuals. Therefore, without making the whole approach simplistic, it has simplified our jobs and therefore, they have made a substantial contribution to our understanding of this whole issue.

I want to commend too, those Members of that same Joint Committee who stuck with their tasks with great determination and commitment. I see where, for example, some of the Members in this Chamber had a perfect record, in the persons of Sir John Stanley Goddard and the redoubtable Senator Dame Patricia Symmonds. They attended every meeting and they obviously made inputs as could be demonstrated from the ease with which they spoke today and the affinity which they felt about the whole subject.

I am afraid I could not say the same thing about Senator Mascoll who attended no meetings but had a great deal to say about the Bill. I would think that any difficulties – I am sorry I have to state this behind his back, but it is not my fault if he is not here – he had with the Bill or the concepts or approach or whether the Fair Trading Commission was biting off more than it could chew, or was becoming too involved with too many types of activities, these would have best been addressed from within the Committee.

I feel that if you are a responsible citizen and you treasure an institution like Parliament, and if you are a Member of Parliament, it is your responsibility to seek to reform it from within, rather than seek to attack it from without. I want to make that very clear.

Sir, he is only following the example of his leader who resigned from the Joint Select Committee on Law and Order in the Lower House, but we have a greater sense of responsibility. I am glad that not only the Barbados Labour Party Members have a sense of commitment but that the Joint Select Committee has also.

I wished that Senator Mascoll had injected some of those things that he spoke so fulsomely about and at length today. I mean, there were meanderings...

Asides.

SENATOR THE HON. G. S. H. MURRAY: ... I call them verbal meanderings but he should have introduced

those verbal meanderings into the Committee, rather than here.

Sir, the point that I want to make too, is that this legislation and that which will follow, particularly since it deals with the consumer more directly, really to me is setting the stage for an act of social reformation. No longer will the public, the consumers, the users, the bill payers have to feel helpless, hapless and powerless and feel that they have to be at the whims, fancies and the mercies even, of these various entities upon which they have to depend for their daily livelihood, for the operations of their business or for their lives at a domestic level. But they now have a chance and they will now be empowered to look after their own interests. They will have a direct say in what happens to their lives and they can at least have an opportunity to begin to attempt to influence the outcome of these measures, as has been demonstrated by the Government's decision, on its own initiative, to provide a Public Counsel to deal with this matter.

Sir, in the same way that Barbadians who have to appear before the law courts in criminal matters for example, and cannot afford an attorney to represent their interest, now have a recourse to legal aid. This also has given the same substance and weight to the whole question of the rights of the consumer and is providing him therefore with a similar right to have access to and to be represented by a counsel or an agent or whatever. Therefore, I think this new voice is a welcome one. I am sure it will be welcome by all the consumers in Barbados.

Sir, I think, we are also at this stage where we have to say "thanks" at long last to those pioneers of this effort, the founding fathers who have fought for a long time without recognition or without reward, even in the sense of public acceptance. Because I remember in the 1960s when there were persons in the likes of Curtis Hinds and some others whose names I cannot readily recall, talking about consumerism and consumer protection, and then people saw them as public nuisances. They were never taken seriously, but they persevered.

The fortunes of the whole consumers' movement have fluctuated. It has had mixed fortune, it has not really thrived yet but we are hoping that because we are now seeking to institutionalise this whole effort by giving it prestige, by giving it a framework and a methodology and a methodism, and an institution by which consumers can be protected, that the Barbadian public will respond to the challenge and not expect that the job of protecting their interests can be left to a few persons and that they can just sit back and reap the benefits and eat the sweets but that instead they give whatever support that is necessary, particularly now that their jobs would have been made easier through the provision of the public counsel and they give those persons who will be carrying the fight whatever support is necessary to make their jobs easier and more successful.

Therefore, Sir, I think we have to commend those earlier ones who have fought the good fight and have persevered. We also have to be thankful that at long last a Government has come along which has been able to empathise with them and be caught up in the stream of their thinking and has been able to take what for long has been a passion and give it some reality, in the form legislation.

Above all, Sir, I think that this legislation too, can be seen as a memorial and testimony to the work of one outstanding Barbadian and former Member of this Chamber, Senator Wendell McClean, who I am happy to say, before he passed away, was quite happy at the fact that his efforts had not gone unrewarded but that at last...

Aside.

SENATOR THE HON. G. S. H. MURRAY: ...I think when he passed away this legislation was being talked about. There was an indication by the present Government as to the road along which it would be going, particularly as it was going to be dealing with the telecommunications sector.

Therefore, this really is a good testimonial to him. I think that he should now be resting even more peacefully...

Aside.

SENATOR THE HON. G. S. H. MURRAY: ...with the knowledge that society as a whole, and I think that the sentiments expressed around the table here today, Sir, especially the work that is done in the Joint Select Committee would have been, to a large extent, influenced by his thinking because he helped to open the door. He was a founding father, he helped to blaze the trail and I am glad to see that his work is at last beginning to bear fruit.

Therefore, Sir, I want to give my fullest support to this measure and to urge Honourable Members to do the same unstintingly, because it could make a great deal of difference to our way of life and our standard of living. I think it is going to force companies that provide goods and services to respect the consumer and the consumer's right.

I really begin to feel that the saying that "the customer is always right" is more than a slogan, for any slogan that it is will be born out of a legislative fiat and the weight and might of the law. Therefore, they will have to have a greater sense of responsibility as to how they do business and how they treat their consumers.

Sir, I therefore think that this is a worthy Christmas present for the country and I hope that by next Christmas, we will be able to shop freely but sensibly in an atmosphere which would have been coloured and structured and influenced by the provisions of the law, so that we can feel better protected when we make our purchases and that the old Latin phrase *caveat emptor* – the buyer beware", will not really have to be invoked.

Mr. President, I thank you, Sir.

HIS HONOUR SENATOR C. L. BOLDEN: Mr. President, I rise to support the Resolution before the Chamber but I want to counter certain issues which have been raised in the debate so far. I think most persons who have spoken have said that this Bill does not provide for consumer protection and I beg seriously to differ with those persons who think so.

First of all, Mr. President, before I get to that, I think this Bill is long overdue. We in Barbados have been accustomed to being serviced by monopolies who held all the power and the customers held none, absolutely none. I am glad to see this Bill. I have perused it and perused it because I believe it is time that we get away from the old archaic system where monopolies control the life blood of a country.

I happened to be Minister of Transport and Works a few years ago and had the privilege to see the agreement which existed between Cable and Wireless and the Telephone Company. As the late Tom Adams would say, it was a document drawn up in a pub in England where they carved up the country between themselves and only when they came to dispute as to sharing the revenue for overseas calls, did they revert to the Government to help them sort the problem. I think this Bill will cut that out.
3.50 p.m.

I am saying that the public of Barbados has suffered tremendously under these public utilities companies because public utilities were guaranteed a fixed return on their investment. It is the only thing I know that has ever had a fixed return. When the country was not doing good they were still making the same profits. When other businesses in Bridgetown had to manipulate themselves, lower their returns, *et cetera,* in order to survive, public utilities still succeeded and with reduced service.

I can say this as an example. I have lived in St. Philip and I now live in St. Thomas and I have had poor service from the day I came back to Barbados from the public utilities companies in this country. I ask myself another question. Let us look at Barbados Light & Power Company Limited. I am amazed to think that if you go over 1 000 kilowatts a month they will charge you commercial rates.

Asides.

HIS HONOUR SENATOR C. L. BOLDEN: That is true. But they cannot store electricity. They have to switch on the generators every day and whether you use it or not, they have to run, and rather than say use it and pay us, they say no.

I was also privileged to be a Minister when the late Right Excellent J. M. G. M. 'Tom' Adams fostered wind borne electricity in St. Lucy, but the Barbados Light & Power Company Limited said that he could not put any excess electricity into their grids. They would not have it and it is time we need a Bill like this.

What this Bill is going to do, Mr. President, is to open a lot of opportunities for Barbadians. I recall back in 1981/82, a man called Mr. Denis Dipley came to Barbados and developed a computer system for monitoring the use of utilities, telephones, *et cetera,* which were being shipped to the United States of America. I was connected with him and he said; 'Barbados has got brilliant education suitable for the development of computer programmes, *et cetera,* but we had no outlet? We could not get any of the big companies to support us on what we were doing but that man offered to bring all kinds of programmes and equipment from Britain into Barbados and I must say this too. He offered to bring tapes to Barbados which were created under the PAL system. The Caribbean Broadcasting Corporation (CBC) said they have not got the equipment to use PAL. He said: 'I will get a converter to convert these into NTSC', and they refused to do it.

We have to look at this Bill in light of what is happening in the United States of America. When Microsoft begun to break up and people went into Microsoft, the spin-off of that was that numerous other businesses were created using the knowledge of the people who were there. When AT&T was broken, several other businesses were created and all had profited. Therefore, the Barbados Telephone Company must get out of the idea of thinking that nobody will come to Barbados to take up the local service just because they said it is not going to pay.

Earlier this year I dealt with a telecommunications company in the United States of America and the man said clearly that they are waiting on this Bill to teach BARTEL a lesson. They will walk in here overnight because what we are getting in Barbados is not something unique to BARTEL alone, it is globalisation and we will pay the benefit but what is going to happen. We must educate our people into patents and copyrights because those people who were trained ... Go back and look at Intel. Intel came to Barbados and many Barbadians developed the skill of microchips, *et cetera,* and are now working all over the world. So this will happen and we have to teach

our people how to patent with the inventions and copyrights of their utilities, *et cetera,* and that is where we will come.

We also have to bring in experts, whether they are Barbadians or non-Barbadians. What the Government of Barbados would have to do is to start bonding these experts because it is pointless to bring a man into the country, use him for a year or two, let him into your secrets and then let him go. We are going to have to enter into serious type contracts with these people because we have to maintain what they learn from our development.

Now, let me look at the question of consumer protection. If one reads the section 4 (1), it said:

> "The functions of the Commission are to enforce the Utilities Regulation Act, 2000 and any laws relating to consumer protection and fair competition which the Commission has jurisdiction to administer."

Section 4(2) says:

> "The Commission shall carry out its function in such a manner so as to; Under section 4 (3):
>
> (d) Determine the standards of service applicable to service providers;
>
> (e) Monitor the standards of service supplied by service providers to ensure compliance."

Therefore, no longer can I be living in St. Thomas, paying a telephone bill at a fixed rate at the end of the month, but for three quarters of the month my telephone does not work. The same thing happens to the people in St. Philip and other places. CBC should comply with this as well because I live in St. Thomas and no longer should CBC be able to tell me that they cannot give me a service because I live under a hill.

Under section (g) it says:

> "(g) Hear and determine complaints by consumers regarding billings and the standards of service supplied by service providers."

That is a consumer entity which the Fair Trading Commission will have to look at because they will be inundated with complaints from the day they come into service.

> "d. Receive and evaluate consumer complaints."

They must not only receive complaints but they will have to evaluate the complaints of the consumers.

Last but not least:

> "(j) Educate and assist consumers in resolving compliants."

Section 4(4) said:

> "The Commission shall, in performing its functions under section 3 (a), (b), (d) and (f) consult with the service providers, representatives of consumer interest groups and other parties that have an interest in the matter before it."

Other parties mean that if a poor consumer feels to carry along his friend with him to put his case, the Fair Trading Commission will have to listen to them. I think that is right and that is why I compliment the drafters and those who sat on the Bill.

Now, Senator Trotman and Senator Rickinson were particularly worried about section 27 of the Act that is where it said:

> "The magistrate may at any time issue a search warrant authorising an officer of the Commission named in the warrant, with or without a member of the Police Force, to enter and search such building or place specified in the information, between the hours of 5 o'clock in the morning and 8 o'clock in the night, for such book, document or thing and to seize and take away such book, document and thing."

That is not any new or drastic provision where the laws are concerned. I have looked at the law quickly in here. Similar provisions apply in the Customs Act, section 199. It is called a Writ of Assistance which the Commissioner can apply to the Supreme Court to issue any officer a Writ of Assistance and generally it is done from the time you are appointed a customs officer. It is a strange Act. We only see these things on one side.
4.00 p.m.

> "All writs of assistance issued from the Supreme Court (which is hereby authorised and required to grant such writs upon application by the Comptroller) shall continue in force during the reign for which they were granted and for six months afterwards."

That is, if they are under the reign of Queen Elizabeth II it lasts for the reign and six months later.

Therefore any officer can enter into your house at any time. Mr. President, I had the same problem with a man who was creating small computers and selling them to the United States and those computers were being fitted into the tall 50 and 60-storey buildings. They were so wired that as

soon as you walked into a room automatically the air conditioning, lights and everything responded and when you walked out they went down. He was charging a substantial sum for these little gadgets. They were passed by the Inland Revenue, the IRS but after – I can say this now. I got an external account for the gentleman. The World Bank at its meeting in Washington called the then Central Bank Governor to find out how was Barbados exporting so much money to the United States. After he had a good answer they decided to seize a shipment of these goods there.

Do you know what they did? They sent officers from the United States who joined with a customs officer in Barbados and walked into the man's office on Roebuck Street to search what was being done. The customs officer said, "I have the authority to search your place."

Recently a Barbadian who was importing goods found customs officers at his house at 7 o'clock a night. They walked in and searched his house. They have the authority. Not only that, Mr. President, if we look under the Wireless Telegraphy Act you will see the same powers are given to officers to search your house or building for telecommunication equipment.

There is nothing wrong now if you have a Fair Trading Commission to give the members of the Commission the same power because if you want the officers to carry out the work they are empowered to do, they must have the power and if you are going to criticise this one you have to criticise all the other Acts that give officers special powers of search and seizure, search, take away, seize, keep.

Mr. President, I am glad to see this. I think that even before we get into the Act itself that the utilities in Barbados should take heed that people are not quite happy with their service. They had a protection and despite all the talk we had we could not ...

The question of metering. Take the Water Authority for instance, one cannot say that there is fairness in delivery of water in Barbados no matter how you think about it. I am often challenged and I have not had the time to do serious research but Senator Newton whom I know is a good researcher can help me on this. If I remember well back in the 1930's and 1940's water was part of your land tax bill. If you get any old tax bill you would see so much for water, so much for roads and so much for so and so.

When this was converted to central Government it was not knocked off and I have a deep feeling that even today we are being double charged for water. What convinces me that it is so is that they sell water to cruise ships cheaper than they sell to Barbadians. Cruise ships buy water in Barbados far cheaper than Barbadians in Barbados buy water. What worries me about the Water Authority is that certain people are metered and other persons are not metered and the Fair Trading Commission will have to take a quick look to see why certain people are metered and others are not. I can take you around the country at night and you can hear "Psst" and see how many people have water shooting up in the air and are growing vegetable crops. You see it around the Garrison. The man who legitimately uses water is penalised and with the present lock-off system there are persons who come off and lock off their water even though you show them a bill.

In this morning's paper it highlights this situation. I have a man in St. Thomas and I must represent St. Thomas. They went and put a lock on his water. He told the officer, "here is my cheque which was paid over two weeks ago." He said, "I have instructions to lock off." He put on the lock. The man licked the lock off the water and next day the Water Authority was quick to tell them that they are charging him $1 000 for the lock. He said, "I am charging you $2 000 for frustrating my business."

The Fair Trading Commission will have to look at the Water Authority and they will have to put their house in order. There is no problem with that. It is going to be a good give and take and it is going to bring Barbados to its senses. You cannot go to the Water Authority and find anybody who will answer a question on water.

I go further and tell you this. It amazes me when a few months ago I saw an ad in the newspaper asking for people to tell the Water Authority where there were water wells in Barbados. I have never seen anything so stupid as yet. The Water Authority that was in existence for umpteen years now asks the citizens to tell them where the water wells are in Barbados.

I called the Water Authority and the girl said, "What are you saying? I don't know what you are talking about."

I am not the only one. The Water Authority does not even know where the water wells are in Barbados and are talking about being a water authority. Therefore I compliment the Government, the drafters and those persons who sat at the Committees to bring this before us. I disagree with Senator Mascoll. They are not biting off more than they can chew. All that has happened and I think will happen is that you will have sections of the Fair Trading Commission dealing with each utility. You will have a section dealing with water, a section dealing with telecommunications, a section dealing with electricity and a section dealing with transport or whatever else.

I would not support any method of dividing up the Commission or having more commissions than there are. We will get back to the situation such as we are in now where we have a police commission, a teachers' commission, Senator Rickinson wants a nurses' commission. You will have so many commissions that there

will be more commissions than workers. Therefore I am supporting the Resolution as it stands before the Chamber this afternoon.

Senator Sir John Stanley Goddard raised the issue of non-attendance of Committee members. I have spoken about this long ago. Barbadians for a long time have been expecting cheap political representation and I think it is time that they come home to understand that they have to pay for what they get. It is time that Barbadians understand that politicians have to live like anybody else.

I do recall there was a time when the late Prime Minister asked a very prominent officer in this country to advise how parliamentarians must be paid and he reported that he said, "Pay them by the day."
4.10 p.m.

I think the ridiculous sum was either $48 or $84 a day if they come to Parliament while they enjoyed top salaries in this country.

Senator Sir Stanley spoke about those officers who did not turn up to Committee meetings. We are still part-time politicians in this country except Ministers of Government. This country Barbados stands head above all the other Caribbean countries and even some developed countries in what they have produced but nobody wants to pay them. If a person sits on a Committee and it begins at two o'clock he has to give up his work elsewhere to do the Government's work. In Trinidad & Tobago Senators get paid for the work they do and not this little stipend which we get. It is time that the public of Barbados recognise that politicians have given their life blood to carry this country where it is but, at the end of the day people will scorn them and look down on them. People believe that politicians get a lot of money and this is not true and the public should know Mr. President, there is now ShopSmart in Barbados and there is PriceSmart to come and the basis of this is to stop Barbadians going abroad and engaging in the barrel trade. I wonder what is going to happen when the telecommunication lines are opened and people can get on the computer and do business. I think this is the greatest thing that can happen to Barbadians when they can sit down on the computer and make contracts with people abroad. The United States and Britain has now passed the law to solidify and legalise contracts made over the Internet. This is the next step that we have to go. We have to free up the telecommunication lines and signatures verified by computers to make them binding contracts. Only recently a man showed me some items purchased in Holland. When he showed the price to me, it was one third of what it would have cost him in Barbados.

Sir, we are going to have a struggle with opening up the telecommunication lines because the investors in telecommunication do not want Barbadians to profit from what will happen when lines are opened up. As I have said before, the utility companies have guaranteed fix returns.

Last week a man came into my office to fix my telephones since they were not working for three weeks. He told me that they knew what to do but they had to watch the cost at the end of the year. A few years ago I was involved in a development and I said to senior officers at the telephone company that I wanted to make application for telephone lines but they told me that I could not get them for another two years because they were not planning to spend any more money for another two years, this is how it works.

Mr. President, I think the Government has carried out its pledge to the country in two elections. At the end of the day it is left to those involved to make the system work. I am glad to see that there will be a public counsel attached to the Fair Trading Commission because until consumer organisations find their feet and get going, it gives the average man and woman outside the chance to complain and a chance to have his complaint heard.

Mr. President, I support the Resolution.

SENATOR Mrs. V. E. NEWTON: Mr. President, I rise to support the Resolution and the two Bills before us today. First, I would like to compliment all those who had anything to do with drafting the legislation and with amending the provisions over a period of time including having town hall meetings and then to have the legislation brought to Select Committee. I wish in particular to single out Miss Michelle Goddard who was the Research Consultant on this particular project, the quality of whose work I know because she did her first research stint with me and I am extremely proud of the way she has turned out as a research officer.

Mr. President, during the past two decades or so free market principles have led many to implement policies of deregulation and liberalisation. The objective has been to promote competition, control restrictive trade practices and secure economic efficiency, trade and commerce. I will not go any further into the objectives of these principles and the legislation which has resulted from it because Senator Williams, Senator Trotman and some other Honourable Senators have already spoken to these objectives.

Many of the models of anti-trust and anti-competition legislation of which the Bills before us today are examples, were adapted from the United States anti-trust law.

In the Commonwealth Caribbean, Jamaica is the only country which has fair competition legislation. I believe that ours was based largely on the Jamaican model. I know that Miss Goddard took trips to New Zealand and

Australia to see how their fair competition legislation and their Fair Trade Commission work. Our bill is, therefore, a product of a considerable amount of research and based on several existing models.

It is true to say that it differs significantly from the Jamaican model in that while in Jamaica there is a Fair Trade Commission which deals with some aspects of consumer protection and competition like ours, they have put public utility regulation in a separate bill under a separate Commission and that is because in Jamaica, utilities are divided in different parts of the country. Barbados being fairly small, I believe it was more economical for our Fair Trading Commission to deal with public utilities as well as with competition and consumer protection.

Mr. President, before I go any further, I wish to make a few points in relation to the drafting and presentation of the legislation as that is one of my favourite areas.

The Fair Trading Commission, as I noticed from the Report and two pieces of legislation before us and from my personal knowledge of what has been going on, is to be an umbrella organisation with directors who are going to report to the Commission. On utility regulation there will be a utility regulation unit. There will be a consumer protection unit and a competition unit. I asked at one of the town hall meetings which I attended and I am now asking again, why it could not have been possible to have one piece of legislation with different parts because here we are discussing some aspect of consumerism and there are two pieces of consumer legislation yet to come. What was the hurry and why could we not have waited and done a comprehensive piece of legislation? It might have been very large but it would have avoided two anomalies.

Firstly if you look at the Utilities Regulation Bill you will see references to the Fair Trading Commission Act. For instance, the definition to the public counsel is in the Fair Trading Commission Bill but it is not in the Utilities Regulation Bill. All the provisions relating to the operation of the public counsel are for utilities but the definition is in one piece of legislation and the actual duties of the officer in another piece of legislation. We had this problem when I sat on a committee that was suppose to simplify National Insurance legislation. There are about 25 pieces of National Insurance legislation and the task of combining those pieces of legislation into one is such a monumental task that it would have taken a committee a few years, at least. In the end we tinkered with the legislation, made a couple changes here and there and things were basically left as there are.
4.20 p.m.

If Government, any Government, continues along this path of not wanting to tackle things head on because of time and the unwillingness of drafts persons, women and men, to sit and do their work in a thorough fashion we will always end up with legislation in which – today the trend is to have legislation in which the principle is a one-stop shop operates. Here it is that if you are going to be looking at the provisions of the Utilities Bill or the consumer's legislation that is going to be coming, you have to go back to the Fair Trading Bill for definitions. They could reproduce the relevant provisions in each piece of legislation.

It is a fairly untidy way of doing things and it means that the possibility of having to be amending those pieces of legislation frequently and probably not in the too distant future, possibilities are greater than if you had one piece of legislation in which everything was clearly thought out and the interrelated provisions could be referred to in one document. Be that as it may, I may as well leave that point because I know that every time that I have spoken with drafts persons in this country about the way that they go about their business it is always that they do not have sufficient time.

Let me look at some of the specific provisions of the legislation. Mr. President, I will try not to repeat anything that anyone has said unless I am going to make a new contribution.

First, let us look at the qualifications of the Fair Trading Commission. The Fair Trading Commission Bill states that the Chairman of the Commission is to be an Attorney-at-Law of at least ten years standing but the qualifications of the other Commissions are not spelled out. In a lot of the legislation which I have had the chance to look at over the years, because this particular exercise that I was involved in when I was at the Caribbean Law Institute, many of those pieces of legislation spelled out broadly that the Commission should have a legal, economic, accounting and scientific or other background. A history of utility and competition regulation and be familiar with the perimeters and history of commerce and industry in the particular country.

The drafters might not have wanted to spell out specific qualifications but they could have given some broad details because you never know what will happen. You could end up with a Commission with some persons who people might think are not qualified to be there. If the objective is to one of some transparency, it is fairly useful to look at these details from the beginning. Also, this Bill does not say whether the Chairman or the rest of the Commission is to be full or part-time. I assumed that if there is supposed to be a Chief Executive Officer, the Commission will most likely be part-time but this could have been stated in the Act.

Let us look at the jurisdiction of the Commission. As a statutory corporation it will have both an adjudicative

and executive arm. It is given the power to regulate utilities and any laws relating to consumer protection. The fair competition also has jurisdiction to administer the various provisions. The utility services which it will regulate, we have spoken of earlier, exclude ground transportation services. In an earlier version of the Fair Trading Commission Bill which I saw, ground transportation services, I believe were included, but at some point it was dropped and I gather it is because there is need to do some internal regulation in the transportation industry before an external body like the Fair Trading Commission can really regulate it. I would hope that because of the perceived chaos in the transportation industry, something will be done very soon to bring some measure of order and discipline to that industry and then it will be put under the aegis of the Fair Trading Commission.

Mr. President, I also hope that very early in its life, the Commission will undertake a study of standards and public relation practices in the services that will come under its aegis. I mentioned that because of an incident that occurred a few weeks ago in which three consecutive mornings we had no water at home. My daughter, who was visiting, called the Barbados Water Authority twice. I also called the Barbados Water Authority hotline number that was listed in the telephone directory.

When I called the third time the gentleman, whom they told me was the Supervisor, said that no one had called. I said that my daughter had called twice and that I had called earlier and he said no. I asked if he had a system for recording these things and he told me that I was being facetious and he put the phone down and refused to answer any further questions. It took me a little time to find out who was the Chairman of the Barbados Water Authority and within an hour or so a truck came and they discovered that there was a block in the line. The only houses that were affected were those in my area, a cul-de-sac, which were not receiving water.

The point is that if you set up a hotline, it should be that persons are going to get some results from calling it. You would think that some training or ensuring that the persons who are working in the public relation sections of these industries should have been trained and standards should be adhered to would be one of the early tasks before the Commission.

While on the issue of jurisdiction, this is particularly for Senator Trotman, in Jamaica Trade Unions, matters covered by copyright and treaties that bind the country internationally is not brought within the purview of the legislation. That was not the particular concern that Senator Trotman noted earlier. He wished that the social partners had some say in how the Commission operated. I just want to note as a matter of interest that Trade Unions operations are not to be regulated.

Asides.

SENATOR Mrs. V. E. NEWTON: I think that came out of a case that went to the Supreme Court of Jamaica, which is the equivalent of the Jamaica Bar Association, who sought clarification as to whether its pricing structure and so on were to be looked at the Fair Trading Commission and the court said no that you are a Trade Union. It is for this reason, that I have no problem whatsoever with persons in the tourist industry some years ago, being paid salaries with which many Barbadians were quite upset.
4.30 p.m.

The Commission is to be financed by sums voted by Parliament, Mr. President, some level of service providers up to one percent of their gross sales, and any amounts that comes to the Commission as incidentals to its activities.

One worry is whether Government will always be able to, or willing to provide the funding that is needed having regard to the type of bureaucracy that the legislation envisages.

I hope that the Commission's permanent staff will be large enough to conduct its necessary function, but they will not be excess persons lying around and doing nothing.

Funds saved by keeping the staff lean and trim, can be spent to obtain specialist knowledge of skill the Commission will need on a short-term basis from time to time.

Now, the office of Public Counsel, Mr. President. I noted earlier that the definition is in the Fair Trading Bill, whereas the functions are in the Utilities Regulation Bill.

If you look closer at the Utilities Regulation Bill, section 9, you will see that –

"the Public Counsel is to advise on consumer matters relating to this Act –"

which means, that is in relation to the Public Utilities Act.

Now, we do not know if a Public Counsel concept will be in the Consumer Protection Legislation as well because the mere fact that the definition is in the Fair Trading Act, does not necessarily mean that the Public Counsel is going to be advising all three units under the Commission.

As I said earlier, the legislation does provide for his duties in relation to utilities only.

The concept is a good one and as Senator The Honourable G. S. H. Murray said, we can regard the Public Counsel as a modern-day Wendell Mc Clean and we would hope that whoever is appointed to that position, will take his/her duties seriously and will assist consumers in the way that the legislation envisages.

Now, I am concerned too, about the Public Counsel's office, in that I hope that he/she is not put in an office to run it on his own.

I can speak of one other large organisation that has one Legal Officer and enough work to keep about three persons busy.

What has been happening is that the Officers go to work and after six months they are disgruntled and are looking to move elsewhere.

I would hope that the Public Officer is given the staff, junior Counsel, or whatever else that he needs to really assist consumers properly.

I imagine that his office is probably going to be first or second point of contact for consumers and I would hope that their duties can be discharged properly and that people who are working as clerical persons in that department that these people are given proper training when dealing with the public, and will not be answering the phone in the way that His Honour Senator C. L. Bolden mentioned. They will not turn poor people away who cannot formulate their request or their complaints properly, just because they are not doing it quickly and in a manner that can be easily understood, but that they would be patient and do what they are supposed to do.

Now, the next matter of which I would like to speak is the question of Annual Reporting.

Mr. President, section 22 provides for Annual Reports, provides the Commission to the Minister, up to three months after the relevant year, and to be laid in Parliament no later than three months after that date – like seven months after the beginning of the year, I would say.

Now, we know that there are similar provisions in myriads of pieces of legislations and that they are not taken very seriously.

I was hoping to see a section which states that reasons ought to be given, if not Reports are late or something like that. But, I supposed that there is not much further you can go in legislations, but, that there should be some provision which would make the Fair Trading Commission because of its importance in the community – regulating industries and looking after consumers affairs would take its Reporting duties seriously.

The second last matter with which I would like to deal is the publication of decisions. Section 35.

Mr. President, I fought very hard to have this particular provision included in the legislation.

It is because of the Income Tax Act, and the VAT Act – in spite of the submissions from myself and others, who are interested in legal research – we asked to have the decisions of those bodies made available, not necessarily to John Public, but at least to research institutions such as the Faculty of Law Library, so that researchers can come there and look at them to see how to prepare themselves if they are going to be having cases before those Boards.

What has happened is that in the Income Tax we were told that that depends on the particular Board in place at a particular time. While the present Board is amenable, a lot of decisions have not reached fruition or whatever. The upshot of all that is that we have not had any decisions from the Inland Revenue Commission for about five years.

As far as the VAT Act is concerned, in spite of our best efforts, there was no provision that the decisions ought to be published.

Now, it is not important to a lot of people initially, but when you have a problem which means that your Counsel has to appear before any of these Commissions – it goes for Land Valuation as well, and you do not know how the Commission approaches its work, the types of decisions given, the kinds of precedents used, it makes it very difficult, and I really, do not know how sometimes people do manage.

The National Insurance Board has done what many others have not done. In fact, they are probably the only ones right now which publishes its decisions. They publish the names of the parties and all so that future Commissioners can look at decisions and see how their predecessors have decided them, and would not give inconsistent decisions based on the same facts or the same legal issues.

It still happens mind you, but the incidences have decreased since the Severance Payment and the Benefit decisions had to be published some three or four years ago.

Back to the Fair Trading Commission and the Provisions of Section 35 which says about the publication.

I was surprised and quite disappointed really, to find that the Provision merely says that the decisions are to be published within a certain time after they are given. It does not speak to distribution.

But, this is a good start, and I hope that the Commission will adopt an enlightened stance that a decision is not published unless it is available for distribution, and if not to anyone who asks for it. At least, to any specific research institutions – probably the Public Library, the Law Library, and a few others.

My last point Mr. President, on this legislation is the Utilities Regulation Bill. I note with great satisfaction, the possibility of the lowering of rates for charitable organisations and the disadvantaged.

I agree with Senator Rickinson that that is a good provision.

The last thing – when I had told the Fair Trading Commission's Bill, a few months ago and I attended that meeting at the Queens Park Steel Shed, the Provision dealing with the circumstances under which a member of the Commission would be in conflict of interest were not clearly spelled out. They were not clearly spelled out at all.

It was with great satisfaction that I note that all the various areas under all the categories of activity, or lack of activity on the part of the Chairman or Members of the Commission which could be considered putting him/her in conflict of interest with his job, this has now been clearly spelled out.

With that I take my seat, and to say that I support the Bill wholeheartedly.

I thank you, Sir.
4.40 p.m.

SENATOR D. D. MARSHALL: Mr. President, we had a long day debating this particular suite of legislation and coming so low down in the batting order there is not an awful lot that I would wish to say that would not be repetitive. Nonetheless, it is incumbent on me to voice my very strong support for the measures being contemplated by the Report of the Joint Select Committee and certainly the two pieces of legislation which come before us today.

Barbados has waited a long time for legislation which directs important attention to the protection of consumers and to the regulation of the few monopolies that we have. We have managed to survive somehow but we have to recognise that in today's environment, competition has become the byword and consumer protection has become the clarion call of the people with the spending power in this island.

There is tremendous advantage, Mr. President, of looking at this legislation within the context of what we sometimes call a suite of legislation. In the past and in our Sitting last week, we looked at some of the landlord and tenants' laws and we can see that somewhere in 1963, in 1969 and in 1970, the approach was a very piecemeal approach which does not commend itself to the pursuit of justice and which does not commend itself to a logical approach to many of the things that have to be done.

The two modern deviations from this whole outstanding approach would be the way in which we approach the offshore business legislation and now the way in which we approach the legislation falling under the Fair Trading Commission suite of legislation. There are tremendous advantages of dealing with them in this way and I believe that those advantages would allow us to build up a sufficient store of knowledge and experience covering the areas of utilities regulation and consumer protection.

I have to say, Mr. President, that I fall half way between those people who say that this Bill does not deal with consumer protection and the position of Senator Bolden, my friend and colleague who says that it does. If one would care to look at section 23 of the Fair Trading Commission Bill ... no, first we should perhaps look at section 4 which my learned friend referred to. Clearly this legislation contemplates very strong consumer protection roles for the Fair Trading Commission. The Commission shall, in the performance of its functions and in the pursuance of its objectives, monitor the rates, monitors the standard of service, hear and determine complaints and so on and these are very important.

However, this does not mean that the moment this piece of legislation receives the assent of the Crown that people can immediately start to submit complaints. We might like to think so but in my respectful opinion, it does not. Guidance is given if we were to look at section 23 of the Bill which says this,

> "Every person who is aggrieved by an act done by a service provider or a business enterprise..."

And here are the important words,

> "...and which is contrary to any law which the Commission has jurisdiction to administer, may make a complaint against a service provider or business enterprise."

The important words there will be:

> "Which is contrary to any law which the Commission has jurisdiction to administer."

My simple submission is that in relation to consumer protection issues, we will still have to wait for that legislation to come to Parliament and receive the royal

assent before a wide range of things become contrary to any law. Sir, until such time as that piece of legislation comes before the Barbados public as proclaimed law, then I am afraid our ability to pursue consumer protection remedies goes only so far.

However, given the clear role of the Fair Trading Commission in the area of consumer protection, I am quite certain that we can expect this Barbados Labour Party Government to have such legislation before this House in relatively short order.

Mr. President, I have one small area of concern and it is not a concern which would in any way create a difficulty for me personally in supporting this legislation but it has to do with the role of the public council. As Senator Newton pointed out, the concept of a public council, is defined in one piece of legislation by reference to the sister legislation and just to be completely accurate, I believe the definition of it is in the Fair Trading Legislation which says that public council is a person appointed under section 8 of the Utilities Regulation Act.

Section 8 of the Utilities Regulation Act says,

> 8. (1) A public Counsel appointed by the Governor-General acting on the recommendation of the Judicial and Legal Service Commission, by instrument in writing, shall perform the functions set out in section 9."

The functions very laudable. I think one of the reasons why many people could not participate in the hearings before the former Public Utilities Board would have been the fact that they did not feel qualified or they did not feel knowledgeable enough or they did not feel that they had anybody to speak for them.

I assisted a former Member of this Chamber, Leroy Inniss when he appeared as Counsel for the Public Utilities Board many years back and it was clear that there was substantial public interest but few people felt prepared to stand before the Public Utilities Board or say to stand before Sir Bernard St. John who was at the time acting for BARTEL and raise any kinds of arguments. This role of public counsel should help to alleviate some of those fears.

The areas which I am uncertain about though, is the question whether this Public Council will be functioning as a staff member of the Commission or whether this public council will be functioning outside of the Commission. The legislation does not condescend to that at all and in fact, given that this particular public counsel is being appointed by the Governor-General, it strikes me that he would operate from outside of the ambit of the Commission.

Other Members of the Commission are appointed either by the Minister in the case of the Board or by the Board in the case of the staff. Sir, given the special nature of this, I would imagine that this person would function outside of the Commission and there is good sense in that. If the public counsel were an employee of the Commission and were paid a salary by the Commission, it really offends some of the fundamental tenets of natural justice for such an individual to be appearing in a matter which is going to be decided by his own employer.

Therefore, it would seem to me that while the legislation does not specify, the logical conclusion would be that this public counsel will function outside of the Commission. My call therefore would be to ensure, and it would really echo the call from Senator Newton, that such a public counsel is properly staffed in terms of his facilities, in terms of his library, in terms of his research assistants and so on. I hate to mash any corns but I would not want to see such an individual working from within the confines of the AG's office either.

In my view, that individual should be given considerable special care and attention, if he or she is to advance the cause of the poor and disadvantaged of this society especially in areas dealing with consumer protection.

The issue of search and seizure has been clarified so I really do not need to speak to that at all. I am heartened by the fact that the legislation also provides, I believe it is section 21 of the Utilities Regulation Bill, that any service provider who fails to meet prescribed standards of service has to compensate the individual who suffers loss or who is affected by the failure.

Sir, it might be naive of me to think that every time there is a power surge and I lose a piece of equipment that I am entitled to compensation without more, but the reality is that redress in any consumer protection environment has to be meaningful redress. There is very little point saying to an individual that you can lodge a complaint or that you can take a person to court.

If redress is not meaningful redress, if it is not cost-effective, then it does not serve the purpose of being redressed at all. I am satisfied with the provision here that a service provider who fails to meet standards of service and presumably these standards will be set by the Fair Trading Commission itself, will be liable to make compensation.

I would say, Mr. President, to digress a little, that in today's environment, it is a shame that service providers in this country and merchants in this country would have to wait until legislation comes to the table to enforce his position.

4.50 p.m.

We talked on many occasions about the Internet but one of the things about the Internet is that it has served to demonstrate to the world that a responsible private sector can provide satisfactory assurances to people who propose to engage in commercial activity via that medium. Numerous merchants who are offering on-line goods actually commit themselves to this specific kind of provision. They did not make any laws. Of course, we know the difficulties with laws and the Internet but they have committed themselves to this particular standard. They set a standard for themselves and guaranteed that if they fail to meet it, you would be compensated.

I believe that we have a very mature private sector in Barbados but I am always distressed when I hear people complain that private sector agencies especially the merchants in town do not even think about accepting returns from people in Barbados who have brought appliances that are not working or particular implement that when they get home and finally unwrapped them out of the big boxes, they discover that it is broken.

Recently, I was listening to the call-in programme and one lady was complaining that she bought some sanitary ware which was delivered to her house at 7 o'clock in the night at which time all she could do was to ask the delivery men to deposit it in a corner and so they did. The next morning when she got around to opening it, the sanitary ware was cracked and the particular merchant said to her that they will not be replacing or exchanging it and that she must have been the person who cracked it at some point in time.

I believe, Mr. President, that what we need, in addition to legislation to protect the consumer, is a responsible private sector which accepts that at the end of the day the consumer is essentially not only his reason for business but that thing which allows him to stay in business.

This legislation is long awaited, but as I said, we have not suffered unduly in its absence. However, when once it is proclaimed, the people of Barbados ever mindful of their rights and perhaps today seemingly a little more litigious than they used to be, I expect that the Commission will be kept busy. This is not in any way a bad thing. It is important that we set standards for ourselves and that we hold our service providers and our merchants to the very highest standard. We have to accept that left to their own devices it does not seem as though we will have any meaningful redress to the consumer.

The legislation is here. I believe it is not necessarily perfect. I accept that there are some areas which are a little indelicate in their presentation. Section 24, I think it is, is like some 15 lines long with only one full stop. It is truly a long sentence and Senator Newton can tell you that that model has long been abandoned by modern drafters.

Apart from the indelicateness in some sections, the intent of the legislation is clear and I too look forward to seeing the consumer protection legislation. However, I will urge the private sector not to wait until the legislation comes to start looking seriously at guaranteeing rights and proclaiming a code of conduct for the consumers. I would feel pleased if the merchants in this country could proclaim consumer rights and certain guarantees long before the legislation comes to the table.

That is my contribution in support of this piece of legislation.

SENATOR L. H. McCLEAN: Mr. President, I would hope that with the introduction of this legislation we will finally be moving from F-E-A-R trade to F-A-I-R trade because for many consumers in Barbados it is a nightmare as was pointed out by Senator Mascoll in his submission. Mr. President, the point has been made that this legislation is necessary and is indeed an important piece of legislation. The question, therefore, arises as to why the delays.

I would like to quote from a submission to the Joint Select Committee on the Fair Trading Commission and the Utilities Regulation from a group called the Consumer Research Organisation Incorporated of Barbados, whose President is Mr. Malcolm Taitt where it says on page 2, at the second paragraph:

> "We, therefore, support the Government in bringing this Legislation. We regret that it was not possible for the time frame of January 1, 2000, despite the clear promise by The Prime Minister, the Right Hon. Owen S. Arthur, during his Financial Statement and Budgetary Proposal, September, 1998. The Prime Minister stated then, "all the legal administrative and institutional arrangements will be put in place to bring this Fair Trading Commission into existence and open for business on January 1, 2000."

Now, we are almost at January 01, 2001. My concern goes further to the fact that we have the Fair Trading legislation before us. The more I listen to the discussion, the more concerned I am with the delay in having the actual consumer protection legislation because it seems to me that the Fair Trading Commission (FTC) cannot properly function in the absence of consumer protection legislation because after all if a consumer has a complaint, what legal instrument will the Fair Trading Commission use to determine that that consumer have been aggrieved?

I see in the legislation where it is also referred to as 'in the opinion of the Commission or as the Commission sees.' I think what we are actually asking the Commission to do is to make law without having the appropriate pieces of legislation. I think the consumer protection legislation which, as Senator Murray said earlier, and the Barbados

Labour Party Manifesto of 1998 said was in the final stages of preparation but hardly because like the present-day West Indies batsmen he seemed to be always playing with the back part of his pads.

I am also concerned with the structure of the Commission itself. It has 3 Commissioners and a chief Executive Officer. We also have a situation where the legislation speaks to the position of persons who have been seconded from the public service to work for the commission who will carry their pension rights with them. However, what happens to those persons who are recruited directly by the Commission? What would be the pension provision for those persons? I raise this because there are statutory bodies in Barbados now which up to this day do not have proper pension provisions and the employees of those statutory bodies do not enjoy the same pension privileges as public service employees. If you are going to have persons who have been seconded from the public service, giving them their pension rights and you have persons who have been employed directly by the Commission without having these pension rights in place then you will have two different categories of employees working with the Commission. I am not sure that the legislation speaks to those persons who have been engaged directly by the Commission. I think it is necessary to take a look at that.
5.00 p.m.

Mr. President, one of the essential features of any fair trading must be that the consumer gets what he pays for. Therefore it is a little interesting that there is a piece of legislation on the Statute Books, Cap. 321 which apparently nobody seems to remember is in existence, that is legislation in respect to weights and measures.

It is said from time to time and I recall hearing one attorney when he was told about weights and measures he immediately assumed that "rates" were meant rather than "weights". He did not even know that the legislation was in the Statute Book. It is said that the telephone company, Caribbean Cellular and other entities of Cable and Wireless have been able to engage in the setting of certain rates because the weights and measures legislation does not apply to them.

One would assume that if you are going to pay for anything by the unit that there must be some means of measuring that unit. Certainly if a company is going to charge you by the time they must be using some instrument to measure the time that you are using and therefore there must be some means of ensuring that the time that they say that you have used is in actual fact correct. We have heard of cases where the BARTEL officers phone cards which in actual fact have a rate higher than if you did not use the card.

Similarly the cellular arm is selling a pre-paid card with a rate that is higher than if you did not use the card. I think you pay 80 cents per minute with the normal cellular call but if you pre-pay a $30 card you actually pay $1.20 per minute. I think it would be logical to expect that if you are paying somebody in advance that you should be paying less but that logic seems to escape Cable & Wireless. If you pay them in advance you pay more.

The strange practices in that organisation do not stop there. If the Barbados Light and Power disconnects the service of a consumer they have to send someone where the person lives even if it is at the end of St. Lucy to disconnect it. When the person pays they have to send somebody back to reconnect it. BARTEL can disconnect a phone using a computer. Nobody has to leave the office but yet it costs more for a re-connection by BARTEL using more technology than the cost of re-connection by Light and Power when they have to send somebody to a residence twice. Certainly, that is something that needs to be addressed by the Fair Trading Commission. This is why I said that I hope that we will move from F-E-A-R to F-A-I-R.

Because of the complexity of the function of the Commission that we have heard of and when we look at a similar body in the United Kingdom, for example, the Fair Trading Commission in the United Kingdom is a massive enterprise. It is not just a commission of 5 persons and a handful of staff members. In fact, that body is so sophisticated that it also engages in research to determine the effect of unfair trading practices on consumers. They do not only wait for persons to come to them and say there is an unfair trading practice in a particular area, they also do research. In fact they have estimated that in any single year British consumers lose £8.3 billion as a result of unfair trading practices. That accounts for about one per cent of GDP.

It further states that when you factor in what is called welfare weight they say that the impact is greater on the persons at the lower end, the lower wage earners. When you factor that in the loss is about £9 billion per year. Therefore any Fair Trading Commission would have a very important role to play in looking after the welfare of consumers.

Again, Sir, in both Britain and Canada they have seen this matter of weights and measures as being so important that the British legislation was upgraded in 1985 and between 1994 and 1999 there were five regulations brought in by the Minister responsible between 1994 and 1999. This shows that this is an active piece of legislation in Great Britain as against in Barbados where it has been put on the Statute Book since 1979 and people seem not even to remember that it is there.

In Canada the legislation was upgraded in April, 2000 and it is 177 pages in length dealing with everything

under the sun. In Barbados it is often said that laws are enforced when certain people have to be dealt with. When weights and measures were applied to small shopkeepers in the country and people were going around checking small people's scales it was a big thing. Now that they have been virtually eradicated you have a situation where we have ... I remember when the weights and measures were there on Coleridge Street in a very dilapidated building. Since it has moved from there apparently we have forgotten that it exists. It is now begging a lodging in the office of BNSI.

There are three persons associated with that department now. One industrial metrologist and two legal metrologists or two inspectors. One person is attached to the BNSI and the two are attached to the Ministry that is responsible. These persons are responsible for issuing certificates for weighing instruments and things like that. They have been only able to restrict their operations to looking at weigh bridges at sugar factories at the cement plant, the feed plant, some construction, some persons selling pre-mixed concrete and that kind of thing. They are also responsible for calibrating pumps at service stations but they do not often get around to do that because the companies themselves have been doing the work. There is a community discussion on a website call www.maypole.net where one gentleman said that he went to one service station with his gas gauge at a certain point and with the money spent he got a full tank of gas. He went to another gas station with the needle at the same position, spent the same amount of money and he only got three quarter tank of gas. It means that there is something wrong with the calibration of pumps at service stations. Unfortunately we do not have the manpower to properly monitor what is happening in this area.
5.10 p.m.

I would bet that if you went to three different supermarkets in this country and bought three packages of sugar with the same weight on them and took it to BNSI, chances are that you will get three different weights.

Mr. President, when you consider the amount of money that the consumer will lose as a result of these kinds of differences we have to seriously look again at this matter of the consumer getting what he has paid for. If BARTEL can charge for three and a half minutes when a person only spoke for three minutes and this is multiplied by the thousands of minutes in telephone calls that would be made, you can very well understand the excess that BARTEL would be raking off.

Therefore, there must be some means of ensuring that we can properly monitor what is happening in this area.

It is also interesting at this time that we hear of the possibility of metered telephone calls. On my way here this morning, I was caught in the traffic and I saw that Senator Mascoll was also caught in the traffic and I thought that if the Leader of the House introduces this Bill in the absence of both of us we might both get there when it is finished. Fortunately, Sir, the Leader of the House also had a strong opinion with respect to metered rates. By giving his personal view on metered rates prolonged his presentation and gave me the opportunity to hear more. His personal views have generated such interest in this Bill that I had to wait to speak rather late in the order today. Sir, that is an encouraging sign.

Asides.

SENATOR L. H. McCLEAN: Mr. President, I will avoid hearing the asides but sometimes Members are at their best when they try to be funny.

Sir, it has been said that of all the countries in which Cable & Wireless operates that their highest rate of return on investment is in Barbados. It therefore, causes one to wonder why they would want to impose on this country at this time, a measure which is totally contrary and which will actually go against the grain and the culture of the people of this country. I have heard one other person in an open letter to the Prime Minister made reference to the number of issues that could arise and we have to pay attention to those.

Mr. President, an employee working in an organisation could now be accused of stealing by using the telephone to make a personal call. We have heard the case of persons who leave maids in their homes and one wonders what is going to happen if they chose to make their telephone calls from their employers' phone rather than from their home. I have seen in Jamaica where almost every house has a lock placed on the phone because persons could not take the chance and leave their phones unattended. There are conflicts arising in homes because one person is paying the phone bill, it is now being metered and, therefore, there will be problems. People are going to be monitoring how these phones are being used and if I am going to be paying the bill but someone else is using the phone longer, then I am going to be wondering why and there will be all kinds of difficulties arising in households.

Sir, we have to reiterate these things. We have heard the problem of using the Internet. We have a situation where we are encouraging our children to get into the modern world of telecommunications and information technology. We are spending millions of dollars on EduTech where children will now be using the Internet and there are going to be systems where students can communicate with their teachers via the Internet and all that and then they will be charged by the minute for using the telephone. Sir, it makes absolutely no sense at all. If it was in a case where Cable & Wireless was starve and, therefore, had to make an effort to make money one might

understand the need to go in this direction. Cable & Wireless, certainly, is not starved, they cannot even be considered to be hungry. They can only be defined as being 'lickerish' because they are obviously trying to squeeze as much as possible out of the Barbados consumer to make sure that they can maximise their profits.

Sir, it is interesting that Senator Williams in his contribution made the point that metering of calls might indeed bring about some measure of discipline for persons in use of the telephone. He used this term of discipline also in connection with the Bill before us and I am wondering whether the Senator is concerned with consumer protection or consumer discipline. Is it that we as a people have come to the point where we can only use the telephone in a responsible way if Cable & Wireless can punish us by having us pay more for it?

Sir, we have a particular culture. We know, as Senator Rickinson said, the value of a telephone to the elderly and the shut-in, the way that they can communicate and talking people's business is part of the Barbadian culture. Some of these people rely on the telephone to discuss what happens on their favourite televison programme. There are some of these people who rely on the telephone to discuss what happened on their favourite television programe and feel that there is a sense of belonging because they can communicate. Should we remove this tool from our people simply because the Senator and BARTEL or Cable and Wireless feel that you need to discipline them by letting them know that you should not be on the telephone for five minutes or you should not sit on the telephone and talk so long? You can talk for five minutes and be lonely for the rest of your time. It is indeed, Sir, a very strange attitude to the matter before us.

5.20 p.m.

Sir, consumer protection must go hand in hand with this legislation and I would hope that we will soon see the Consumer Protection legislation so that consumers can really be protected. What we have before us now is legislation to replace the present system by the Public Utilities Board and to conform with certain provisions under protocols with CARICOM and the WTO arrangements. This is not legislation which anybody has brought out of the kindness of their heart. This is legislation which has come out of necessity and I think that this Chamber is well aware of my view on legislation. If legislation is necessary, I would support it. If I think that it is not necessary I would say that it is not necessary.

I hope that legislation would not be brought purely for the sake of bringing it and then there are not the necessary measures put in place that we can follow through on it and ensure that it is effective. If making this legislation effective is going to take another three years, because as it was pointed out by Senator Marshall, it does not mean that once this legislation is signed into law that consumers will immediately have access to a Fair Trading Commission. You still have to go through the process – setting up the Commission, finding the persons who can function and all indications are that these persons are not persons that you can just go out there and pick up. There is going to be some measure of trading, if necessary, to prepare the correct persons unless Government is going to treat this Commission in the way that they are presently treating the Weights and Measures Division. Unless you are going to have a situation like that developing there may well be some time before the Commission will be functional and before consumers can have access to it.

I hope that this legislation is not something that you are going to have and you will come and say that you have fulfilled another Manifesto promise. I promised you Fair Trading legislation and it is there but if you put a bowl of food in front of a tied dog and you make sure that it is two feet away from the maximum length of its chain, it would be of no use to it. I hope that this legislation, Sir, is not that kind of legislation that will be just there and not being used for the benefit of the consumers.

I would want to support any effort to ensure that the consumers of this country are given a better deal and I would hope that there will be some provision in place that would permit the formation of proper consumer bodies. It is the responsibility of the consumers to set up the bodies to monitor and to work on the behalf of the consumer. I have heard too often persons expecting Government to do this or to contribute in some way. It is not the responsibility necessarily of Government to set up the consumer lobbying bodies. Government can facilitate them but certainly the consumers must make every effort possible to ensure that we can have the kind of body in place that we can monitor what is happening and we can lend support and also to ensure that the trading entities, whether they are monopolies or not, can be kept in line and that the consumer of Barbados can have a better deal.

I thank you, Sir.

SUSPENSION

SENATOR THE HON. P. C. GODDARD: Mr. President, I beg to move that this Honourable Senate be suspended until 5.45 p.m. in the afternoon.

The question was put to the Senate and agreed to and Mr. PRESIDENT suspended the Senate accordingly.

5.30 p.m.

RESUMPTION

Mr. PRESIDENT: This Sitting is resumed.

SENATOR T. E. BARKER: Mr. President, I want to put in regarding support for this piece of legislation.

Noted Sir, that it has three components. One dealing with the Utilities Regulations, one dealing with Fair Trading, and one dealing with Consumer Protection. All three that we should treat in a macro-economic setting.

First of all, as we position Barbados to take advantage of the new global economy, and we seek to ensure that this country takes its place in the new world economic order, we have to ensure that our internal market is well regulated and highly efficient, so that we can protect ourselves and take advantage of what is there in the world.

Sir, we need, at this juncture to ensure that business activity takes place in a framework, in which new businesses can merge and grow. Established businesses can consolidate where necessary and expand beyond our national borders. That is very, very important.

Our companies must see the market as not being limited to whole 250,000 people within this 166 square miles, but that the world now becomes the oyster, so to speak.

Our companies must be allowed to function in a system which gives them freedom and at the same time, we have to ensure that established companies do not use their position, do not use their might to unfairly prevent competitors from entering the market.

In the final analysis, the consumer is protected when he has freedom of choice, but when that freedom is taken away in an artificial manner, by larger companies using their size and their might to stifle competition, then inevitably the consumer suffers.

So that these three aspects – consumer protection, fair competition and utility regulation are three sides – pardon the expression – but, three sides of the same coin, if you can imagine a three-sized coin. The point is that they are so interwoven that it is clear to me, while we can have one Commission, which can regulate these three activities. They are so closely aligned. Consumer protection must and will take place, since you have a competitive market where there are now strictures which prevent entry and exits of firms and so on.

Sir, we note that the Commission is so structured that there is an Executive Officer and there are three Directors.

One Director for Utilities Regulations, one Director for Consumer Protection and a third Director for Fair Competition. They will be operating under one Chief Executive, so to speak and under one Commission.

So, it is not in my view, a case of the Commission stretching itself thin. It takes into account the nexus between the three activities. A lot of activities will take place which will make the work of the Commission that much more meaningful and that much more successful.

Sir, I noticed in the document that was given to us pertaining to the Report, that in the Overview which Sir, I think was a document prepared by the Ministry of Commerce, Consumers Affairs and Business Development and which was submitted to the Joint Select Commission of Parliament, it sets out in a clear way – and I recommend Sir, especially the Opposition Senators that they read it in its entirety – it sets out in a clear way the objectives of the Commission.

Among them –

a. the focus of competition and rivalry,

b. the securing of economic efficiency in the operation of business enterprises and utility companies,

c. the development of a more competitive market place that provides fair market access for new entrants, particularly, small enterprises,

d. increase in consumer welfare, through increase consumer choice and lowering prices for goods and service,

e. the empowerment of significant consumer protection measures to protect consumers from unfair trading practices of business development.

As we go into the new millennium, these things become more important and it is timely. At least, some may argue that it is over due, but it is timely that Government now seizes upon the opportunity to make sure that proper regulation of the marketplace takes place.

We know Sir, that a lot of distortion has taken place in our local market and we see evidence of this within the gas station sector. A lot of the marketing companies have now moved into an area which was traditionally the preserve of the small businessman, i.e. selling gasoline.

That Sir, is an unwelcome move. It is not traditional. In the past, we have had – and, you can name them, Sir. A lot of Barbadians, both black and white, who have done very well in this industry, but now what we have with these marketing companies, with all their might behind them can move into these areas and can push out the traditional operator.

We are hoping that the Fair Trading Commission, when the necessary legislations are put in place because, do not forget, Sir, we are discussing two pieces of

legislations, but there are two other important pieces of legislations which I am told are in the making, which will give the necessary teeth to the Commission. It gives them the framework to which they can regulate businesses and to ensure that there is fair competition and at the same time, to protect the consumer.

Sir, we are hoping that these sorts of activities that I have just mentioned will cease to exist and that people will not use these measures to distort.

In the market, in the final analysis as noted in the document which I have just read, significant protection for the consumer can best take place in a highly-efficient market place.

Sir, we know some years ago, when there were a lot of competition, there was a lot of price control on almost every necessity, especially in the area of food. When I was a boy, price control was on almost every food item.

Now, we have significantly less price control, but, because the market is that much more opened to competitive forces, a lot of people do not go through the traditional merchant to import food, they go straight to the "Weatherheads", so to speak, and do their own importing. That has aided significantly in keeping prices relatively, fair.

Sir, the operation of the marketplace, if we just ensure that there is fairness, can significantly help the consumer. But, Sir, we note that we need legislations to ensure that things like our appliances that come into this island are energy-efficient. We also need legislation to ensure that certain environmental concerns are addressed.

We have to make sure, Sir, that ...

Asides.

Mr. PRESIDENT: I am just saying to you, not to be distracted, and to address the Chair.

SENATOR T. E. BARKER: Thank you, Sir. So, Sir, we have to ensure that in our legislation, that all these matters: environmental concerns, proper energy-efficient appliances, and so on are brought into this island because we have to ensure that the consumer, who normally is not well-educated on these specific matters, that when he can do so with the confidence of knowing that there is some regulatory body out there, ensuring that only the most-efficient appliances come into this country in the first place, so that, he is buying with confidence.

So, even although he might not be an expert in dealing with these matters, that he can go with confidence and buy the appliance knowing that some person or persons who are more versed in these matters, that he is ensured that the stores in Barbados can only import the required type of appliances.

All these things are very necessary, especially as we become more and more aware of our environment and all matters pertaining to it.

Sir, this move as set out in this Commission and the necessary legislations, are necessary.

Sir, they must be seen as the first and very vital and necessary step in the whole process of ensuring that our people, that our companies, that our consumers, get the best deal from the marketplace.

In so doing, Government has to make sure that it steps into the market place, and to ensure that the regulatory aspects of the governance of the country is in place, because the consumer needs the help of both Government, as well as their own agencies to ensure that they get the best deal.

Sir, we are looking forward to the other pieces of legislations, so that the whole thing can be brought into force.

Sir, with those few words, I want to commend this Report to this Honourable Chamber.

It is a very important Report, and I would again suggest, that we all take time to understand all that there is in it.

I think we should commend the Joint Select Committee for the patience that they have shown, and the hard work in order to do the necessary, correct thing.

I note, Sir, that the Bills that come to us are vastly improved, when we compare them with what we had a few months ago. A lot of thought went into this.
6.00 p.m.

Sir, my only regret is that my good friend, Senator Mascoll, did not seize upon the opportunity to participate more fully in the work of the Commission. He chose this forum this morning but I feel that he could have made use of the fact that he was on the Commission in order to get these important points that he made properly articulated so that his inputs could have been better felt in the Report of the Joint Select Commission.

Sir, I thank you very much.

Mr. PRESIDENT: Senator Collymore.

SENATOR B. R. COLLYMORE: Mr. President, I am happy at the level of debate on this matter. I think that it is a credit to the work of the Joint Select Committee that there was not a lot for us to really argue about.

Most of what I would have said, I think other speakers have dealt with. I simply want to reiterate the point that it would seem desirable that the consumer protection legislation should be put in place before these other two bits of legislations come into effect. However, I note that the ground transportation sector has been deleted from the original draft that reached us. I do not think I have heard any reason why this was deleted but I recall that for many years, up to about 1975, the Barbados Transport Board used to be subject to regulation by the Public Utilities Board (PUB).

I know that the officials of the Barbados Transport Board always found it difficult to present their case in a strong way before the PUB and that they were not well done by it because of this. I believe the deletion of the Barbados Transport Board from the schedules of the PUB related more to political expediency than any economic consideration. How else could we in the year 2000 have a fare of $1.50 for bus transportation in Barbados?

Therefore, I do not know whether there is some consideration of avoiding the fall-out from putting the ground transportation under the Fair Trading Commission or whether serious consideration has been given to what is now a very necessary provision. That means that a Transportation Authority should be put in place to regulate the operations of ground transportation. I think that is as urgent or even more urgent than fair trading because ground transportation is basic to all economic activity in Barbados.

If you think of the tourism sector, people getting to work, if you think of moving the tourist around, taxi fares and taxi drivers, the question of regulating ground transportation is more important than we know. I recall that for more than ten years, the idea of a Transportation Authority has been floating around. I believe at one stage, there was a unit that was looking after developing this matter. I do not know how far it has gotten but I make the point that I consider ground transportation as important as even fair trading. Although it may have what could be considered a local context mostly, it has a tremendous effect on the other activities that we are talking about.

Having said that, there are two queries which I raise in respect of the draft legislation which we have been discussing. Looking at the Report at page 9, clause 5 of the Fair Trading Commission Act, it says,

"5. (1) A panel of 5 Commissioners shall sit to hear and determine matters relating to utility regulation in accordance with this Act and the Utilities Regulation Act, 2000."

Then subsection 2 says, notwithstanding subsection 1,

"(2) For the purpose of exercising its jurisdiction, the panel shall be constituted in accordance with the directions of the Commissioners and may consist of an uneven number of Commissioners, such number being not less than 3."

I think there is some contradiction there. In the first subsection it says, "5 commissioners shall sit to hear" and in the second subsection it says that for the purpose of exercising its jurisdiction, the panel may be constituted and may consist of an uneven number of Commissioners, such number being not less than 3.

I would have thought that for tidiness and for drafting elegance, some way along the line an alternative provision should be for a panel of not more than 5 but not less than 3 could sit to hear. As it is put, I think the two subsections contradict each other and I draw attention to that.

The second one that I would like to look at relates to the Utilities Regulation draft page 10, clause 13 and it says,

"13. (2) A service provider shall not

(b) extend to any person any agreement, rule, facility or privilege unless that agreement, rule, facility or privilege is regularly and uniformly extended to all persons under substantially similar circumstances and under conditions of service of the same description."

I have no quarrel with that. I would only support it by drawing to the Chamber's attention to the work of the Barbados Association of Retired Persons which had sought from one of the service providers, a concession for persons who had qualified for public assistance under the Public Assistance Act – those old people who were already having the benefit of their electricity and or water being paid by the Government. BARP had sought from this provider that the same concession should be extended to the same people in respect of telephone services, local service only, based on the fact as I heard so many people talk of today that the telephone is as important to older people as the other services ...

Aside.

SENATOR B. R. COLLYMORE: ...Yes, this is true.

Whether they talk for two or three hours is another matter but I think they need to have a telephone service.
6.10 p.m.

The Barbados Telephone Company Limited went to the Public Utilities Board who advised them that under

the existing legislation this was not possible. Therefore, this new provision here meets to some extent the BARP's submission. Of course, BARP went further and suggested that if this could not be done by the Barbados Telephone Company Limited which was willing to do it, then we should ask the Government if they would meet the cost of those services. We have had no favourable response yet. Rather, we have had no response.

The point I am making is that the telephone is very important to older people. This provision which I see here will allow the company to grant that request. But whether they will do it now as easily if their rates are not raised and if they are not allowed to charge a measured rate is another matter.

Now, it seems to me that there is some validity in consolidating the legislation and having separate parts but whether it is too late for that, I am not sure. In general, I have no problem with the several bits of legislation and I hope that we will have the third and fourth bits before us very soon so that when this is proclaimed, it will be possible to move to the next stage smoothly.

Having said those few words, I support the legislation.

SENATOR THE HON. P. C. GODDARD: In rising to conclude this debate I would like to mention to Honourable Senators, that while we have talked about the need for a Consumer Protection Act which is in the making and which is critical to this, and about the possible legislation to the ground transportation, there is also another Bill which is being drafted which really is the critical part of all of this and is central to this whole exercise including consumer protection. That is the E-commerce Bill because this sets the framework for the recognition of digital signatures and digital evidence in court. It is also what the deregulation of telecom is all about.

When we talked about consumer protection, we are not just talking about consumer protection for Barbadians, we are talking about consumer protection for every customer who comes to Barbados, be it by aircrafts, by boat or by a telephone line. Therefore, it is critical to see this thing in a holistic context and for the value of what it is.

Along that same line, the issue or the argument for measurement is one that cannot be taken in an analog context. It has to be in a digital context. Measurement is not just only about time, it is about quality of the line service, the band width that you have, which will depend on the clarity of the voice that you hear, the quality of the data transmission and the speed of the data transmission.

I might point out to Honourable Senators that it is anticipated that by the year 2003, the ratio of voice to data on telephone lines which is currently 40 per cent data and 60 per cent voice, will be 1 to 23, 1 voice to 23 bits of data. In other words, voice will become irrelevant on the telecommunications line. That is where we get the concept and voice will come to zero cost because the money would be made from data.

I will also say too that flooding the market with massive range of options causes confusion in the consumer environment. It can result and often does result in the consumer picking a higher cost option than he should. When we are talking about deregulation, the importance of this Fair Trading Commission becomes critically vital when you have a proliferation of options thrown into the marketplace which is designed to confuse the consumer. The experience in the United Kingdom, Europe, Canada and the United States of America have borne this out and the regulatory authorities have had to take action on it, so it is nothing new. These are some of the issues which are new which have not been brought up and I would just like to point them out to Honourable Senators.

With that, Mr. President, I beg to move that this Resolution do now pass and that the Report of the Joint Select Committee be adopted.

The question was put to the Senate and agreed to.

ORDER NO. 2 – FAIR TRADING COMMISSION BILL, 2000

SENATOR THE HON. P. C. GODDARD: Mr. President, in light of the extensive discussions that we have had on this, I now move that the Fair Trading Commission Bill, 2000 be now read a second time.

The question was put to the Senate and agreed to.

SENATOR THE HON. P. C. GODDARD: Mr. President, I beg that the Bill be not committed and be now read a third time.

Asides.

SENATOR THE HON. P. C. GODDARD: Perhaps I should explain for the record and for Honourable Senators that I have been to a Joint Select Committee of both the Senate and the House and, therefore, the Senate need not go into Committee for consideration of the Bill and, therefore, I now move that it be not committed and be now read a third time.

SENATOR C. LeR. TROTMAN: Mr. President, I am aware of the procedure and I am aware that it may not go; but in view of the fact that we were able during the second reading to recognise that there were one or two areas where the text could be cleaned up, I wonder whether it would not serve to accept that that particular approach be not adopted and that we should go into Committee.

Mr. PRESIDENT: I think, Senator Trotman, it is open to you to move an amendment to the motion which is provided for. Of course, I think it is in Standing Order No. 54 that the Bill be amended, or that the Motion be adopted subject to an amendment, either of the whole Bill or of a specific part that you might wish to mention.

SENATOR C. LeR. TROTMAN: Thank you very much, Mr. President. I would wish, therefore, to indicate, Mr. President, that I would wish to have the motion of the Leader of the Senate adopted subject to such changes as Honourable Senators might wish to have to the text. In my case, particularly, to the one which I have referred to before at section 17 Part II. Should I deal with the particular amendment now?

Mr. PRESIDENT: We will need a seconder for that.

SENATOR Mrs. P. E. RICKINSON: I beg to second the motion.
6.20 p.m.

SENATOR C. LeR. TROTMAN: In that case, Sir, I wish to draw to your attention section 17 again on page 15. I would wish to submit that the word "in respect of" be deleted and replaced by the word "regarding" so that the text would read:

> "The Minister may after consultation with the Chairman give the Commission directions of a general nature regarding the policy to be followed by the Commission in exercising its functions in respect of utility regulation."

Mr. PRESIDENT: Senator Trotman has moved the motion that this Bill be committed to the Committee of the House subject to such changes as Senators may have to the text thereof.

The Clerk has drawn to my attention section 54 to which I made earlier reference. It seems to me that the procedure we are following is in order. It is my duty now to put Senator Trotman's motion that the Senate approve the Report of the Select Committee subject to the re-committal for the specific reason mentioned by Senator Trotman.

The question was put and a division was called.

DIVISION

The question that the Resolution as amended do now pass was put and resolved in the negative, the Senate dividing as follows:

Noes: SENATOR THE HON. P. C. GODDARD, SENATOR. T. E. BARKER, SENATOR DAME PATRICIA SYMMONDS, SENATOR Mrs. J. P. ALLEYNE, SENATOR J. E. D. WILLIAMS, SENATOR G. E. N. BROME, SENATOR D. D. MARSHALL, SENATOR Mrs. V. E. NEWTON, HIS HONOUR SENATOR C. L. BOLDEN, SENATOR THE HON. G. S. H. MURRAY – 10

Ayes: SENATOR C. A. MASCOLL, SENATOR L. H. McCLEAN, SENATOR SIR JOHN STANLEY GODDARD, SENATOR B. R. COLLYMORE, SENATOR C. K. LAURIE, SENATOR Mrs. P. E. RICKINSON, SENATOR C. LeR. TROTMAN – 7

The amendment was defeated.

SENATOR B. R. COLLYMORE: Mr. President, I do not know whether I am out of order but it is my understanding that the House made certain amendments to this legislation which I do not think were brought.

Mr. PRESIDENT: They are incorporated in what is before you, I am so advised. The document for the Senate contains all the amendments made at the Other Place.

HIS HONOUR SENATOR C. L. BOLDEN: On a point of privilege. The Bill which is before the Chamber is the Bill which we have to deal with. If a Bill was circulated in the Other Place and dealt with in the Other Place and amendments were made as a result of a Select Committee and that comes to us that is what we have to accept. We cannot query any amendments made in the Other Place.

SENATOR B. R. COLLYMORE: Amendments to section 4(c), page 9 of the Fair Trading Commission Bill. It is my understanding, Sir, that a number of words were added to (c). Section 4(5)(a)(b)(c). I am referring to page 9 of the document.

SUSPENSION

Mr. PRESIDENT: I am going to rule on this matter. I am ruling that we suspend these proceedings for five minutes in which time I will ask the Clerk to satisfy me that what is before the Honourable Senate contains all the amendments made in the Other Place.

This Sitting is suspended.
6.30 p.m.

RESUMPTION

Part III – V were called and passed.

Part VI was called.

SENATOR THE HON. P. C. GODDARD: Mr. Chairman, under secton 26 (1) it says:

> "Where a service provider persist with not complying with the order of the Commission made under section

34 of the Fair Trading Commission Act 2000 in relation to..."

Delete the words "made under section 34 of the Fair Trading Commission Act 2000".

It should now read:

"Where a service provider persist with not complying with the order of the Commission in relation to...."

Under paragraph 8 of the section 34 on the second line, at the end of the line the word "the" was replaced by "and".

Under section 28.1 (a)

"The carrying on the business of the provider" was changed to "The carrying on of its business."

SENATOR C. LeR. TROTMAN: Mr. Chairman, in as much as we are dealing with Part 6, I wish to draw to your attention section 26.4 on page 14. It says:

"The management of the service provider or of such part of the business of the service provider as the order of the court directs, shall on a date specified in the order vest in the administrator of the court to the exclusion of any person vested with any such management immediate before that date but the administrator must not enter into the new contract except with the leave of the court."

I do not know how to amend that, Sir. I am merely drawing to your attention that it is a non-sentence and that in those circumstances that we would want to amend it but I am not sure what the intention is. Forgive me if I cannot make a meaningful and sensible recommendation.

SENATOR THE HON. P. C. GODDARD: Mr. Chairman, I understand the concern of Senator Trotman, however, I move that Part VI with the amendments that I have detailed do now stand part.

The question that Part VI stands part as amended was put to the Senate and a division was called for.

DIVISION

The question was put to the Senate and agreed to and the Senate divided as follows:

Ayes: SENATOR THE HON. P. C. GODDARD, SENATOR THE HON. G. S. H. MURRAY, SENATOR DAME PATRICIA SYMMONDS, SENATOR T. E. BARKER, SENATOR J. E. D. WILLIAMS, SENATOR G. E. N. BROME, SENATOR D. D. MARSHALL, SENATOR Miss J. C. ODLE AND SENATOR Mrs. J. P. ALLEYNE.

Noes: SENATOR C. A. MASCOLL, SENATOR L. H. McCLEAN, SENATOR B. R. COLLYMORE, SENATOR C. K. LAURIE, SENATOR Mrs. P. E. RICKINSON, SENATOR C. LeR. TROTMAN, HIS HONOUR SENATOR C. L. BOLDEN

Mr. CHAIRMAN: It was reported to me that 8 voted yes and 7 voted no I therefore declare the ayes have it.

SENATOR THE HON. P. C. GODDARD: Mr. Chairman, I beg that part VII do now stand part.

Part VIII – IX were called and passed.

SENATOR THE HON. P. C. GODDARD: Mr. Chairman, I beg that the Schedule be the schedule to the Bill.

The question was put to the Senate and agreed to.

On the motion of SENATOR THE HON. P. C. GODDARD, Mr. CHAIRMAN reported to His Honour The PRESIDENT the passing of one Bill in Committee with amendments. Mr. PRESIDENT resumed the Chair and reported accordingly.

On the separate motions of SENATOR THE HON. P. C. GODDARD the Bill was read a third time and passed.
6.45 p.m.

ORDER NO. 6 – SECOND READING OF THE INSURANCE (MISCELLANEOUS PROVISIONS) BILL, 2000

SENATOR THE HON. P. C. GODDARD: Mr. President, in moving the second reading of this Bill, The Insurance (Miscellaneous Provisions) Bill, 2000, this Bill seeks to extend an amendment to the Insurance Corporation of Barbados Limited Act, a company incorporated under the Companies Act, Cap. 308 (A), by deleting the words "31st December, 2000", and substituting the words "31st December, 2002".

This will allow us to have a two-year grace period during the negotiations that are on-going: the treatment of exemption in the double taxation agreement between Canada and Barbados.

The negotiations are at an advanced stage. There is general agreement about how we will treat the taxation situation between exempting insurance companies that are domicile in Barbados.

However, the only sticking point is the area of time that the Canadian authorities were willing to grant us, and what we are sticking out for; that period of time. The Canadians were looking at 2002, and we are asking for 2007.

We think that these negotiations are at a delicate point. They have now formed their Government, and we should in the first quarter of this year, re-engage them on this subject.

This Bill will extend the current conditions under which they are treated for a two-year period.

I now beg that this Bill be now passed.

On the motion of SENATOR THE HON. P. C. GODDARD the Senate resolved itself into Committee on the Bill. HIS HONOUR SENATOR C. L. BOLDEN in the Chair.

COMMITTEE

Clauses 1 – 2 inclusive, were called and passed.

On the motion of Senator THE HON. P. C. GODDARD, Mr. CHAIRMAN reported to His Honour, the PRESIDENT, the passing of one Bill in Committee and Mr. PRESIDENT resumed the Chair and reported accordingly.

On the separate motions of SENATOR THE HON. P. C. GODDARD the Bill was read a third time and passed and cited as The Insurance (Miscellaneous Provisions) Bill, 2000.

ORDER NO. 5 – RESOLUTION TO APPROVE THE GUARANTEE BY THE MINISTER OF FINANCE FOR THE REPAYMENT OF THE PRINCIPAL SUM OF $15,000.00 UNITED STATES CURRENCY AND INTEREST TO BE BORROWED BY HOTELS AND RESORTS LIMITED FOR THE ISSUING OF BONDS ON THE TRINIDAD MARKET

SENATOR THE HON. P. C. GODDARD: Mr. President, this Resolution seeks to approve Government's guarantee of a debenture issue of $15 million United Stated Currency by Hotel and Resorts Limited.

The $15 million United States Currency is to be drawn down in two tranches –

a. 10-year fixed term rate at 9 percent to be paid semi-annually.

b. Provision of a sovereign guarantee.

c. Listing on the Trinidad and Tobago Stock Exchange.

d. Exemption from Barbados withholding tax.

Series 1. $8.8 million.

Series 2. $6.2 million.

"...it is resolved that Parliament approves the guarantee by the Minister of Finance for the payment of the principal sum of $15 million United States Currency, and interest to be borrowed by Hotel and Resorts Limited for the issuing of bonds specified therein."

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

SENATOR C. A. MASCOLL: Mr. President, it is late in the day but it is difficult to resist a gem, when you see one.

As we all know, the Hotel and Resorts Limited does not have to report to Parliament, but apart from the $10 million that they have been able to access from the Public Enterprise Fund this is now about $90 million in loans that Government has been able to guarantee for this particular company.

We are unable as a Senate, to know precisely what is happening with this particular "public sector" entity.

Now, that is difficult, because to have Government guaranteeing loans of the magnitude that we have seen so far for this project, can be justified perhaps, by way of the law, but as far as conscience is concerned, it is inexcusable. 7.05 p.m.

It is inexcusable in that the highest area of accountability in the land can never get access to precisely how the GEMS Project has been performing and we are being told about how well the small hotel sub-sector is doing. We are not so sure that this primary player, the GEMS Project, which could soon have almost one thousand rooms, in full constituting almost 40 percent of the small hotel sector itself being able to utilise and be backed by Government assurances.

There is another side to this particular Resolution. Once again it seems as if the Trinidad market will be the saviour for the Barbados Government and Barbados' businesses. That has to be looked at from the point of view that in several other quarters, we are being told that there is too much of an intrusion on the part of Trinidad in the economic life of Barbados but yet on the other hand, we are consistently running to the shores of Trinidad to borrow money at all kinds of rates and conditions.

It will not stop either and particularly if the recent trend of increased oil prices continues, Trinidad will become even more lucrative as a market for Barbados to access funds. There is every indication that there would not

be any significant downward trend in oil prices in the near future and once again, Trinidad will be an area for us to look at whenever we are seeking so-called international funding or borrowing.

Now, there is another side to that coin as well that while we hear all kinds of boasts about our credit rating internationally, with the exception of one case, we have not been able to go to the true international market. We have been confined to the regional markets for borrowings in the last four to five years.

Not that money is not money but with such a credit rating and high level of performance, we would have expected that our capacity to borrow on the real international market would be such as to be encouraging prospective lenders to pursue us, given our performance over the last four to five years. Instead, we have seen that Trinidad continues to be a saviour for Barbados as it relates to availability of funds.

There is not much to be said because it remains a heart-wrenching situation in which you are crying almost in the wilderness to understand what is truly happening with the GEMS Project. Not because you want to be malicious or you want to seek political gain but because you would really wish to know why it is that this particular project has been consuming such a large amount of our attention and certainly, our finances. We are not in a position to say whether it is being effectively used in the long-term interest of Barbados.

Sir, that goes contrary to all that we are debating and all that we are talking about as it relates to liberalisation, globalization, the freeing up of markets, the apparent transparency of operations around the world. In fact, again a basic tenet of this whole globalization thing is that everything should be transparent. I should be able to enter your country and know what to access and where to access it. I should be treated like the locals in terms of my capacity to invest and I should not be denied the right to invest and that really and truly, we are supposed to be on a level playing field.

We are here in this Chamber consistently asking for transparency at it relates to the GEMS Project. We are never in a position, even when you deliberately – and that has been the case – twist information in the public merely to get a response or someone to say that you are telling lies...

Asides.

SENATOR C. A. MASCOLL: ...but you deliberately twist information and it has nothing to do with your conscience at that point. It has to do with not being met with one ounce of respect by the Government or any of the authorities. You are never in a position, regardless of what you do under the GEMS Project to get information. When I say you twist information, you may as we all do, exaggerate a position.

SENATOR T. E. BARKER: On a point of order, Mr. President, in the Other Place a question was asked on the GEMS.

Mr. PRESIDENT: It is out of order to refer to proceedings in the Other Place in this Chamber.

SENATOR T. E. BARKER: Mr. President, I am highlighting the fact that the Honourable Senator is misleading the Chamber when he says that the Government has not given information on the GEMS.

I am saying, Mr. President, the public of Barbados has been given a lot of information on the GEMS Project so I think that the Honourable Senator is misleading this Honourable Chamber.

SENATOR C. A. MASCOLL: Mr. President, I am not even aware that there is another place.

Mr. PRESIDENT: Senator, you may in fact now be misleading this Honourable Chamber.

Asides.

Mr. PRESIDENT: The Chair is not supposed to hear asides but I thought I heard something about somebody not being there long enough to know.

Asides.

SENATOR C. A. MASCOLL: Suffice to say, Mr. President, I think that even if the information is given in the Other Place that we are in a position where we should be afforded that privilege of knowing precisely what is happening to the GEMS Project.

We have asked questions all over the place and on that score, Mr. President, I am really going to sit and keep my mouth shut because it does not make sense to even pursue it any longer. We have been debating this thing called the GEMS Project for the last several years and we have never had in this Chamber as far as I can recall or even in public, information given pertaining to the performance of the Hotels Resorts Limited by way of occupancy, profitability or staffing. We are never sure who is in what position and therefore it is time for me to say goodbye and to quit on this thing called the GEMS.

I thank you, Mr. President.

Mr. PRESIDENT: Senator Trotman.

SENATOR C. LeR. TROTMAN: Mr. President, I would wish to say at the outset I will support the Resolution before the Chamber. I would go beyond that to say that I have not had to persuade my organisation, the Barbados Workers Union. We were all very happy to invest in the GEMS Project so that my position as a supporter of this economic initiative ought not to be in question.
7.15 p.m.

However, there are far too many dark clouds that scurry across The GEMS sky and I happen to be one of those looking for the rainbow which comes out of those clouds. I am hopeful that at the end of one of those rainbows there might be a pot of gold for us in Barbados to discover.

In essence, what I am saying, Mr. President, is that though I am very supportive of the objective, I am increasingly having concerns about the very many difficulties which there appear to be regarding this matter. I would think that if we are going to give support, as I am going to suggest we do, to the guaranteeing of this further loan, that it is necessary for us to state most emphatically that I believe that this Honourable Senate needs to have a full, clear, unexpurgated version of the truth, the whole truth and nothing but the truth regarding this matter of The GEMS Project which there ought to be in our Barbados' crown.

It seems to me, Sir, and I believe it ought to seem to all of us, that the idea is a good one, the efforts must be sound efforts but that there are very many difficulties which may be making the effort less than as sanguine as we had hoped they would have been and I think we need to know what they are.

We have had the unfortunate difficulty within the hotel sector that at a time when we are most needing the hotel rooms we have not been able to have some because many of those hotels which are within the GEMS Project have been undergoing some form of rehabilitation or the other.

We have consistently been hearing of persons whom we have – when I say we, I mean Barbados – elected to high office within the Project and within hotels in the Project. We have heard or seen publicly that they have either demitted office or that they have been persuaded to resign from their positions for one reason or another. Those are not matters which will inspire confidence. Naturally, those persons who are being persuaded, and some of us are being persuaded, to invest in projects of this kind and in the greater Bridgetown Redevelopment Project, need constantly to be made aware of what difficulties there are, be they of a national economic, national financial or a difficulty in terms of the people who are managing, structuring and organising the various Projects.

We hear stories that money is not always as easily forthcoming for The GEMS Project as it used to be in their efforts to get such dollars. We have to be wondering whether we have a problem at the level of management, whether we have a difficulty at the level of the operationalization of the original conception or if there is a softening in the market that we are not fully aware of that is catching up with us. I would think that the last is not necessarily true because it would seem to me that all indicators are that we should have a very good 2000-2001 tourist season.

The question I am faced with, is the question of knowing whether The GEMS Project is likely to capitalize on this and whether we are going to be able to see a turnaround in the fortunes of this beleaguered organisation in the foreseeable future. I am not going to go beyond saying these words but I welcome the fact that because this matter is before us we ought to be in a position to have a clear picture of what is from what is likely to be.

SENATOR L. H. McCLEAN: Mr. President, the origin of The GEMS Project is and is known to all Barbadian as the hotels which are indebted to the Barbados Development Bank where accommodation was made for those hotels to come together under this Hotels and Resorts Ltd. Unfortunately, similar accommodation was not made for those persons engaged in the fishing industry nor those persons engaged in the manufacturing industry in order to deal with their indebtedness to the Barbados Development Bank.

One would have hoped, therefore, that when money was made available to Hotels and Resorts Ltd. that in executing their project some consideration would have been given at least to engaging the services of local manufacturers in the refurbishment of the hotels and in the spending of the millions of dollars at length. In fact, what has happened is that very little, if any, of the work that was carried out on the hotels coming under this project was done by local manufacturers. All of the windows, doors and furniture were all imported.

As I said, if a policy decision had been taken that some percentage of the funds spent on the project would have been spent with local manufacturers, certainly, it would have provided the local manufacturers who are indebted to the Barbados Development Bank to have some means of settling their debt but this was not done.

Perhaps, if the persons responsible for the Hilton Hotel had the access to money in the same way that The GEMS people have, the Hilton Hotel would be probably on the way to being rebuilt by now but that is not the case.

Mr. President, we must be concerned that from time to time we see large sums of money being made available to an enterprise which does not apparently have to report

on their spending to Parliament and when one also sees reports which indicated that all things may not be well with the project, they must be concerned and my concern personally goes to the extent to the source of these funds.

Here it is that we are going into a situation where we are almost being colonized now by Trinidad and Tobago. We are almost becoming a colony of Trinidad and Tobago. Every time we look around, we go to Trinidad and Tobago for money and perhaps this is the reason why the Trinidadians are not paying too much attention to us with respect to a fishing agreement and why Barbadian fishermen have to be languishing in Trinidadian jails for just going 13 or 14 miles outside of Barbados' territorial waters.
7.25 p.m.

So we have this uneven, one-sided relationship between Barbados and Trinidad & Tobago where the Barbadian market is being flooded with Trinidadian goods and Barbadian manufacturers cannot get their products easily into Trinidad. We have heard of cases where BICO had ice cream melting on the docks a few years ago in Trinidad because of all kinds of obstacles being placed in their way. Clearly there is not a level playing field with respect to our dealings with Trinidad.

Perhaps, as I said, the Trinidadians have reason to believe that they can continue to adopt this policy because we seem to have to go cap in hand and they seem to be the only persons that we can now find to lend us money when we want and therefore they feel a sense of superiority and they believe that they can treat us as they like.

That was just in passing, Mr. President, and I hope it does not cause too much consternation on anybody's part. The main point is that concern must be expressed about the large sums of money that are going towards the GEMS project and Barbadians not being able to know exactly what is happening. The project must be accountable to Parliament.

SENATOR SIR JOHN STANLEY GODDARD: Mr. President, I know very little about Hotels and Resorts Limited. I do not know whether it is a public or a private company. I do not know anything about the composition of the shareholding. I always understood that the Government of Barbados had a big stake in it. I do not know who the other shareholders are, if there are others, but it does represent a significant concentration of financial capital if, as Senator Mascoll said, it is close to 1 000 rooms.

In Barbados public companies have to publish their audited financial statements annually by law. Apparently, Hotels and Resorts Limited does not have to account to Parliament here in Barbados with respect to their financial and operating results yet here it is that Parliament is being asked to approve a guarantee of the payment of the principal sum of US$15 million. I do not know of any lending institution that will lend money or guarantee a loan and not require audited financial statements, and I have some experience in banking so that this is unique.

I do not know what the financial arrangements were when it was set up but like Senator Trotman, conceptually, I have nothing to question other than this apparent secrecy that is giving rise to rumour and the only way that those rumours can be put to rest is for the people to know the facts. This really needs to be transparent and I do not think at this stage that anyone could say that there is any transparency in it.

I would urge the Government to see what changes can be made in whatever arrangements that were made with Hotels & Resorts Limited so that Parliament and the people of Barbados will know what is going on sooner rather than later because the expectation is that, if there is going to be no accountability and no reporting, much deeper will be the financial hole. I do not like the sound of it at all, Sir, and I feel obligated to express my concern. This is a concern that is shared with others.

SENATOR T. E. BARKER: Mr. President, in rising to support this Resolution I want to respond to a couple of issues raised by the Opposition Senators. It has to do with what was called the "real international market". That, to me, shows a lack of confidence in ourselves when we can describe Trinidad as an unreal or virtual international market.

Trinidad has developed a capital market using their petro dollars. They have gone out of their way to develop themselves in this way. There are a lot of banks that have agencies in Trinidad and it is serving as a financial centre of the region. That does not make it an unreal or virtual international market. To me it is an international market in the same way as London or New York are international markets. It shows that we lack confidence in our ability as a Caribbean people. We feel that the only market is the market in the big metropolitan countries so that when a small developing country which is using its vast foreign reserves in this sort of way we tend to pour scorn and to denigrate their efforts in this regard.

It is most unfortunate that an economist of Senator Mascoll's stature should be decrying the efforts of a fellow CARICOM member. I think that on reflection that Senator Mascoll would want to withdraw the term "real international market". Sir, the question is, do we have an over-dependence on Trinidad & Tobago for international funding.

The first thing that we should note is that we have no problem in Barbados in raising loans for any purpose. Our credit rating is the highest that it has ever been in our

history and I would know this because when I was the Minister of Finance two years ago we had people queuing up to lend Barbados money. We were selective on who we borrowed from. We recognised the importance of developing capital markets in the Caribbean and the importance of cross-border trading in the Caribbean and that is why the stock exchange has gone out of its way to regionalise and there is a strong operational link between Trinidad Stock Exchange, the Jamaica Stock Exchange and the Barbados Stock Exchange and others. We are seeking in the CARICOM region to lessen our dependence on what Senator Mascoll would call the real international markets by trying to use the resources of our people to develop our people.

Our people have been saving so why should our savings go to America for us to access? Why cannot we use the savings that we engender in our region for the development of our region? It makes a lot of sense. Of course, Sir, such nuances are lost on people who are myopic in their view. It is an important development and one that should be encouraged.

There are difficulties between ourselves and Trinidad with regard to boundaries and fishing but we have to solve these problems because the solutions are there and just have to work to ensure that we get proper solutions for these problems. The point is that our region needs us as Caribbean people to pool our resources together and use developmental capital in this sort of way.

Sir, we note that the Caribbean Commercial Bank is the lead bank and I hope that Senator Mascoll read this. The bond issue is to be secured by a trust deed made between Hotels & Resorts Limited and the Caribbean Commercial Bank. I am sure that the organisation is well known to Senator Mascoll and to Senator McClean.
7.35 p.m.

Sir, it is commendable that the Caribbean Commercial Bank is seeking to be in the vanguard of this particular action and I am sure that Hotel Resorts Limited would have made an impression on Caribbean Commercial Bank so much so that they are willing to put US$15 million into the Gems Project. If they did not think it was a worthwhile project, guarantee or no guarantee, they would not have invested the money in this sort of way.

Sir, the question of a guarantee is nothing new because this Government and previous Governments in the past have guaranteed substantial loans for private companies. I know, Sir, that the Barbados Light & Power on many occasions have used this method in order to secure funding for their distribution plant expansion over the years. Only a few weeks ago we did a similar exercise for the airport. This is nothing new. This is Government's way of making sure that its enterprises get access to funding.

Sir, the use of a guarantee is also important because it can make the lender lend at a lower interest rate then if there was no guarantee present. Sir, this is very important and the Barbados Light & Power would have benefitted in this way because the lender could have said that without a guarantee it would have gone a point or two higher as far as the interest rates go. The use of a Government guarantee can be very critical in determining the true cost of the funds to be borrowed.

Sir, the question of accountability of these corporations is a very important question and one which this Government has taken very seriously. Sir, when we set up the private company, Gems of Barbados, we ensured that every year Gems of Barbados was mandated by law to bring their statements to this Honourable Chamber and to the Lower House. The Government is on records as saying that even although most of the private corporations would not have this same stipulation, Government has committed itself to ensuring that the people's company, because Hotel Resorts Limited is owned by the people of Barbados and we have committed ourselves to ensuring that these companies, Hotel Resorts Limited and other private companies, as a matter of course and as a matter of Government policy, bring their statements to the House of Assembly. Sir, that is something that we are committed to and that we will do.

Sir, it is interesting to note that on the board of Hotel Resorts Limited is found a former Prime Minister and a former Deputy Prime Minister.

Asides.

SENATOR T. E. BARKER: Yes, we are cutting across both parties. A former Prime Minister and a former Deputy Prime Minister are members of this board. This board is a high level board and the question of accountability is always first in their thinking. Sir, I feel that a lot of the criticisms can be toned down considerably because a lot of it is unfounded. Sir, when the dust has settled people will see the wisdom of Government's action with regard to the small hotels because when we pass up Hastings we can see where the money is being spent. The Savannah Hotel is nearing completion and I am told it will be opened some time in the near future. It is a welcomed addition to the hotel plant because we note with pleasure that tourist arrivals for this present year is about 6% higher than it was in 1999 and that is a welcomed piece of news as we end this year. Our biggest market, the United States, for the first time has shown some growth and, of course, 40% of our business still comes from the United Kingdom.

The activity of Hotel Resorts Limited is needed at this time when there is some shortage of hotel accommodation and it will add significantly to our hotel plant. Sir, we recognise that enough information might not be going to the public but we note that whenever a question is asked on

the Gems of Barbados that the Government responds. The Government has not hidden any information. When a question on the Gems of Barbados was asked in the Other Place the Government responded and a lot of information was given. I am sure that Honourable Senators who wish to know that avenue is also opened to them because this Government has nothing to hide as far as this company or any other company is concerned.

We can support this Resolution with the full knowledge that this project can stand any scrutiny because it is founded on good foundation. It is founded on a good premise and it is properly run. We can, with good conscience, support this Resolution and commend it to this Honourable Chamber. It will go a long way to ensuring that this company has the funds to enable it to carry out the wonderful work which it is doing and will continue to do on behalf of the people of this country.

Sir, I support the Resolution and do so with the assurance that the Government is seeking to ensure that there is nothing hidden that shall not be revealed.

SENATOR C. K. LAURIE: Mr. President, I a little nervous here among all these economists as I am a simple farmer. I do not understand if people are queuing up to lend us money how come we are paying as much as 9% or 9.5% in interest?

SENATOR THE HON. G. S. H. MURRAY: Sir, first of all I need to deal with the issues that were raised by Members of the Opposition. I have to take up Senator McClean and Senator Mascoll on the point that we have been going cap in hand to Trinidad, that we have become beholden to Trinidad, that we are mendicants of Trinidad and things of that sort. Senator Barker has professionally indicated that it is not so.

Sir, it pains me that in an era where we are talking about a Single Market and Economy, where we are talking about globalisation and that we must prepare ourselves for the international world coming to Barbados and competing against Barbadian companies and operations for goods and services, that at same time, we have prejudices and hostility towards a neighbour who is seeking to do the very same thing.

Sir, I am amazed that the Opposition can speak about Barbados being colonised by Trinidad. When they seem to be blissfully unware that any accusation, no matter how tenuous or specious it might be about Barbados being colonised by Trinidad, would have started in St. John when all the major plantations were bought by Clico, that is where it started. If by any stretch of the imagination, stretch of credibility to that point, that is where it started. I just want to give you all some political facts.
7.45 p.m.

The point is that nowhere can this Government be accused of being "soft" on Trinidad or being cowed or intimidated by Trinidad. Anybody who would have read the press in the last month or would have listened to the radio or watched television and seen the extensive coverage that was given to the consultation at Sam Lords Castle and heard when the Prime Minister dealt with the issue that we have to have equal access, equal treatment by Trinidad.

We are not afraid, but the Government is working and things have to take time. The point has been made that things cannot go on infinitum in which Trinidadians can have access to Barbadian jobs while Barbadians cannot do the same thing in Trinidad. We are well aware of the situation, but we are seeking a responsible way in which to deal with this issue. That is just in passing, Sir.

I want to put into context this whole issue of the Gems of Barbados. We have to realise , Sir, that this Gems project started in the context of misrepresentation, misinformation, disinformation and, as a matter of fact, in an innuendo campaign of the Democratic Labour Party, which has currently been waged under the street light can, in truth and in fact, be said to have its genesis in the Gems of Barbados. They have fomented this idea that there is something unsavory about the Gems of Barbados.

First of all, the approach that has been adopted to bring about the Gems of Barbados was innovative. It has never been done before or attempted in Barbados. Being innovative, it involved changes. A change in attitude, a change in the way that business is done and it was going into the small hotel sector where Barbadians like to hold on to their properties. It was fighting against the traditional Barbadian attitude that even though their properties were heavily indebted to the Barbados Development Bank and were on the verge of being sold for very small sums, while they wanted to benefit from Gems, some of them were still intent on holding on to their properties as though they want to have it both ways, and eat their cake and have it too, so to speak.

Therefore, those who were not prepared to get involved in a way in which they will have to subsume their own identity into that of Gems but at the same time be shareholders of Gem, they wanted to hold on to their property, even though it was bankrupt or whatever, they still wanted to say "this is mine". Some people therefore sowed doubts about the viability and the desirability of Gems. Not only the viability but the desirability of Gems itself. When you combined that with the position which, like Senator Barker said, the directorship of Gems have people from all sides.

The Opposition thought that because they were persons from both Parties, whose properties were involved in the original mix of hotel properties that were indebted and because they stood to gain assistance, not assistance in a

hand out or a loan, but assistance to become part of the overall operation of Gems, it was made to seem as though Government was intent on helping some of its own. That is the context in which this whole thing has arisen, and from there on doubts were generated and exploited about this question of Gems of Barbados.

Gems of Barbados, Sir, has very noble objectives. First of all Government found that it had an obligation to the country to try to resuscitate the hotel sector on the south coast of Barbados because it was owned by Barbadians, and secondly we did not want to see that sector fall into the hands of people who can eat them up and turn them into other things. They also wanted to make sure that there were not two Barbadoses in the same way that we have been seeking to develop rural and urban Barbados. We do not want to maintain and perpetuate the traditional idea that there were two Barbadoses where tourism is concerned, the west coast and the south coast, and that the south coast was the "outside child" to the west coast. The west coast was lavish, well populated and had excellent properties but that the south coast be run down and second-rated.

We came up with the devise that would first of all save these properties as entities, combined them together and at the same time make sure that we have upgraded the level and the quality of the accommodation and services offered on the south coast of Barbados, so that Barbados could eventually become, one of the first-rate destinations of the world where ever you go you can be guaranteed first-rate accommodation.

There is no doubt, Sir, that some of those properties had become run down, tacky and tawdry and they had become an embarrassment. Therefore, Sir, we sought to make a meaningful contribution in a way of changing the whole thing. With a few exemptions, Sir, the small south coast hotels have become unprofitable and this was caused by the lack of adequate capital, lack of good professional marketing and operating systems, and many of them relied completely on the tour operators to fill their rooms and that meant that they had to virtually give away their rooms at very minimal prices to get guests in, but at the same time bring in no economic benefit themselves as operators. They just wanted to have their rooms filled and that meant that they had to virtually sell their rooms at asking prices, so to speak. Therefore, we were being disadvantaged as a country regarding earning foreign exchange and they were being disadvantage as operators.

Government sought to set up Hotel Resorts Limited which is a private limited liability company. Senator Barker said that even though these private liability companies are not owned by Government and are not mandated to report to Parliament, Government as a matter of policy has said that in future private liability companies owned by Government must report to Parliament in order to counteract the campaign that was being waged, not for the most honourable reasons, but most of all, to present a method of being accountable to Parliament to give these operations a chance to survive. We are aware that if the prejudice continues they will always operate under a cloud of doubt, uncertainty and suspicion and it would be really attacking the image. We know that word of mouth advertising is the most effective and when it is negative it is the fastest and most damaging.

Government set about with a plan, Sir, that would renovate and expand the hotels, acquire additional hotels where appropriate, and create the number of rooms which would form the critical mass that would make the whole operation viable. Therefore, a number of hotels have been acquired and are actually operating. It is not as though nothing has happened with Gems. Let us not forget the Savannah Hotel, Blue Horizon and Time Out. A lot has been happening and I can give you a list of the properties that are involved. Some of them have been completed and some are well on the way to completion.

There are Worthing Court, Blue Horizon, Savannah. Phase one has been completed and they are now into phase two which will soon be completed and become fully operational. There are Silver Rock, Time Out at the Gap, phase two which incorporates the former Dover Convention Centre, and Eastry House. Sir, it is a comprehensive programme that we are seeking at to provide a minimum number of rooms. About 615 rooms will come into operation, so that we can put this sector of the Barbadian tourism plan into full operation and give it a chance to survive for Barbadians. What is also interesting, Sir, is that, while Government owns the majority of the assets of the Hotels and Resorts Limited, there is provision for a minority shareholders' position and for the owners of small hotels entering into the programme, and the forming of a professional management company.
7.55 p.m.

The Government's intention is not to hold onto these projects for ever, but, after a certain period of time of some five to seven years it is intended that Government will offer shares through a public offering or other output mechanism, and through such an excellent mechanism to earn Government a return on its investment.

Therefore, the public will get their chance if they feel that it is a viable operation, people will know what the facts are. A Prospectus will be issued in the same way as had been done with the Insurance Corporation of Barbados and the Barbados National Bank and Government will divest itself eventually of these very same properties. Some of the very same persons who had to become collective shareholders, could themselves get the chance to buy back the properties or become bigger owner of shares in the larger and more viable operation.

Sir, in that context, and against those facts, as against fiction, as against prejudice and innuendos and rumour and scandal mongers, Sir, I am comfortable in giving my support to this measure and urge other Members to do the same.

I thank you, Sir.

HIS HONOUR SENATOR C. L. BOLDEN: Mr. President, my contribution will be rather short.

I rise to support the resolution, but at the same time, I want to raise a concern, which has been reported to me.

We have several furniture manufacturers in Barbados, and, it has been reported to me that none of them has ever been able to sell any furniture to this project.

I would believe, that as a Barbadian entity and with Barbadian furniture manufacturers, that this project should be a typical place where we can exhibit furniture made in Barbados.

It has been reported to me quite recently, that with the lowering of tariffs, and the removal of permits, of at least one store in Bridgetown has brought in a lot of American fabricated furniture and our furniture here is usually genuine mahogany furniture.

I think that we should use this to be an exhibition spot of Barbadian furniture; that we can exhibit local hotels owned by Barbadians with Barbadian flair and furnished with Barbadian furniture.

I would hope that some of this $15 million United States Currency would be used to furnishing, which we can all be happy to say is made in Barbados, by Barbadian workmen.

I thank you.

SENATOR THE HON. P. C. GODDARD: Mr. President, in rising to wrap up the Debate on this Resolution, I recognise the genuine concerns of Senators that would want to learn more about the nitty-gritty of this operation.

The Prime Minister has committed the Government to placing audited accounts before Parliament, even though, not mandated by law that he has to do so.

In this particular case, he has chosen to do so, and has stated that all public companies, regardless of their status, will have audited statements placed before Parliament.

Therefore, he is sensitive to the idea or concerns of not just Parliamentarians but, I would think the general public in being more transparent.

Therefore, I think that, within short order, we will be getting the full financial details.

Now, one would recognise too, Mr. President, that this is a very large operation, and that the Public Sector has no monopoly on bad management.

There are going to be difficulties in large concerns. We have recognised that the Hotel Villa Nova, in St. John, has had an over-run of over a year, and now will be opening in March 2001. It had been slated to open since October, 1999. These things do run into difficulties.

We recognise too, that there is a critical shortage of adequate workmen in the construction industry.

We recognise that work has to be redone, and redone a third time, so that there is a problem with the finish of many of these buildings that are being used, and the hospitality industry. So, all is not a bed of roses.

In addition, there has been some change in concept and some properties have been sold.

For example – the Ocean View Hotel, you will recall was closed some time ago, and has now been demolished. It was really impossible to physical fix that structure – it has deteriorated to such a point.

So, you have to recognise the reality of this business process. The Government has the full intention of making it very transparent.

In any large undertaking, you are going to have change of supervisors, change of management, change of workers. Every large company in Barbados goes through that process, day in and day out, month in and month out. Why should Gems of Barbados be any different? We are part of the overall society, and, therefore we must recognise that we are going to have these changes.

It is unfortunate, that innuendos of which pre-campaigning rumours – all those things that Barbadians love dearly, because we like to look for the bad things, are all part and parcel of what surrounds this project. We are going to make it fully transparent, and fully accountable to Parliament.

Regarding the issue of locally manufactured furniture, when we use mahogany, we are not talking about furniture anymore, we are talking about fine cabinet work.

I would love to see a return to the production of fine cabinet work in Barbados. I would like to see the production of fine furniture in Barbados, delivered on time.

I myself purchase at least a bookcase a year. My last delivery date for a prepaid product was eight months late. Eight months late. For a prepaid product.

I would have to say, Mr. President, that we really have to not burden this institution with something that is not cost-effective. We cannot just buy local, because it is local.

If it is local, if it is cost-effective, if it is delivered on time, if it does not have to be re-worked – perfect. I support buying it, anytime.

We just cannot become xenophobic about where we are going to source products. We have to recognise that the hospitality industry is an international product. People have to deliver on time. People have to deliver quality, and people have to be cost-effective.

Given all those things, I would think that the way this project is being run, there is as good as we can expect it to be, at this point in time.

I am confident that it will be successful. There may be a change in the scale of the operation, but I do know, that there is the potential for tremendous capital appreciation of this project, based on a couple of inquiries on the purchase of some of the operations before they are even finished.

So, with that, Mr. President, I move that this Resolution be now passed.
8.05 p.m.

ADJOURNMENT

SENATOR THE HON. P. C. GODDARD: Mr. President, I rise to move that the Honourable Senate do adjourn *sine die* and wish all Honourable Senators, their families, the staff and those members of the press that may be somewhere outside listening to us, a Merry Christmas, a Happy New Year and all good health in the coming year.

Thank you.

Mr. PRESIDENT: Senator Trotman.

SENATOR C. LeR. TROTMAN: Mr. President, I rise to speak on the motion for the adjournment. Like the Leader of the Senate, I would wish to convey to you, Sir, and to other Honourable Senators the felicitations of the Yuletide Season and the best wishes for a healthy 2001.

I would wish to say though, Sir, that on reflection of the year now passing, and without reflecting on any matters which have come before this Honourable Chamber since it would be highly improper to do so, I would consider it to be a dereliction of my duty if I did not express some concerns regarding what I perceive to be our functions in this Honourable Chamber.

I believe, Sir, that when matters reach us from another place or if we, ourselves initiate action that we have a responsibility to our constituents, that is to say to the people of Barbados, to make sure that those matters are addressed in what would be perceived to be the optimum conditions, to the extent that anyone who comes after us, might be able to say of us and to us, "well done, thou good and faithful servant."

I have some significant difficulties where, knowing that we have something that is not right, we are treating it as though it were right, where it is obvious to a blind man on a dark night that it is wrong. I am not talking about politically wrong, I am talking about structurally and linguistically wrong. One would believe that our function is not to observe the highest principles of this institution but rather to take positions which are geared towards some other agenda.

I wish to express my disappointment, even at the same time that I express my best wishes for a new year, one in which the vision and the light of Christmas might shine on us all.

Mr. PRESIDENT: Senator McClean.

SENATOR L. H. McCLEAN: Mr. President, I, as the new boy on the block, so to speak, would like to take this opportunity to express my gratitude to you, Sir, and the other Senators for...

Asides.

SENATOR L. H. McCLEAN: ...with a few exceptions.

... the manner in which my presence here has been received and the encouragement and support I have received in coming to grips with this new environment.

I recall you saying at an earlier stage that you hope that my sojourn would be long. Even though, I am sure it was well intentioned, I have so such desire and I hope that if we are to serve together, it would not necessarily be in this Chamber but probably somewhere else where we will both be comfortable...

Asides.

SENATOR L. H. McCLEAN: Mr. President, I want to take this opportunity on behalf of myself and my family, to express to you, Sir, and all fellow Senators best wishes for the Christmas Season and to wish you a healthy and prosperous 2001. I extend those wishes to all Senators, even those who have tried to make my sojourn uncomfortable.

Thank you, Sir.

Mr. PRESIDENT: We have come to the end of a long day. I believe we have been sitting here more than nine hours already today. It has been a day in which all Honourable Senators, I think, brought their usual high level of preparation to some interesting debates.

We are also at the end of a calendar year and I think it is a good time to say that the Senate continues to make a solid contribution to the governance of Barbados. It remains only for me to extend the Seasons Greetings to all Honourable Senators, to thank you all for the high level of support and cooperation which you have always extended to the Chair. It certainly makes my life somewhat easier and I would like to extend those greetings to the staff of Parliament, to the Clerk, Deputy Clerk, and all other members of staff.

I am very sorry that our parliamentary reporters have had such a long day but such is the nature of the work we do. I hope too that you will have a happy, healthy and productive New Year.

I am to advise that dinner will be served in the Dining Room, when we rise.

The question that the Senate do now adjourn sine die was put to the Senate and agreed to and Mr. PRESIDENT adjourned the Senate accordingly.
7.15 p.m.

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