
THE SENATE DEBATES

(OFFICIAL REPORT)

FIRST SESSION 1999 – 2003

THE SENATE

Wednesday, March 5, 2003

The Senate met in the Senate Chamber, Parliament Buildings, on Wednesday, March 5, 2003, at 11.15 a.m.

PRESENT

His Honour Senator Sir FRED GOLLOP, K.A.
(President)
His Honour Senator C. L. BOLDEN, C.B.E., Q.C.
(Deputy President)
Senator the Hon. J. X. WALCOTT, FRCS (Edin.)
J.P. (Minister of Health)
Senator the Hon. G. S. H. MURRAY, B.A. (Hons.)
J.P. (Minister of State, Prime Minister's Office)
Senator T. E. BARKER, B.A. (Hons.), M.A. (Econ.)
(Parliamentary Secretary, Ministry of Economic Development)
Senator P. C. GODDARD
Senator 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 D. L. HAYNES, S.C.M.
Senator C. A. MASCOLL, B.Sc. (Econ.) (Hons.)
M.A. (Public Finance)
Senator LeR. H. McCLEAN, B.Sc. (Hons.)
Senator Mrs. P. E. RICKINSON, B.A. (Hons.)
M.P.H. (Harvard) S.R.N.
Senator Sir ROY TROTMAN, K.A., M.A.
Senator C. K. LAURIE, D.I.C.T.A. (S.T.) FBSTA
Senator Sir JOHN STANLEY GODDARD, K.A.,
G.C.M., B.Com., F.C.A., Hon. LL.D. (Hons.) (U.W.I.)
Senator B. R. COLLYMORE, C.M.G.
Senator the Hon. 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.

Prayers were led by Rev. Father Errington Massiah.

Mr. PRESIDENT: The Senate is in session.

PRESENTATION OF PAPERS

SENATOR THE HON. J. X. WALCOTT: Mr. President, I am commanded to lay the following documents in the Honourable the Senate:

1. Half-yearly Report on the Revenue Collecting Departments for the period April 1, 2002 to September 30, 2002.
2. The Chairman's Report and Financial Statements of the Barbados Agricultural Credit Trust Ltd. for the Year ended June 30, 2002.
3. Report on the Operation of the Unemployment Fund for the Year 2001.
4. Annual Report of the National Insurance Board for the Year 2001.
5. Report on the Operations of the Severance Payments Scheme for the Year 2001.
6. Report on the Operation of the Sugar Workers' Provident Fund for the Year 2001.
7. Annual Report of the Barbados Water Authority for the period April 1, 1999 to March 31, 2000.
8. Report on the By-election in the Constituency of St. Thomas held on September 21, 2001.

9. Annual Report of the National Petroleum Corporation for the period April 2000 to March 2001.
10. Ministerial Statement relating to the Report of the Auditor General for the year 2001 in respect of the Ministry of Home Affairs.

SUSPENSION OF STANDING ORDERS

SENATOR THE HON. J. X. WALCOTT: Mr. President, I move that Standing Order No. 45(2) be suspended for the remainder of this Sitting in order to facilitate debate on the Grantley Adams International Airport Bill, 2003, which we propose to debate in all its stages today.

The question was put to the Senate and agreed to.

FIRST READING OF BILLS

SENATOR THE HON. J. X. WALCOTT: Mr. President, I beg to give notice of the following Bill.

The Grantley Adams International Airport (Transfer of Management and Vesting of Assets) Bill, 2003.

PUBLIC BUSINESS

Mr. PRESIDENT: Public Business is the Order of the day.

ORDER NO. 5 – THE GRANTLEY ADAMS INTERNATIONAL AIRPORT (TRANSFER OF MANAGEMENT AND VESTING OF ASSETS) BILL, 2003

SENATOR THE HON. J. X. WALCOTT: Mr. President, the Grantley Adams International Airport Terminal 1 was opened in 1979. We, as Barbadians, felt very proud because at that time our new terminal was the showpiece of the Caribbean, certainly of the eastern Caribbean. Over the years, many of us had become accustomed to the old Seawell Airport which had served us but, obviously, had outlived its usefulness.

This new terminal which was opened in 1979 was expected to accommodate a peak-hour traffic of about 800 to 1 000 arrivals per day. Certainly, by the beginning of the 1990s, it was obvious to all that this terminal was already inadequate to accommodate the increasing number of arrivals and departures, and if we are to remain as a premier airport in the eastern Caribbean, certainly we would have to look at further development and, if necessary, expansion and

upgrading of our facilities.

With this in mind, the Government of Barbados at that time, in July 1993, agreed that a study should be carried out. The objective of this proposed study was to prepare a development plan for the Airport to cater to the needs of Barbados, up to the year 2015. In addition, the study was also to look at the framework for efficiently and effectively operating the Grantley Adams International Airport.

This study was completed in 1995 and the findings were quite interesting. It showed, obviously, that the existing infrastructure at that time was already inadequate, as I said earlier, and certainly other facilities were inadequate to accommodate the traffic that was growing at the Grantley Adams International Airport.

At that time, it was forecast that the traffic would grow from 1.2 million in 1992 and would be about 3 million by the year 2015. This might even have to be adjusted again, bearing in mind that already in the year 2001 and 2002, about 2 million people were using the Grantley Adams International Airport.

As a result of the findings and recommendations of this study, the Government of Barbados then procured the services of British Airways Space Consultancy Services Limited, to look at the institutional arrangements that might be necessary in establishing and converting the Airport into an authority. They recommended almost immediately, that the Grantley Adams International Airport should be managed as a commercial company under the Companies Act of Barbados. Sir, Cabinet agreed to these recommendations and, sure enough, a company was incorporated on October 13, 1998. Hence, we are today with this Grantley Adams International Airport (Transfer of Management and Vesting of Assets) Bill.

The Government has looked and taken consideration of a number of pieces of legislation in various Commonwealth countries. It looked at the model in Singapore, South Africa, the United Kingdom, Jamaica and Trinidad but has focussed primarily on the models of South Africa and the United Kingdom in coming up with our own Bill. Mr. President, I will like to look at some of the provisions in the Bill.

It is expected that this Bill for the Grantley Adams International Airport is to be managed by Grantley Adams International Airport, Inc., a limited liability company which will be incorporated for the purposes of enabling a Board to operate as a commercial entity. In addition, it is expected that the Bill will make provision for the transfer of commercial assets and liabilities of the Barbados Government in relation to the company.

Other areas that are covered and provided for in the Bill, would be that the Crown lands would be leased to the Airport Authority and the Government will retain its ownership. There will be an authorisation for transfer of all assets to the Company. Provision is also made for the Company to take over commercial liabilities that were incurred by, or on behalf of the Government and were subsisting immediately before the commencement of the Act.

The Company will have rights to set, collect and retain airport charges, landing fees, fuel charges, parking charges or any other commercial charge or fee in connection with the provision and use of the airport facilities.

In respect of commercial operations, this Bill will give the Airport the authority to impose all rights, privileges, duties and obligations vested in the Government.

The Government of Barbados will be the sole shareholder in the Company. The Company shall, within three months of the end of each financial year, submit to the Minister the audited financial statements and the auditor's report.

The Bill also requires that the Minister, as soon as possible, after the end of each financial year, and not later than six months after the end of that year, lay the following documents in Parliament:

1. A report of the operations of the Company, during the preceding year.
2. An audited financial statement for the preceding year consisting of:
 - (a) statements of profit, loss and cash flow.

In addition, the Company is expected to submit an Airport Master Plan, every ten years. This will outline details of the objectives, strategies and policies of the Company, and will include a marketing plan, a land use and an environmental plan.

Provision is made for preservation of the pensionable service of any public officer, who accepts employment within this Company. The Company, under this Bill, will have three years from the date of commencement of the Act to establish and maintain a pension plan for the benefit of its employees.

Mr. President, that is an outline of some of the provisions which are in this Bill but, Sir, I just want to speak a bit about the expansion programme that was implemented on the recommendation of this study, which I said was presented in 1995.

It speaks to the developmental and expansion programme, which covers a number of areas, such as the category of pavement works, a terminal works programme, a terminal electrical programme and an environmental programme. The airport security systems will be looked at along with a common user and equipment terminal which speaks to a replacement cargo terminal, and the realignment of the Fairy Valley and Parish Land roads.

The area of pavement works in this component, I am pleased to report, Mr. President, has already been completed. This included rehabilitation and expansion of the paid car park facility, construction of a bus parking facility and rehabilitation of the runway, including installation of the new duct work for centre line lighting.

In addition, rehabilitation across taxiways has already been completed. There has been the rehabilitation of aircraft parking aprons and construction of a new aircraft parking apron, primarily for cargo aircraft. There has also been construction of expanded parking area for ramp equipment. As I said, this project has already been completed and I am pleased to note that it has been completed within less than five per cent above the contract price.

In the area of terminal works, these are at present, ongoing, and the contract for the terminal works is valued at approximately \$140 million, which has been awarded to E. Pihl and Son, A.S.
11.25 a.m.

The scope of this work includes the construction of a new arrival terminal, refurbishment of the existing terminal facility including additional ticketing area and increased departure and duty-free shopping facilities. It is expected that the departure lounge will be air-conditioned. The airport restaurant will be relocated to new and improved courtyard facilities which will accommodate a variety of restaurants and stores. There will be a new mezzanine level which will accommodate new offices for the airport management staff as well as a new airport airline executive lounge and a chapel.

Work on this project is estimated to take approximately 30 months. This is due primarily to the fact that the airport is very much in use while this construction is going on.

Mr. President, it is expected that this new design would result in a completely modernised airport facility. The work which was started in May of last year is projected to be completed by October 2004.

The contract for the terminal's electrical equipment has already been awarded. The equipment to be acquired includes emergency generators and transformers. This equipment which is critical to the progress of this project is

expected to be delivered shortly. The environmental programme can be divided into two areas, terminal site services and a waste water reclamation plant. The terminal's site services include all the major underground mechanical and electrical systems. Work on these systems is being undertaken by the main contractor. These include replacing the existing fire mains and extending them under the new arrivals terminal and the replacement of the existing sewerage system at Terminal One.

The waste water reclamation plant will replace the current septic system which is in use. The contract for the building of this plant has already been awarded.

The Airport security system would be completely upgraded. The contract for this has already been awarded to Securicor. They will provide improved security lighting through a circuit television. This has also been upgraded in the light of the events of September 11. The common user terminal equipment is already in place and is in operation. A new air cargo facility is critical. This has been looked at and has been proposed in the expansion programme.

The Fairy Valley and the Parish Land roads will be realigned to allow for further and future expansion of the Airport as well in light of the security problems inherent in the location of residents in that area. The Fairy Valley Road contract which is valued at \$1.8 million was awarded to Rayside Construction and the work on this road is expected to be completed by April of this year. The contract for the Parish Land road realignment has just been approved.

Sir, as you can see, the expansion programme for the Grantley Adams International Airport is well and truly on its way. Some controversial issues have popped up from time to time and there is no doubt that more of them would pop up as the project goes on. However, this project certainly shows that the Government of Barbados is committed to the upgrading and expansion of our airport facility so that it can maintain its place as the premier airport and certainly as the major hub in the eastern Caribbean.

This airport expansion project should not be seen as a partisan venture. Rather it should be seen as the development of the public good for all Barbadians because it will be of benefit to all of us now and for generations to come. So I certainly hope that all Honourable Senators will join me in supporting this Bill.

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

SENATOR LeR. H. McCLEAN: Mr. President, as the Honourable Leader of the Senate has indicated, the present terminal at the Airport was opened in 1979. I recall the

debate that took place in the Other Place around 1975 just before the change of government when the proposals were made for the expansion of the Airport by the then Prime Minister, the Right Excellent Errol Walton Barrow. At that time there was a measure of argument about the necessity to expand the Airport. So even though the airport facility was opened in 1979, work on it was started from as far back as 1975 when the loan from the Canadians was secured by the then Prime Minister, Errol Barrow.

One of the points that was raised at that time was whether the kind of money that was proposed to be spent on the Airport was necessary. One of the things Mr. Barrow pointed out then was that an airport was not merely the buildings and the external trappings, but that you have to pay attention to the facilities for the air traffic controllers. He made the point then, I remember his words exactly, that if we do not do something immediately we would run the risk of planes colliding in the air on their approach to Barbados. So the first thing that was done at that time was the improvements to the air traffic control facility. From there on, the rest is history. Those who criticise it, having completed it, then saw the value of it and named it appropriately.

Sir, the move to commercialise most activities of this country is one which sometimes gives cause for concern. I understand the point that is being made for the need to commercialise the activities at the Grantley Adams International Airport in a similar way that the activities of the Bridgetown Port have been commercialised. However, it is worrying sometimes that we feel that activities cannot be commercialised unless they are run by a private company. What causes me some concern is that because of the recent developments in terms of trade liberalisation and globalisation, the World Trade Organisation, the World Bank and all of these people approached matters of this type with the mind-set and stated principle that government is inherently corrupt and that governments cannot be efficient and that therefore if you want something to be run efficiently, you have to put it in the hands of a private company. The intention of these organisations is to make governments as small as possible in that there should be as little government activity, especially commercial activity, and that government should be reduced to providing security and a few other social services.

I was hoping that the Honourable Leader of the Senate would have taken the opportunity to bring us up-to-date on what, for example, are the financial projections of this new company since we have gone all the way in terms of commercialising the activities of the Airport and what are the real benefits to be derived from going the route of having this private entity running the operations of the Airport.

I am hoping also that the Government would take the opportunity to bring us up-to-date on the work that was done with the new radar facility by telling us if it is working and if it is satisfied with the progress made in that area because, as I said, that is a very important aspect of the airport operation.
11.35 a.m.

Mr. President, it would be good to know what is happening at the old terminal at the Airport. After the new terminal was completed, that old terminal was under-utilised and has started to become derelict.

I heard mention of an air cargo handling facility. I would hope that the old terminal would be utilised for that purpose. I do not know what are the detailed plans for the Airport but I would like to know if, for example, an area could not be designated for a regional airline, for instance, LIAT or Caribbean Star, so that we could remove some of the congestion from the airline counter area. What we might see as being adequate now, given the projections of the increased traffic, might not be adequate in a few years' time. Like I said, I do not know what are the details. They could very well be in the plans but I would like to be told exactly what is happening.

I would hope, given the way in which the Airport is being expanded and the move for the improvement, obviously we are going to have much higher technological operations taking place, that there be opportunities for training for Barbadians to fill some of those posts that would become available.

I know that Members on the Other Side, from the look on their faces, are eagerly anticipating my touching on the recent controversy with respect to the proposed employment of a Chief Executive Officer at the Airport. I will not disappoint them. I think that given the fact that under the Act:

- "6. (1) The Company shall within 3 months of the end of each financial year submit to the Minister the report, the audited financial statement and the auditor's report referred to in subsection (2).
6. (2) The Minister shall as soon as possible after the end of each financial year and not later than 6 months after the end of that year lay in Parliament..."

I believe, Sir, the Minister would also be similarly advised on any proposed major contracts or recruitment of persons in the company. Certainly, I think that, given the mindset of persons who are put as Chairmen in charge of these enterprises, because of what they perceive as the

thinking behind the establishment of these companies, they believe they must go as far as possible outside of the general structure of the public service in order to carry on business.

I recall the Minister of Tourism once making a statement with reference to salaries which were paid to persons at the Barbados Tourism Authority. He said that if one pays peanuts, then one would attract monkeys. I believe that he then sought to find, not peanuts but some other exotic nuts, for instance, pistachios or almonds. The best that he did was apparently attracting squirrels because with the scurrying of activities in and out of those posts...

SENATOR THE HON. G. S. H. MURRAY: Mr. President, I hate to interrupt the Honourable Member. The Honourable Member is misleading the Chamber when he is speaking to the Minister of Tourism. He has addressed that person as "he". At the time, those salaries were paid to the Barbados Board of Tourism, the Minister of Tourism was a female, the Honourable Miss Billie Miller.

SENATOR LeR. H. McCLEAN: Mr. President, I beg to withdraw that reference to the gender of the Minister. I do not recall whether the Minister was male or female but the point is, the statement made was that if one pays peanuts, one would attract monkeys but that exotic nuts were paid which attracted squirrels because what one saw was the scurrying of activities in and out of those posts.

It is passing strange that there would be such a high turnover of persons in those positions that pay such salaries. It would have been expected that if those kinds of salaries are being paid to attract a certain kind of person, that at least those persons would remain in the job for some considerable period of time. It, therefore, means that there must be something else that is causing the problem that, in spite of the high salaries, those persons cannot remain in those positions.

Sir, we have recently heard of a proposal to pay a gentleman another fantastic salary to fill the position of Chief Executive Officer at the Airport. This has been denied. I have noticed this time that the Minister has been very careful in his words. He has said that no formal proposal has reached him and that nothing has been sent to Cabinet on it. I am sure that the Minister has been very careful in the words chosen because then he would be accurate in making those statements.

As one columnist has pointed out, it is very strange that there can be a proposal or a drafted letter making such a proposal and the persons who are responsible for making the offer know nothing about the drafted letter. It could mean that probably a low-level person took it upon himself or herself to draft such a letter and would then ask the

Chairman if he agrees with the salary and conditions and, if so, then would send the letter off to the person in question.

It would be an extremely strange set of circumstances if that kind of route is taken rather than coming the other route; that the Board would have made a decision and then had instructed somebody to draft the letter. If it has gone this way, then it raises more reasons for concern about the functioning of these private companies that would be set up by Government. I would hate to think we have gone that far that low-level functionaries in an organisation of this type, would be able to draft letters which would include offers of the magnitude that we saw.

What is even more worrying about this situation is the fact that a former Governor of the Central Bank who is known to have made it clear that he was a creature of the Minister of Finance at that time, and who was always adamant that one must always tighten one's belt and must make sure we keep the level of spending as low as possible within the country, could now, from afar, be suggesting that one needs to pay this kind of money if one needs to attract the right kind of person.

I know that in the United States of America the President gets a relatively small salary in comparison to what some CEOs get; but those persons are CEOs of companies that generate billions of dollars per annum. What would be the kind of revenue that would be generated by the Grantley Adams International Airport, that could justify any person being paid a salary which would be in excess of what the Prime Minister of the country would be paid?

I would hope that in spite of the strange set of circumstances, those persons who have spoken on behalf of the Government in this matter would be right that there was no truth in the suggestion that this person would be paid this kind of salary.
11.45 a.m.

Sir, \$300 000 per annum would employ 25 people at \$250 per week and is the equivalent of the salary that would be paid to one man. This Government is putting forward as one of its main planks the alleviation of poverty; and it should choose to employ 25 people at \$250 per week rather than pay one man \$300 000 for one year because a country like ours cannot afford to pay a salary of that magnitude to anyone.

Sir, no entity in this country can generate the kind of revenue that would merit a person to be paid that amount of money nor can any Government entity justify a salary which is higher than that of the Prime Minister's. We have paid high salaries at the Barbados Tourism Authority and we did not see any benefits from the amount of moneys paid to run

that organisation. I sincerely hope that we do not make that same mistake again.

Sir, I want to reiterate that I expect the Government to have plans to train Barbadians to fill the positions that will become available in this new airport facility. I would also like to know what arrangements are being made for the Red Caps who handle the baggage of persons leaving the arrival areas. This is the time for a clear statement to be made so that those persons who now make a living from that activity will know what will happen to them.

Mr. President, over the years there were concerns about the shop at the airport and the way those spaces were allocated. I hope that the average Barbadian entrepreneur will have access to these shop spaces so that they are able to move into the airport and take advantage of the facility in the same way that large enterprises do.

I hope there will also be improved facilities for in-transit persons because much discomfort is suffered by persons travelling between transfers and when they have to remain at the Airport. These persons should have access to proper facilities.

Mr. President, the mindset of persons given the responsibility of boards will influence the way these boards function and persons who have worked in the private sector do not know anything about the way in which Government operates. In the private sector a person may have a free hand to do several things but in the Government one has to be accountable and although this company is a private one by name, it is being funded by the taxpayers of Barbados. Mr. President, this company does not receive money from shareholders to purchase its assets. Its assets were handed to it by the Government of Barbados and they belong to the taxpayers of Barbados. The land which was leased to the company belongs to the taxpayers of this country. The office equipment and other assets being transferred to the Company also belong to the taxpayers and I hope that no one believes that he can operate in the same manner as in the private sector.

Sir, even when persons are answerable to shareholders in the private sector, strange things still happen. We have seen examples of inefficiencies in the USA with private companies and here in Barbados there are public companies which are operated as though they belong to a select group of people in this country. I saw what happened at the Pine Hill Dairy and I wondered whether Barbados Shipping & Trading was a private company or public company. My fears were justified when former employees who operated the vending machine quickly went out of business because they owed commercial banks a few thousand dollars while, at the same time, the Pine Hill Dairy owed them almost twice what

they owed the bank and now the son of the Chairman of BS&T is now responsible for operating those vending machines.

Mr. CHAIRMAN: Senator McClean, could you establish the relevance of the Bill before us and the statement you are now making?

SENATOR LeR. H. McCLEAN: Sir, there is the belief that only private companies can run entities efficiently. There is also the belief that the Airport can only be managed efficiently if it is run by a private company. It is also a myth that only private enterprises can run a company efficiently and that Government cannot do the same.

Sir, private entities are often more inefficient than the Government-run entities. My fear is that persons moving from the private sector to these State-run enterprises which are called private companies may carry some of the practices used in private companies into those organisations which are using the money and resources of the taxpayers of this country. Sir, I hope the things that we see in private companies will not creep into this company at the new airport.

Mr. President, we have to understand that we are into a new era and there is the belief that with globalisation there should be as little Government involvement as possible and that everything should be in the hands of private companies to be efficiently run.

Sir, I do not subscribe to that view. Sir, I believe that the people of any country, if they elect a Government to manage their affairs, they should, at least, have the confidence that Government would manage the affairs of the country in the best interest of the people.
11.55 a.m.

I hope that this new entity will function in a manner which is an improvement, as is said that it would be, and the people of this country will see the benefits that would be derived. I also hope that the Honourable Leader of the Senate when he is winding up this Debate would give us some indication of what would be the financial projections and some justification for moving in the direction that we are moving in.

I thank you, Sir.

SENATOR Sir ROY TROTMAN: Mr. President, it is clear that no one in a country like Barbados should ever wish to get to the stage where we would oppose the effort being made by the Government, whether it was the initial effort under the previous Administration or the current effort under this Administration; no one should oppose the efforts that are being made to upgrade and bring into the 21st Century our

facilities at the airport and seaport.

The Government is, therefore, to be commended for seeking to make plans and projections which would see our Grantley Adams International Airport being positioned in such a manner as to keep travel to Barbados at the cutting edge of tourism and business within the Caribbean.

I would expect that in good time, even though I do not think it is in the first phase of the project, that persons who are leaving or entering Barbados at the Grantley Adams International Airport will be able to walk from the departure lounge into the aircraft or from the aircraft to the arrival lounge without having to deal with the elements whether sun or rain. Sir, I imagine that is part of the overall the \$140 million plan that we have before us. Sir, in several parts of the world, this is now the accepted form of arrival even though sometimes airports are relatively small. This is a convenience which people are beginning to take for granted. There is also a need to have improved shopping and seating facilities at the Airport. We are pleased that the Government is recognising the need to plan, not only for 10 years but for a much longer period.

Mr. President, my concern in all of this will rest with what plans are being made as we are arranging for these facilities to be ready for tomorrow; what plans are being made to involve those persons whose futures have been tied up with the Grantley Adams International Airport for many years, who would expect that, within the new company, they may have some role to play and not be forced to lose their livelihood.

Mr. President, the businesses are generally able to take care of themselves without any help from me. Therefore, I would not wish to be the one seeming to speak for them unless, of course, there are smaller businesses like UCAL in another kind of exercise.

Asides.

SENATOR Sir ROY TROTMAN: Sir, I would be more concerned with people like the Red Cap workers who have never been able to discover fully what is the future of their level of work and what is the level of security that they will have in their work at the Airport. There are several Red Cap workers whom we all know have been working at the Airport ever since some of us can say that we have been travelling. These workers in many instances know no other form of work and some of them now find themselves in positions where they feel insecure. There are other workers in Barbados who may feel insecure, for example, the workers at Cable & Wireless who are not sure where their employment may lie, how they are going to be able to address their future and the future of their families.

Mr. President, it would seem to me that it would be important that those persons would find themselves in a position where they will know whether they will be, in total or in part, part of the new structure and if so, what means can be brought to have them prepared for what the future will be?

Mr. President, those of us who have been going through the Airport in recent weeks would have been confronted by the level of uncertainty and the level of concern which these workers are expressing to those who would listen to them regarding where their future may lie or may not lie insofar as this new structure at the Airport is concerned.

Sir, there is another group of workers who, though they may not seem to be part of this new structure, would wish to discover why it is not possible for them to have been taken under this wider umbrella since the stated Chairman of the new board is the established Chairman of the board governing those workers. Mr. President, I am referring to the Caribbean Aircraft Handling Inc. (CAHI).

Sir, there are 250 workers working at the Airport for this company that is run by the same Chairperson but as a second company; who do not know if there is money to pay them at the end of March, whose future seems to very much in doubt and who are very concerned about whether this new development means that there is a future in this new company for them. If there is a future in this new company for them, what is the structure and what is the extent of their involvement or non-involvement in the new establishment?

I am sure that we are all concerned about numbers especially when they reach 250. The same way that we were scandalised by having the extra 125 persons being talked about by Cable & Wireless, especially since the Prime Minister of the country had made his position very clear to that company.
12.05 p.m.

We are of the view, Mr. President, that Barbados can ill afford situations, in which large numbers of employees would find themselves where they are not able to speak to their banks or their credit unions or, indeed, to their spouses, regarding the security of their employment or the future of the funding of education for their children.

And so, it is very important that in the planning for the future, the arrangements for the present are not set aside and disregarded, whether deliberately or purely by accident. I would, therefore, wish to urge the Leader of the Senate and to pass to the Minister responsible the concerns raised through this Speaker regarding those particular areas of the work of the new statutory board.

I know, Mr. President, that I could properly be told that it is not a statutory board and yet, I have deliberately chosen to use that designation by which to describe the company that is going to take responsibility for the assets and management of the Grantley Adams International Airport, Inc.

Mr. President, it seems to me that what the Government is doing, is being faithful to what both Governments' position has been, this is, that wherever or whenever we can, we would move businesses which have the capacity to be profitable, from being stymied by the regulations within the public service to being fast tracked, and to move them to areas where they may become fast tracked by being able to operate along the more dynamic path of private enterprise.

There cannot be anything terribly wrong with that except that I do share the views of Senator McClean, that one must not in seeing this, ever reach the conclusion that follows that initiative by a Government that "private" means "efficient", and that "public" means, "inefficient". I think we would all as Honourable Senators, Mr. President, be able to indicate that there have been many very bad examples of bad private sector management, in the same way that there have been very many good examples of good private sector management.

Conversely, there have been many bad examples of public sector operations and I am pleased to say that equally, there are very many good examples of good public sector work and efficiency. Very often, it is not left to the people but it is left to the systems how they are set up, how people are directed and governed and led to do the work; because sloppy supervision under sloppy conditions, leads to sloppy work.

And so, I would suggest, Mr. President, that having a private company might be in a form such that it would be recognised that really as in everything else, we are having a statutory instrument that is geared to assist the Government of Barbados in carrying out the will of the people to the advantage of the people of Barbados and not for the private profit of a privileged few.

In those circumstances, therefore, Mr. President, I am sure you would not be surprised if I were to say that I could not then see how the Barbados Government, or the people of Barbados, could afford to have a package for one individual, which when totalled at the basic salary, plus a guarantee performance, bonus, even though the bonus was not yet worked for, plus the housing allowance, plus sick leave provisions, plus holiday provisions. I am sure you would agree with me that I could not agree with what, in my view, would come to about \$480 000 a year.

There is no place in Barbados – I would venture to say that it is unrighteous in the private sector to have it, but it is

totally incomprehensible, I know there may be some of it, but it is unrighteous, and in the public sector, it should not even see the light of day, furthermore the covers of a newspaper. Of course, we are not supposed to deal with newspapers in this Honourable Chamber. And so, I would not refer to what has been there but I refer to the certain knowledge that we have, that there was contemplation by pertinent persons about such an arrangement. It is not my purpose to heap blame or accuse anybody of being the person who did or who did not do it.

It is my intention in this submission to say that we in the social partnership, have been working very hard towards urging the working people of Barbados to exercise a certain body of restraint in terms of what demands they make on the public treasury. We have been doing that for many years now, because we have been satisfied that even though we have to raise the standards of the people at the lower levels of the economic ladder, we have to do that along reasonable lines which would make sure that we do not impose the levels of out payment on Government that would force us beyond our capacity to pay taxes.

Therefore, we find it a little difficult that we would be doing that work. We are trying that kind of work in an environment where we are speaking of total social commitment, not only a commitment for the maid, office attendant and porter. We are talking about total social commitment from the highest earners in the private sector through the ministerial levels in Government and the leadership in the other institutions. When all of us are committed to a position where we try to break down privilege and come towards what may be conceived of as an effort towards a form, not of egalitarian societies because they will not come back again, but rather of societies, in which social justice and equality of opportunity will become the order of the day, we are then finding ourselves in situations where we would, again, be going back to packages of privilege beyond the comprehension of the normal person, at the same time that we would have large pockets of unemployment and under employment, and persons who are barely able to eke out an existence.

In any part of the society where this establishes itself, Mr. President, it would be a problem and when we hear that the Airport would have found itself in such a position, we are awfully disappointed. Of course, I was very pleased when Ministers of the Crown and leaders of Government were able to distance themselves from it. I am still left with the question, why would some people believe that they could contemplate that kind of package, when they know it has to go through a Minister to Cabinet.

I would hope that it is clearly understood that if somebody takes that upon himself to be so rash in planning for the utilisation of taxpayers' money, we might have to take

a second look at what other acts of rashness might emanate from those same sources.

A word to a ministerial Member should be enough, especially when we have to give proper housekeeping accounts in this cricket season before this Honourable Chamber.

Asides.

SENATOR Sir ROY TROTMAN: Mr. President, I am a spectator now so I am not playing for any club, and the season does not affect me in the way that it might affect some other Members of this Chamber.

12.15 p.m.

I wish to say that we who are in the Senate and we in the labour movement, not all of us are in it, want to be sure that what we do in terms of trying to build societies is not knocked down on the altars of convenience. In fact, I think it is fair to say that in many of the things we do which are of a major nature there is a possibility for long-term planning.

In terms of the preparation at the Airport and the preparations which would exist for the establishment of the airport management there would have been for some time now a plan to have a new airport, there would have been plans to have a new airport management and so there could have been plans for the early identification of persons who possess the capacity to lead and manage at the Airport. Such a person could have been identified, appointed, sent overseas for training and be available like any other good civil servant to fill the position.

Asides.

SENATOR Sir ROY TROTMAN: It is still not too late to do it. We must not go out of our way to find avenues to disrupt the even flow of economic life in this country. We must not run the risk of causing disruption to the social partnership agenda that Barbados has set itself. Whoever the Board persons are or were or whoever might be thinking along the lines of that arrangement must have been able to understand that they run the very great risk of having three persons very well paid and having the rank and file of the workers in Barbados left with no choice but to start to make equal demands on the same limited taxation that we have in the country.

We all like to see workers earn considerably more than the level of increases which sometimes we are able to negotiate but rational people limit the demand for those increases by their understanding of the capacity which the employer has to pay. When the employer is the Government where the records are known to all and sundry and so we

are negotiating not in the dark, but for most of the exercise we know what there is, then it becomes very difficult for us to understand why anyone or any group of persons would put us into that difficult position.

I was, therefore, very surprised, Mr. President, when I was taken to task by a person, whose name I would not wish to call, who has been honoured by the nation of Barbados for his selfless commitment to the country. I am sure that knightly person who worked at a bank in Barbados that is central to all of us might have worked for more money had he remained in the United States of America but yet he came back to Barbados and worked for less because he understands that the Barbados Public Service cannot afford to pay people what they may want, but has to pay them what the structured society of Barbados is able to afford to pay out of the public treasury.

How then can the General Secretary of the Barbados Workers' Union (BWU) be accused of meddling in the affairs of business that does not concern him for speaking out on an issue? If I, Mr. President, who speaks for the workers who are organised in Barbados, am not able to speak about the chief executive of a company in Barbados as that salary relates to the other salaries in Barbados, how could anybody who is not involved in industrial relations speak to the issue? That is a *non sequitur* I found fairly difficult to understand, especially when it comes from an intelligent person.

Asides.

SENATOR Sir ROY TROTMAN: Night or day, Mr. President, it would still be a time that would cause me great fear and trepidation in trying to come to grips with that level of argument. Perhaps it was night and we were under a tree and the moon was not shining.

We have to exercise a fair degree of national responsibility not only in what we did when we were working but in what we say and do when we retire and are able to be persons of greater leisure. That does not give us the opportunity to be that leisurely with the thoughts we express.

In conclusion, Mr. President, it is my wish that this new company will be managed with the same level of efficiency that companies which are owned by Barbadians can be managed, that the levels of structure and the differences in those structures would be so organised that there will not be a cause for disaffection among the workers at the different levels and that the overall ambitions and objectives of the organisation will be well founded within the good traditions of the public sector of Barbados and the good sense of all of our people.

SENATOR Dame PATRICIA SYMMONDS: Mr. President, I want to begin my contribution by going even further back than Senator McClean did to say that I had just turned 13, it was the day after my birthday, when Seawell Airport was opened and that I remember the excitement and the pride of Barbadians generally.

Since then, as has been said, the Airport has been expanded a number of times. An expanded airport is to facilitate the expansion of the tourist industry and Government is keenly seeking to diversify the tourism product and to improve the tourism infrastructure. I do not want to dwell too much on diversification and the encouragement of the construction of new hotel plants and opportunities for sports tourism, for golf courses and the fact that Government has sought to scuttle ships in order to create artificial reefs to promote Barbados as a destination for diving. However, just to point out very quickly, dive tourism has become so popular that on the site opposite Government Headquarters there are six ships sunk and they are such extensive artificial reef structures that the site alone accommodates about 100 000 dives per year which is a tremendous amount.

These kinds of visionary approaches such as the expansion and the building of the new arrivals terminal, allow Barbados to become the hub for both tourism and commercial activities.
12.25 p.m.

It will, undoubtedly, benefit Barbados because a larger Arrivals Hall is critical and will reduce the current delays. The runway, of course, is not being touched because that has to keep with modern trends but it will make officers, visitors, passengers and staff more comfortable. I think that we need to try to check arrivals more quickly. That is something which will have to be looked at by the authorities and experts but certainly every Monday and Thursday, one would find four large airlines arriving, carrying approximately 300 passengers each and, therefore, with the current size of the Arrivals Hall, it cannot adequately deal with such traffic.

I want to go back to what Senator McClean has said and to what Sir Roy Trotman has substantiated. Yes, the private sector is sometimes very efficient but we can also find workers who are also doing a very good job in the public sector.

I can never forget while being Principal of a school, we were getting a new Physics block which was the latest and only one of its kind. At that time, a number of persons had expressed sympathy and dismay that it was being done by Government workers but it was done efficiently and speedily and the workers were very cooperative. That is a case in point.

Sir, when in relation to the appointment of a CEO, all I would like to stress is that, ideally, an airport manager should be someone with skills in management and who has some knowledge in aviation. Ultimately, of course, if not immediately – and that has been the policy for a long time now – I think that whenever our own people can fill those posts, that naturally it is a question of Caribbean people including Barbadians. That was something which I had learnt when I was in a position to recommend people but, of course, a great deal depends on the circumstances.

I would like to congratulate the Ministry of Tourism for the sustainable development tourism product they are carrying out. I think they must be highly praised for this.

I wish to say that if Barbados is to remain beautiful, if our environment is to be protected, if economic gains are not to be eroded, then our tourism product must be sustainable. We tend, when we have new buildings, to be proud of them and to admire them but we do not always see that they are kept at the same high standard.

I would, therefore, hope that when this new airport is opened, all Barbadians will see to it that it is kept as beautiful and as clean as other parts of our country. We must not over-exploit the very environment that we are using to generate these high revenues or so degrade it that Barbadians no longer enjoy their country or are no longer able to be proud of it. With these few words, I wish to say I do support the Bill.

SENATOR P. C. GODDARD: Mr. President, I rise to support this Bill and to recognise the contributions of the various speakers, one of whom spoke of under a street light and the other of under a dark tree without the light of the moon.

Mr. President, there was a great generalisation about the quality of management in both the private and public sectors. With my experience in both sectors, I have come to realise that we are one society; that we share one common culture; that there are examples of excellence both in the public and the private sector and that there are also examples of inefficiencies.

However, I think there is a marked difference between the structure of a private sector organisation and its ability to respond rapidly to events, *vis-a-vis* the structure of a government organisation which is methodical; consists of many checks and balances; goes through many steps to get something done and, therefore, cannot respond as rapidly as one would like. When it comes to the issue of aviation, this is a field which demands a rapid response. The area of safety is critical and we need to maintain our equipment and our systems at the cutting edge of reliability and technology in order to supply the best possible service to the aircraft that

transit this region and use the Grantley Adams International Airport.

Mr. President, I am, therefore, convinced that this new corporate structure would go a long way to improve the efficiencies and operations at the Grantley Adams International Airport.

I would also like to highlight the growth that is taking place at the Airport. We should not just see the growth in commercial aviation but also in general aviation. At any one time in the winter season, there can be as many as 15 or 20 private jets housed at the Airport, which supplies considerable amount of work for local Barbadian companies.

There is also a tremendous growth in the charter business. This relates to the fact that, once again, Barbados is becoming a home port destination for more and more cruise ships. It is estimated that we would have an additional 250 flights by wide-bodied aircraft by next winter, moving passengers into Barbados to capture the cruise ships and, from the cruise ships, out of Barbados again.

This adds a significant traffic burden to the Airport terminal's facilities, therefore, one can see this is a growing area of activity. Barbados is also a significant hub for the Eastern Caribbean and, more and more, for northern Latin America. Therefore, the Grantley Adams International Airport is seeing an increase in traffic that is far beyond that which delivers direct long-stay visitors to Barbados.

There is also the issue of enhanced air cargo. As our economy develops, and as our tourism product moves upscale, one will see a growth in the air cargo coming into and going out of Barbados. In the area of air cargo handling, additional facilities must be built.
12.35 p.m.

Mr. President, all this is being done to improve the efficiency of the Airport and tremendous investment will have to be made in information technology to improve the speed at which we handle passengers and cargo coming through this new facility. The enhanced security environment that today's world demands means that the Government of Barbados is responding to keep the facilities at Grantley Adams International Airport in the best possible condition, as efficient as possible and a significant generator of economic growth in this country.

Honourable Members spoke about the bipartisan aspect of the development of Grantley Adams International Airport and I remember in 1952 leaving Barbados on a DC 3 aircraft and the airport was a modest hut at that time; but we have seen the growth of this facility.

Sir, many Barbadians do not appreciate that Grantley Adams International is an airport of high standing, that it has a runway of 12 500 feet and superior landing lights that are state-of-the-art which many airports do not have. This steady growth continued year by year and decade by decade until we now have a facility that Barbadians can be truly proud of.

The development of the new terminal building will enhance the Airport from a customer service point of view, will benefit the many thousands of people that come to Barbados every year and, in the next decade, many billions of people will benefit each year.

Mr. President, this new structure will address many of the previous problems we experienced. Of course, no structure is a panacea for all problems and it will be important for management to have a sound perspective and good firm grounding in management skills to ensure that this airport operates smoothly and efficiently.

Mr. President, Senator Trotman spoke about the need for us to be concerned about the future of workers at the Airport. This Government has a track record of being concerned about people and it recognises that where change has to take place that appropriate safety nets, retraining and replacement must be done. This is the first Government that instituted the anti-poverty programme. This Government is also involved in a whole plethora of activity that underscores our concern for the poor, the disadvantaged and those people who are being traumatised by the rapid changes taking place in our society.

Mr. President, due care and attention will be displayed towards those people that may be displaced or reallocated in this activity. We must remember that the enhanced activities of the Airport will contribute to our economic growth and new job opportunities will be created through the more efficient operations at the Airport.

Mr. President, I strongly support the Bill and congratulate the Government for the fine work being done at Grantley Adams International Airport which will secure us a strong future in the hospitality industry and the international business of this country.

Mr. President, I thank you.

HIS HONOUR SENATOR C. L. BOLDEN: Mr. President, I rise to join in this Debate and to say that Grantley Adams International Airport will always stand out in my mind because I worked at the Airport for one year as a youngster when J. N. Harrison came to Barbados to create the first international runway. It was at the Airport that I learned to drive a tractor. As it was my first job since I left school, I was put on top of the tractor so that I would not fall asleep as seven young men had lost their jobs in two weeks

because by nine o'clock they had all fallen asleep.

Sir, I must compliment the Government on the development of Grantley Adams International Airport. We have to regard our airport as a hub for the Eastern Caribbean and, as has been said before, it is one of the better airports in the region. I remember coming to Barbados from Antigua on a LIAT flight and the pilot made the remark that even in a hurricane the plane could land in Barbados but not in any other Caribbean island. This means that Grantley Adams International Airport stands out in the Caribbean.

Sir, I will not repeat what was said by other Members already but I rise on a serious note today. I want to draw to the attention of those in authority at the airport that the nature of tourism in Barbados is changing rapidly. If the Government is focussing on the high end of tourism, it is right that the airport, as the first entry to Barbados by air, recognises what is necessary to facilitate the Government's desire. Sir, it seems to me that the Prime Minister and the Cabinet of Barbados will make decisions but there are some government departments that ignore those decisions and do as they like. One such department is the Ministry of Transport and Works.

12.45 p.m.

In Barbados we have villas that have been granted special privileges because of the foreign exchange that they generate in this country. Therefore, the type of people visiting these villas are different from the type of people who go to the small hotels. I am told that Sandy Lane Hotel is a luxury hotel. We also have international organisations operating in Barbados that will have special guests visiting these institutions. Recently, a group of policemen at the Airport has been stopping the limousines from Sandy Lane Hotel, taxis working for University of the West Indies and other vehicles employed by international agencies that travel to the Airport to pick up guests and informing the drivers that they can only come to the Airport to pick up guests if they have a special permit.

Sir, if you look...

Asides.

Mr. PRESIDENT: Please address the Chair, Senator.

HIS HONOUR SENATOR C. L. BOLDEN: Sir, the Airport Regulations 1970 Cap. 285 (a) says:

"Any person who offers motor cab services or the services of any motor vehicle carrying passengers for hire or reward at an airport, without first obtaining from the authorised officer a permit or an occasional permit in writing for the purpose, is

guilty of an offence and liable on summary conviction to a fine not exceeding \$250 or imprisonment for a term not exceeding 3 months.”

Mr. President, this group of policemen has been stopping the limousines, Mercedes and BMW taxis and saying to the drivers that they cannot pick up people from the Airport unless they get an occasional permit. Sir, this permit which is issued by the designated government office is located upstairs of the Airport in the form of a receipt. This receipt does not carry a number. Mr. President, I have received complaints from a number of persons about this situation.

Sir, the Government of Barbados told Sandy Lane Hotel that they can come to Barbados and spend \$60 million to build a five-star hotel but now we are telling them that they cannot send a limousine to the airport to pick up their special guests who are paying US\$5 000 a day.

Mr. President, this situation has reached the stage where UWI sends a taxi to pick up someone from the airport and a policeman is telling the driver of the taxi that he cannot carry the person from the Airport. The police went to the taxi and told the passenger to get out of the taxi because he cannot get into that taxi.

Sir, it goes further than this. I wrote to the Commissioner of Police and I set out the basic facts to him. I told him that I need to discuss a more serious aspect of this problem with him and up to now I have not had a reply. I would not say what the problem is while I am in this Chamber. I hope that the Commissioner of Police would speak with me very soon because it is a serious matter. The name of Barbados should not be damaged by people who have nefarious activities and other things in their minds.

Mr. PRESIDENT: Senator, I am not sure what you are saying.

HIS HONOUR SENATOR C. L. BOLDEN: I am talking about the Grantley Adams International Airport.

Mr. PRESIDENT: You used the word “nefarious”. I wish you to be clear that you must not refer to any person in their official capacity unless I have previous notice thereof. I think that you are sufficiently experienced to know how far to go with this one, Senator.

Asides.

HIS HONOUR SENATOR C. L. BOLDEN: I accept your ruling. I do not mean the Commissioner of Police. I said that I want to speak to the Commissioner of Police about

something more serious than that and I hope that he gets in touch with me quickly. I have already written to him asking him to get in touch with me.

Sir, we must not damage the fair name of Barbados. The cost of the occasional ticket is worth \$3. Are you going to tell a taxi driver, who was sent to the airport to pick up persons, that he must pay \$3 for an occasional permit to pick up those persons? This situation would then stretch to family members who go to the Airport to pick up their families who are coming through the airport. Mr. President, we are going to transfer the operation of the Airport to a private company and it should be incumbent upon Government to rectify any dark areas of the law which will affect the operations of the Airport.

Sir, there is another point that I would like to draw to this Chamber. I have no problem with paying people high salaries but I have a problem when we constantly go outside of Barbados and the Caribbean to hire people, calling them consultants and experts, when we have people who are just as good in this country and nobody recognises them.

Asides.

HIS HONOUR SENATOR C. L. BOLDEN: We have had three consultants in this country to deal with motor traffic. Two of them called me and wanted me to sit with them to pick my brain so that they can collect information to give to the Government of Barbados. It is time that we recognise our people. Sir, what is the sense of having the University of the West Indies? What is the sense of setting qualification for certain jobs and at the end of the day the people are not good enough to fill the posts that we create in our country?

Sir, if what appeared in the newspaper is true regarding the hiring of an expatriate, it shows us the trend that we are following. I am saying openly that those of us who have concern for our fellow men must look at the situation carefully and remind the Ministers that they have sons and daughters who are Barbadians who will be educated and who should be able to succeed in the highest capacity in this country.

Mr. President, I know that there are several groups of taxis operating at the Airport. I represent three of these groups and I know that there must be certain protection for the Taxi Association at the Airport. However, I do not believe that it must stretch to the point where a policeman is going to say a taxi driver who goes to the Airport to pick up a special person, that he must pay to pick up that person.

Sir, I ask myself if the regulation regarding taxis is correct because a taxi is a public service vehicle and if you

stop it on the road, it has to accept your fare unless the driver has good reason not to. I would like to know if you can double-charge a taxi for doing the job for which it is registered?

Therefore, I am asking that Government take a careful look at what is happening in this country and I beg the Commissioner of Police to have a serious chat with me so that I can tell him what is going on.

I thank you, Sir.

SUSPENSION OF SITTING

SENATOR THE HON. J. X. WALCOTT: Mr. President, I beg to move that this Sitting be suspended until 2.00 p.m. today.

The question that the Sitting be suspended until 2.00 p.m. today was put to the Senate and agreed to and Mr. PRESIDENT suspended the Sitting accordingly.
12.55 p.m.

RESUMPTION

Mr. PRESIDENT: This Sitting is resumed.

SENATOR B. R. COLLYMORE: Mr. President, I think this Bill is quite small with the major transformation it is intended to cause. It leaves more out than what it says, and there is room for some more explanations about what is intended to follow or to amend it.

The first point I want to make is that there is no indication on how this new Company will be capitalised. It has been the practice in the past for the Government to set up organisations, generally statutory bodies, without proper capitalisation and they never recover as a consequence. I know it will be earning revenue but to start off, as it were, with a debt, does not do well for a company. I would expect to hear, therefore, some indication of the capitalisation of the Company.

I have some fear and that fear results from, as I said, what is not said. What is the philosophical underpinning of these decisions? If the Company is going to be translated into a private ownership, I think the people would want to know this. I say that because, you will forgive me, Mr. President, if I refer to a paid statement I believe, that was published in the Press last week, or the week before, by the Chairman of the Company in which he says – and I have an extra copy here – that the new CEO will be ultimately responsible for the financial management and planning of the Company, as it moves from public ownership to private ownership.

Sir, I have never known somebody in that position to

make statements of policy and one must, therefore, feel that the ultimate intention is to translate this Company into one of private ownership. If this is so, I think the people need to know something about this, or the Chairman has been speaking out-of-turn. Policy declaration should come from Ministers and not from other people. I want to make another point on that and it is this, the Grantley Adams International Airport, in terms of its importance of value, is probably the greatest asset owned by the people of Barbados.

Asides.

SENATOR B. R. COLLYMORE: The Seaport probably comes next. I think that, as one of the speakers on the Government Side indicated, the Grantley Adams International Airport has potential that has not yet been tapped. Therefore, as a great asset of the people, it seems to me that what I hear from other people was that at the Port, Government resisted the attempts of some of these lending agencies to translate the Port into a private company and I think the same needs to be done at the Grantley Adams International Airport.

Sir, if it is going to be private, the Government should remain the major shareholder. I think it is dangerous at this stage to give the impression that has been given by someone, that it is going to be a private company. Many of the airport services will be transferred to the Company and to me, it is very important that a regulatory authority exists in Government to oversee, and generally supervise, the activities of this Company.

The Ministry of Tourism and International Transport is not now geared to carry out that function. There are only two technical posts to cover both Seaport and Airport and for many months, one of those posts has not been filled. If you are running “helter-skelter” to get this Company going, the same haste and speed should be had in determining the regulatory authority for this.

Civil Aviation is a function that is largely governed by international conventions. The Government cannot renege from its responsibility by giving it to any company or anything else to run, when you think about safety, security and whatever else. Therefore, within the Government machinery, must be that expertise to ensure that nothing goes wrong in these areas or, if it goes wrong, to respond as quickly as possible to the situation, given the Government’s ultimate responsibility and not any company’s responsibility. I therefore feel that we need to be told what is the monitoring mechanism proposed for ensuring that these conventions and whatever else, are properly adhered to.

Sir, I asked before during an Estimates debate when we were told that this Company had been incorporated since 1998, what has it been doing. If its functions are now being properly spelt out in the Bill before us, what has it been doing ever since it was incorporated? In this same publication by the Chairman, he said that to-date, two senior executives of the Company have been appointed. In this same publication, he said that the preparation of that draft was the decision and the action of the staff. Was that staff these two persons? I understand one is a financial comptroller and the other is a human resource manager.

A person lower than that, would hardly have had access to the sort of discussion which a Board was carrying on and then prepare that sort of document. It is a fair inference, if I may use that term, that these two persons, or one of them, might have been involved in the consideration that the Board was giving to the development and the preparation of a Chief Executive Officer.

The Chairman also said that the internal document that was leaked to a section of the Press, and on which public speculation has been based, was a draft prepared by staff. Which staff? Who? They should be disciplined, if they did it without the approval of the Board or the Chairman. It was never accepted by me as Chairman, and was not used in discussion with the preferred candidate, *et cetera*.

This publication, I think, indicts the Chairman and indicts the Board. It is not giving the sort of explanation which, obviously, it sought to give and I would suggest that the Government should seriously look at this again. On top of that, what do I say about the Bill, having said that the Bill probably says much less than is intended?

At Clause 3, it says that subject to this Act, the Company hereby authorised to manage the Airport, *et cetera*. It also says, at Clause 5 that the Company, among its functions, would be rights to set, collect and retain airport charges, landing fees, fuel charges, *et cetera*.

I suggest that you look at section 28(q) of Cap. 288 which is the Civil Aviation Act and see where that also empowers the Minister to set and collect fees. In the Exemption Clause of the Bill which is somewhere at Clause 10 says: As from the date of commencement of this Act, the Company is subject to the provisions of the Civil Aviation Act, except section 10.

I am saying that another section gives the Minister authority to set fees and therefore, there may be two authorities having the same function. Unless there is an explanation for it, I suggest you revisit it and ensure that there is no conflict that is likely to develop as a result of

which I think is a mix-up.
2.10 p.m.

Furthermore, the company is responsible for maintaining its assets, office equipment and a number of other things. It is not going to be responsible for air traffic control which has substantial equipment such as the radar that they use. So, is this company going to be responsible for maintaining that equipment? Is there not going to be a possibility of conflict? Unless these things are clearly set out from the beginning, we are not going to have a smooth run, especially since the maintenance unit which comprises a number of technically qualified people in the electronic engineering section is going to be under the aegis of the company; but they are now civil servants. I will address that later.

If they are going to be doing the work for air traffic control, maintaining the building that houses the air traffic control unit, maintaining the equipment and the radar, then clear division of labour, instructions, *et cetera* needs to be worked out. If the Company is going to maximise the use of its resources, then it seems that the Government will have to pay them some sort of fee or something for doing this service for air traffic control.

Similarly, other agencies up there like the Meteorological Office, although they are excluded from the control of the company, have equipment too. So, is the Company going to maintain all of this equipment with the existing resources? To me, that is something that is not as clear as I think it should be.

There is no definition of "commercial" in the Bill. I know that in the absence of specific definition, one would assume that "commercial" must be given its literal interpretation; but some of the activities are not strictly commercial unless the company intends to charge for some of these services as at Section 5 (3) where it says:

"In respect of the commercial operation of the Airport."

I assume that includes duty-free shops, *et cetera*, but what about the services that it will render for air traffic control and the Meteorological Office?

The subject which I feel most capable of addressing is the question of staff and the provision at Clause 9 (1) that said:

"Any public officer who was employed in a pensionable office within the meaning of the Pensions Act and who accepts employment with the Company shall retain all rights in respect of pension, gratuity or

other like benefit accruing to that public officer immediately before the commencement of this Act and these rights shall be preserved.”

It does not address their service after the commencement of the Act when it goes to a company. The Company itself is commandeered by Section 9 (2) which says:

“The Company shall within a period of three years from the date of the commencement of this Act, provide for the establishment and the maintenance of a pension fund for the benefit of the employees of the Company.”

You, I hope, would want to attract some of the people especially those from the maintenance unit to come over to the new Company. Some of them have extended long periods of service and you are asking them to come over to this new Company. You are not saying that you are going to protect their pension as it is after the date they come over. You are only guaranteeing that within three years there should be a pension provision but it does not state what that should provide in respect of these people. So I am suggesting that Government look at this very carefully because some of those people are going to be almost indispensable in the first instance. They will have certain options open to them one of which is to refuse to be transferred to the Company, but there is no other place in the Public Service where they can be absorbed.

Therefore, under the Constitution and the Pensions Act, the post having been reorganised or abolished, they have to be paid a pension immediately regardless of their period of service and regardless of whether they have reached the age of retirement. They have to be paid an enhanced pension for the fact that they have been required to retire before they were willing to retire. Therefore, this could be a costly exercise in respect of pensions for many of the 71 people who work in that maintenance unit. You have to maintain the airport, you have to maintain the lights and you have to maintain all of the equipment whether or not it is a company.

I invite attention to Sections 226 and 226(a) of the Defence Act, Cap. 159, which, for this very reason, says that public officers who come into the Barbados Defence Force straight from public office would be treated, whilst in the Barbados Defence Force, as if they were still public officers for matters of pensions. That ensures continuity. At present, except for the commanding officer, they are probably the only people entitled to a pension at the Barbados Defence Force. Public officers who are transferred to the Barbados Defence Force automatically retain their rights to pension as if they had not left the Public Service. This is a constitutional matter, this is not a light matter. This

is Section 103 of the Constitution which says that when a man joins the Public Service, his right to pension cannot be varied unless he himself agrees. If he agrees, it is assumed that he is getting a better deal.

Mr. President, the comment about the army of occupation was not a foolish comment. It was made against the background of these sorts of things. You cannot go and tell these people that they have to go over to this new company or that they have to resign. If they resign, then you have to pay them. I would not like to see that bill being imposed on the taxpayers of Barbados especially on the same people who probably will return to work with the same organisation because their services are not exactly disposable. I warned about this when we were discussing the Queen Elizabeth Hospital and it has not been resolved there because I think it was under-estimated what the effect of this sort of thing would be. I suggest that be revisited.

Another example of this is the Port Authority which has a provision similar to the Barbados Defence Force. I know you could say that this is not a company as such but the Barbados Defence Force is not a corporation either in a sense, yet it was necessary to include in both pieces of legislation this special provision.

The point made by Senator Bolden about certain activities that could occur amongst staff at the Airport who are not under the control of the Company bears out my earlier point that it is necessary to have a strong coordinating and regulating mechanism for the Airport because that company cannot control the police officers, fire officers, immigration officers, nor authorised persons of the Ministry of Health or the Ministry of Agriculture. It has to depend on those services. Therefore, the mechanism you must establish, if you want this Airport to run properly, within the Ministry of Tourism and International Transport, is an absolute necessity prior to the proclamation of this Act, if not we could run into early trouble.

2.20 p.m.

That is why it is so important that Government remains the principal shareholder in any intention to privatise the Airport. It is not an ordinary asset. It is a very important and invaluable asset and in these days of easy communication, the dependence on service industries, *et cetera*, a good airport is the *sine qua non* for Barbados' economic management.

Mr. President, I thought that the Bill, as drawn, is not as full as it needs to be. I think it should be looked at again, even if it is passed in a hurry, or else running the Airport by this Company is going to be stymied at its inception. In particular, I would like to warn that the problems of a staff

and problems of overall regulations and monitoring are not going to be easy to be resolved unless we get to them right away.

Thank you.

SENATOR THE HON. G. S. H. MURRAY: Mr. President, this is a very important debate because it deals with an institution which is of paramount importance to all aspects of national well-being.

As previous Senators have said, it represents a tremendous national asset and is not just a piece of the infrastructure of the country. It is one of those benchmarks by which a country is often judged.

It is felt that there are certain assets of a country that set the tone of that country, which often give one a reading as to the quality of life and the development of the country, by observing the nature and the functioning of these institutions. Therefore, the Airport is one such institution and has a very important part to play in Barbados' livelihood and its standing as a country, not only with regard to its image but as regards the services it provides to Barbadians and to the rest of the world. We know that airports are vital stimuli to economic growth and development and also to closer interaction.

I would first like to deal with what I would like to call the anxieties of Honourable Senators that are being expressed by this Bill. Senator Collymore has said that the Bill did not say as much as it had intended. I think that to put it in that context is to misjudge and to misunderstand the context of the Bill. The name of the Bill is the Grantley Adams International Airport (Transfer of Management and Vesting of Assets) Act, 2003.

This deals specifically with the transfer of assets and management and, therefore, it cannot be expected to be all things to all people, or to comprehensively cover all aspects of the running of the Airport. It has to be in the context or the ambit of its intentions as laid out in the Bill. Those being the confines of the Bill, it cannot be expected to cover every aspect, down to the maintenance of technical equipment, *et cetera*.

The Bill makes provision for:

- “(a) the Grantley Adams International Airport to be managed by the Grantley Adams International Airport Inc. a limited liability company incorporated for the purpose of managing the Airport;

- (b) the effective management of the Airport by the Grantley Adams International Airport, Inc.;
- (c) the transfer of the commercial assets and liabilities of the Government respecting the Grantley Adams International Airport to the Grantley Adams International Airport Inc.;
- (d) related matters.”

Therefore, that is the pathway along which the Bill is set and that is what it covers.

I want to deal with the issue of privatisation. As far as I know, from everything I have read and seen, there is no intention to privatise the Airport. Corporatisation is different from privatisation. The Airport has been incorporated but not privatised.

Senator Collymore has made reference to a publication that was signed by the Chairman of the Board which says that responsibilities of the CEO's position will include assisting the Barbados Government in taking the Airport from a publicly-run company, into a private sector organisation. A publicly-run company, to me, says something from a publicly-owned company.

SENATOR B. R. COLLYMORE: I agree with you, Senator but I was at pains to point out that in another section of the said publication, it says that the CEO will be ultimately responsible for the financial management and planning of the company as it moves from public ownership to private ownership.

Mr. PRESIDENT: We will treat that as a point of elucidation.

SENATOR THE HON. G. S. H. MURRAY: Mr. President, I had not grasped the point made earlier. The point is, while that is so, I know the policies I have seen on this issue, speak only to corporation and not privatisation. Therefore, I have to speak on the basis of what I know.

Sir, there are also anxieties expressed about the status and the future of employees after corporatisation. I would like to give the public servants at the Airport the assurance that, from the very outset, great care and attention was paid to their well being and what would happen to them in the transition in the institutional reform of the Airport which would come about through corporatisation.

Very early after Cabinet had decided that a company would be established under the Companies Act to carry out the commercial transaction of the Airport, under the Grantley Adams International Airport Inc., the Ministry of the Civil Service and the Personnel Administration Commission had

formed part of a Committee, established by the Ministry of International Transport, to examine the terms and conditions under which the existing staff at the Airport would be transferred into the new company.

The Ministry of the Civil Service was invited, and participated in a number of meetings that discussed the various options that would be opened to the staff under the new institutional arrangements. Some of these options dealt with included:

- “(a) Secondment. One option would be the secondment of officers to the company. This is sometimes done by either declaring the company as an approved employer to preserve the officer’s pension rights. The company would be required to pay a contribution equal to 25 per cent of the officer’s salary into the Treasury, during the period of secondment.

Alternatively, the Governor-General could grant the officer leave without pay on grounds of public policy, with the officer’s pensionable service during the period of secondment being preserved. This is a standard practice in the service.

- (b) the return to the general civil service. Officers or employees employed in the company would have to be absorbed into the wider public service, provided that suitable positions could be found for them.

It should also be noted that where persons are to be reabsorbed into the public service, they would still have to be seconded into the Airport company until a post becomes available.

- (c) abolition of posts and subsequent cause. In cases where a suitable alternative to a post could not be identified, provision is made for the officer to retire from the public service and be granted pension and gratuity payment in accordance with Section 8, Cap. 25.

2.30 p.m.

Consideration is also given to the establishment of a pension scheme and in order to ensure a smooth and orderly transfer of staff, it was important that no transferred employee be in any doubt as to the status of his existing services and the pension entitlements built up during the Government service. At the point of transfer all pension rights and entitlements in the Public Service Pension Scheme will be frozen and preserved in that Scheme for payment at the time of retirement under the terms of the scheme.

The new airport company will be required to establish a separate pension scheme as mentioned in the legislation on behalf of the transferred staff and all new employees. This scheme should be fully operable from the actual date of transfer and all pension costs applicable to transfer of the staff prior to the date of the transfer must be borne by the Government while those accruing from the date of transfer will be borne by the company.

It was imperative that all officers be made aware of the condition of service of the new company before being requested to exercise an option so the question of the future of the officers, their rights and entitlements was deliberately gone into from the outset of this whole undertaking.

Public servants can be assured that they are not being disadvantaged in the interest of corporatisation because this has been an established policy for years throughout the civil service, it has been maintained and insisted upon by the union that officers should never be disadvantaged with a new status, that it should be equal to their prior status; and it is being maintained to the hilt in this regard.

Senator Collymore made mention of Clause 5 which deals with the collection of fees which reads:

“5. (1) Subject to section 4, the

- (a) assets in relation to the Airport that are identified in the manner described in the Second Schedule and are owned by the Government immediately before the commencement of this Act;
- (b) commercial liabilities that were incurred by or on behalf of the Government and were subsisting immediately before the commencement of this Act; and
- (c) rights to set, collect and retain airport charges, landing fees, fuel charges, parking charges or any other commercial charge or fee in connection with the provision and use of airport facilities and services are transferred and vested in the Company and by virtue of this Act and without further assurance, transfer or other formality are to be held with effect from the date of commencement of this Act, by the Company to the same extent and interest and in the same manner as they were vested in or held by the Government.”

Sir, this covers the whole question about what type of responsibilities are being transferred to the company.

SENATOR B. R. COLLYMORE: I do not think the Minister has dealt with points which I referred to.

Mr. PRESIDENT: Senator Collymore, you cannot make a second speech according to the Standing Orders but I think you are out of order.

SENATOR B. R. COLLYMORE: I stand to be guided, Sir.

Mr. PRESIDENT: You may elucidate a point made in your speech or rise on a point of order.

SENATOR B. R. COLLYMORE: Sir, I was making the point that at Section 28(q) of the Civil Aviation Act there is provision for the Minister to make regulations relating to the charges for the use of services provided at airports and that this Act purports to give the new company the right as quoted at 5(1)(c) to set, collect and retain airport charges. I am asking that there be some clarification.

SENATOR THE HON. G. S. H. MURRAY: I want to say that generally speaking this legislation is based on the advice of a set of consultants who have a lot of experience in these matters. They have produced a draft as a guide to the type of legislation which would be needed to facilitate the establishment and operation of the company.

This was a new experience for Barbados and, therefore, we had to seek the help of people who had knowledge in this area but wherever possible Government has used local consultants. If we look at the money spent on external consultants, there has been a falling-off and we have been utilising consultants in Barbados and the region wherever possible but this was a new area in which we needed to have the expertise of people who had done this before to guide us in this regard.

This is an important piece of legislation which paves the way for the Grantley Adams International Airport to proceed along a different path which would redound to the overall benefit of Barbados. I take great comfort in the fact that in the same way we were able to manage a port which has been voted one of the top ports in the hemisphere that the same thing will happen to the Grantley Adams International Airport because it will be run by the same Barbadian stock from which the port has sprung and we will strive for the same level of excellence. This can be obtained once the new organisation is allowed to settle down and get on with its work.

Sir, in conclusion, this is one of a set of measures necessary to set the Airport on the right footing. This Bill should not be seen as the end-all or be-all because other legislation will be needed to provide the proper framework for the operations of the Grantley Adams International

Airport under the new system.

Mr. PRESIDENT: Senator Collymore, I should explain before the next Senator speaks that your intervention was permitted but for the Record, under Standing Order 31(4):

“A Senator who has spoken on a question may again be heard to offer explanation of some material part of the speech which he claims has been misrepresented; but he should not introduce a new matter.”

SENATOR C. K. LAURIE: Mr. President, thanks to Senator Phillip Goddard, I now know the length of the runway. I did a quick calculation that there must be about 80 acres of grass on both sides of it. It is not allowed to remain tall so it is cut at the moment but it is lying on the ground of no use to anyone and can cause a fire.

Sir, a few years ago there was a fire and the airport had to be closed for several hours. We need to remove the grass when it is cut and I can assure you that there are many uses for the grass. I hope the new company will be able to cut the grass, bale it and sell it.

Thank you, Mr. President.

SENATOR Mrs. P. E. RICKINSON: Mr. President, I rise to support this Bill knowing that we are trying to improve the Airport. Our country is interested in tourism which is more or less our livelihood and it seems as though it will be for the next 20 years since sugar cane is going out of production and there are not many offshore banks.
2.40 p.m.

Therefore, we do need a modernised airport where we can move goods, services and people in and out of the country quickly and efficiently. I think that we will require training and preparation in order to capitalise on this new structure that is going to emerge. I have not seen the plans. I am not an architect nor an engineer but it seems to come through that we are going to be building a very modern building which is comparable to those in developed countries.

Sir, even though we have a modern building, the same workers are employed. Therefore, I think that training should start immediately in order to prepare the workers for the changes that are needed and how they are expected to function when the airport is completed.

Asides.

SENATOR Mrs. P. E. RICKINSON: There are a few questions that I would like to ask regarding forming

companies as opposed to the statutory bodies in Barbados. I am getting the impression that Government is taking the opportunity to form companies wherever they can and civil servants are being employed to run these companies. This action will reduce the number of civil servants.

Sir, it means that in so doing, we have to start training our workers so that they can fit into these various companies. It cannot be business as usual. Working in a private company is very different from working in the civil service where some people feel that they can get to work when they like and do whatever they like.

Mr. President, the world is changing rapidly and it cannot be business as usual because tourism is our livelihood, whether we like it or not. I would rather that it were not so. I would rather that we find some other means to be our main livelihood but at the present that is not the case, so we have to make the best of it. I welcome the various discussions that have been taking place regarding the workers and the options available. I sincerely hope that the workers understand what is happening so that they can make the various choices.

Sir, we should have someone being trained overseas or seconded to work in Canada at an international airport observing the operation of international airports so that when the time comes, the person can take over the operation of our airport. Sir, even if we have to employ someone on a contract, that contract would only be for about two or three years.

I hope that we do not have to employ anyone at the cost of approximately half a million dollars on a contract because we need those funds. Those funds could employ a lot of nurses, keep these nurses in Barbados and stop them from going overseas. I believe that there is someone who can run that airport, a Barbadian who has worked overseas or even a Caribbean person, whom we would not have to pay that type of money to run the Airport.

Sir, I suggest that we start looking for someone, put them in training in order to take over the management of the Airport. We need to have someone who can understand the culture in Barbados and be able to deal with the workers because there is a different type of culture that exists here that does not exist anywhere in the world. I have worked in Africa, England and USA and Barbados is unique in terms of culture and work patterns that exist in Barbados. One has to learn how to deal with our type of culture.

Mr. President, bringing in someone for half a million dollars is not going to solve the problem at the Airport. Several workers would need to be managed and we need to have someone who can work with these persons and who

could understand these persons.

Sir, I believe that the Government Information Service should explain to the public what is happening at the Airport. Barbadians need to be informed of what is happening and how we are expected to fit into the changes that will come about and how the workers are expected to fit into the new company that is being formed.

Mr. President, we have to be careful how companies are being formed, given what we have been hearing about GEMS and who we employ to manage companies. The managers should not feel that they can take the taxpayers' money and spend it like water and do whatever they feel like doing. They have to be accountable to the people of Barbados. It is believed by some Barbadians that there is unlimited access to funds by persons managing companies that are formed by the Government of Barbados, and these persons are kings unto themselves. Sir, this impression must not be given when the airport expansion is completed.
2.50 p.m.

Mr. President, I do not know too much about the difference between the companies and the cooperatives. What I do know is that you have the Central Bank, the NIS and ICB which have done extremely well. Also, the BNB which is the only bank that I have heard losing so much money initially, that is making a profit now. It is not that you do not have people who cannot do things. There are examples out there that we can see have done extremely well under the direction of Barbadians. There are some other examples, like the Rural Development Commission and the Urban Development Commission that seem to feel they have unlimited amounts of money to do whatever and however they feel like doing it.

Mr. President, the Airport is also for poor people. They are going to pass through the Airport, they are going to use the Airport and because you have poor people, you are not supposed to be putting money in their hands without them working for it. They must learn to work for what they want. They cannot expect us to pay taxes and they sit down and because of different affiliations go and get virtually free money.

Asides.

SENATOR Mrs. P. E. RICKINSON: Mr. President, it is not a question of voting. It is the taxpayers' money. The various Governments are all the same as far as I am concerned. There is no difference between them.

They must understand that the money is limited and if we are going to corporatise the Airport, it is not going to be a Government entity anymore, as far as I am concerned.

They must have some rules and regulations, unlike the GEMS that do not seem to have any because they seem to do as they like.

Mr. President, as a citizen, I am very concerned. I can understand what the Government is trying to do. They are trying to bypass the red tape that prevents people from getting things done. I am sensible enough to understand that there is too much red tape and we must find a way to bypass that red tape. I am all in agreement but, on the other hand, some people go beyond bypassing the red tape and start doing as they like, and we have to be very careful about that at this airport, the way things are going, regarding corporatising various agencies, within the Government service. What it says to me is that eventually the Government service is only going to be composed of maids, and security guards and all the others will be corporatised.

Sir, I am saying that we have to develop a standard. We have to find the niche to get this thing right, because we are not getting it right, not the GEMS anyway, so that we can all look up to Grantley Adams International Airport, like how we look up to the Central Bank, ICB and BNB and some of the other agencies that are running smoothly, that do not have that amount of sandals.

I cannot wait to travel and come into an airport where you can just walk through with your luggage and if you have nothing to declare, you will be allowed to walk out. We should have some spot checks and not with everybody searching through your luggage. The people they need to search, they do not search because they do not know that those are the people to search. When this Airport is completed, let us train people. We have to do spot checks. I agree with that as I see it overseas where every 20 or 30 persons are spot-checked, not nearly everyone when they are turning up the luggage, using the same dirty gloves to put in your luggage and my luggage and they do not even know what they are looking for. That is not the way to do it.

I think we have to train people how to do it, and we have to learn the system. If you are a tourist country, tourists do not expect, after a long flight to be standing up and having their luggage all searched. In other countries before that luggage comes in, they have dogs to sniff out the luggage and the ones the dogs sniff, they search, and let through the other people. This is the sort of thing that we need to see in a modern airport.

Get the dogs and let them go through the luggage and you will know who has anything illegal, you will be able to stop them, and let all the other people through, rather than letting people get backed up at the airport, getting miserable saying, I am not coming back to Barbados again, the airport is...

Asides.

SENATOR Mrs. P. E. RICKINSON: We want to have a modern airport, therefore we need to have people at the middle management level and not only at the top. We need to send out those at the middle management level to train them in the art of managing crowds at an Airport. It is an art. I do not know how to do it but I have seen people doing it. We should not only concentrate on paying large sums of money to one CEO that the economy and the country cannot afford. We have to be very careful about this because the CEO is only one person. He cannot be there all the time and the persons that you have to depend on at the Airport will be your middle managers and the people down the line in order to do the work and have the Airport running smoothly. These are the people that you have to train in order to enjoy a modern facility that functions efficiently and effectively without a lot of controversy and corruption.

Mr. President, I support the Bill.

SENATOR Sir JOHN STANLEY GODDARD: Mr. President, the Leader of Government Business gave a comprehensive overview of the new airport when he opened this debate. He highlighted the importance that the Government and Barbadians, generally, attach to having an efficient, modern airport for Barbadians and visitors to our shores, coming to the hospitality industry and the international business and financial sector. After all, they are the two most important economic pillars of the economy.

The Airport is the first impression a visitor gets when he or she arrives in this island and therefore, it is very important that the facility is attractive and the standard of service is very high. I will come back to that standard of service in a little while.

Mr. President, other Senators have said much of what I would have said so there is no point repeating. I would like, however, to focus on the objects and reasons, section 8. It says here, this Bill makes provision for the Grantley Adams International Airport to be managed by the Grantley Adams International Airport, Inc., a company incorporated under the Companies Act for the purpose of enabling the Airport to operate as a commercial entity.
3.00 p.m.

Let us start off by dealing with management. The Grantley Adams International Airport is to be managed by this Grantley Adams International Airport Inc. That means it should be managed to international standards. It also means that all the functions performed there, from the time someone arrives, gets to the Immigration Desk, collects his or her baggage, clears Customs and leaves to get a taxi or by the time somebody arrives to the airline counter desk, the

restaurants, the shops and the lounge, have to be managed to international standards.

We talked about this being the age of globalisation. This is a classic example of what globalisation means. What we are doing now will no longer do. It will only do if it meets international standards.

As one who has spent all my working life in the private sector, I know that the Companies Act imposes disciplines and outlines responsibilities for directors and officers and imposes high levels of transparency and accountability. With that in mind, I would like to go to Section 6 of the Bill which says:

- (1) "The Company shall within 3 months of the end of each financial year submit to the Minister the report, the audited financial statement and the auditor's report referred to in subsection (2)."
- (2) "The Minister shall as soon as possible after the end of each financial year and not later than 6 months after the end of that year lay in Parliament:
 - (a) a report of the operations of the Company during the preceding year, including a comparison of the performance of the Company with the corresponding business plan; and
 - (b) an audited financial statement for the preceding year consisting of:
 - (i) statements of profits, loss and cash flow;
 - (ii) such other statements as may be necessary to show the financial position of the Company and the financial results of the Company's operations during that financial year, including any contingent liabilities of the Company; and
 - (iii) an auditor's report on the financial statements."

All of that is within six months of the year end.

Mr. President, I would like to draw to your attention that Hotels and Resorts Limited which I believe is incorporated under the Companies Act and in which the Government has a 93 per cent shareholding has not laid in Parliament any audited financial statements since the financial year 1999.

I would also like to bring to your attention that there is a question on the Order Paper which I laid on June 20, 2000 asking why the Caribbean Broadcasting Corporation has not

laid any financial statements since 1995. There is no point making these laws and regulations if they are not going to be upheld. So I am supporting this matter here that the financial statements must be laid and where Government has been remiss, they must take corrective action. I am referring specifically to Hotels and Resorts Limited and the Caribbean Broadcasting Corporation but there may be many others. That does not demonstrate transparency and accountability to the people of Barbados whose funds are being used by these corporations.

The latter part of provision (a) of the Bill goes on to say that the company is being formed for the purpose of enabling the Airport to operate as a commercial entity. To me, that means that it is expected that its revenue would be sufficient to cover its expenses. The point has been made that nothing has been said regarding the consideration for the transfer of the net assets from Government to the Grantley Adams International Airport Incorporated. So presumably shares would not be issued to Government but the consideration then would have to be a loan, I assume, I do not know, Sir, and loans carry interest. Would the revenue of this new company be sufficient to cover all operating expenses and pay the interest to Government if that is the consideration for the transfer? I have to assume that in the absence of anything carefully said about the shares being issued.

I think that Government would be well-advised to take note of some of the points raised by Senator Branstons Collymore. I have little expertise in this field but I know he has a lot from his many years of experience in the Public Service of Barbados and I take it that he has experience specifically in this area from the way he spoke. So I am advising Government to pay special attention to his comments because there is no point in rushing this legislation and then have to come back and amend it over and over again. If there are areas that need further refinement, let us get it done now rather than later.

I thank you, Mr. President.

SENATOR THE HON. J. X. WALCOTT: I wish to thank all Honourable Senators who contributed to this Debate. We had a very full debate and a number of issues have been raised to which I certainly intend to respond.

Earlier today, questions were asked about the financial projections for this new company. I have been able to locate some projections for this company up to the year 2005 to 2006. It is expected that revenue for the year 2003 to 2004 would be \$39.8 million. The total expenses, that is, debt service including depreciation *et cetera* would be

approximately \$28.6 million, giving a net income of \$11.1 million or a return on equity at 5.98 per cent. For the year 2004 to 2005, it is projected that revenue would be approximately \$41.8 million with a total expense of \$34 million and a net income of about \$7.8 million and with a return in equity of 3.99 per cent. For the year 2005 to 2006 it is projected that revenue would be \$43.9 million with a total expenditure of \$34.8 million and a net income of \$9.1 million with a return on equity of 4.46 per cent. I hope that would be of some help to the Honourable Senator who was enquiring about it.

A question was also raised about what are the real benefits to be derived from having corporatisation. I believe Senator Rickinson alluded to these issues, the major ones of bureaucratic red tape and the slow pace at which everything is done. Certainly, you need to take quick action and have quick responses to matters in relation to civil aviation at the Airport
3.10 p.m.

Mr. President, the question was asked about the old Seawall Airport terminal. I have been informed that most of this has already been demolished. Certainly, as the redevelopment plant goes ahead, the entire building would be demolished.

The new radar facilities are functioning properly. There are no problems being experienced. All navigational gears are functioning.

There will be a designated area for regional travel, though the allocation for desk space has not yet been sorted out but it is expected that adequate counter space would be sorted out for all airlines, including the regional ones.

There was a question raised in relation to the Red Cap workers. This issue has not yet been settled but it is certainly hoped and expected that attempts would be made to accommodate the Red Cap workers on the completion of the project.

The question was raised regarding the Chairman of this Authority also being the Chairman of Caribbean Aircraft Handling. It is expected that once this Bill is passed, he will have to resign his association with the other entity.

As regarding the capitalisation of the Airport, it is being fully capitalised by Government. Senator Collymore has raised the question of the Civil Aviation Act and the obvious problems where the Minister still has the right to set fees, *et cetera*. It is expected that an amendment be worked on, which should shortly be coming to this Honourable House. The new company will have responsibility for the

maintenance of the air traffic control, whereas the civil functions such as the Immigration, the Police and the Customs Departments will remain separate and apart.

I believe I have answered all questions asked by Honourable Senators. I want to thank all Honourable Senators again for their contributions. I now beg to move that this Bill be read a second time.

The question that the Bill be read a second time was put and resolved in the affirmative.

On the motion of SENATOR THE HON. J. X. WALCOTT, the Senate resolved itself into Committee on the Bill. SENATOR DAME PATRICIA SYMMONDS in the Chair.

COMMITTEE

MADAM CHAIRMAN: This House is now in Committee.

Clauses 1 – 14 inclusive were called and passed.

The First Schedule was called and passed.

The Second Schedule was called and passed.

The Third Schedule was called and passed.

On the motion of SENATOR THE HON. J. X. WALCOTT, MADAM CHAIRMAN reported to HIS HONOUR Mr. PRESIDENT the passing of one Bill in Committee, and Mr. PRESIDENT resumed the Chair and reported accordingly.

On the motion of SENATOR THE HON. J. X. WALCOTT, the Bill was read a third time and passed and cited as the Grantley Adams International Airport (Transfer of Management and Vesting of Assets) Bill, 2003.

ORDER NO. 4 – RESOLUTION TO APPROVE THE COMPULSORY ACQUISITION BY THE CROWN OF THE PARCEL OF LAND SITUATE AT THYME BOTTOM, CHRIST CHURCH FOR THE PURPOSE OF ROAD IMPROVEMENT

SENATOR THE HON. J. X. WALCOTT: Mr. President, this Resolution seeks permission for the acquisition of 1 114 square metres of land at Thyme Bottom, Christ Church for road improvement and alignment. This comes out of a Cabinet decision held October, 2001.

It will also help to facilitate the expansion of the Grantley Adams International Airport. This will entail an extension of the Airport boundary fence westward to enclose an area which was acquired by Government for the project. It will also necessitate the closure of a section of Wilcox Road and a diversion of the actual road.

It is also proposed to upgrade the road through Parish Land to accommodate the additional traffic. Attention would obviously have to be paid to road safety.

With these remarks, I beg to move that this Resolution do now pass.

The question that the Resolution do now pass was put and agreed to in the affirmative.

ADJOURNMENT

SENATOR THE HON. J. X. WALCOTT: Mr. President, this brings us to the end of Government's Business for today. I, therefore, beg to move that this Sitting be adjourned *sine die*.

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

3.23 p.m.

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4. Half-yearly Report on the Revenue Collecting Departments for the period April 1, 2002 to September 30, 2002.
5. The Chairman's Report and Financial Statements of the Barbados Agricultural Credit Trust Ltd. for the Year ended June 30, 2002.
6. Report on the Operation of the Unemployment Fund for the Year 2001.
7. Annual Report of the National Insurance Board for the Year 2001.
8. Report on the Operations of the Severance Payments Scheme for the Year 2001.
9. Report on the Operation of the Sugar Workers' Provident Fund for the Year 2001.
10. Annual Report of the Barbados Water Authority for the period April 1, 1999 to March 31, 2000.
11. Report on the By-election in the Constituency of St. Thomas held on September 21, 2001.
9. Annual Report of the National Petroleum Corporation for the period April 2000 to March 2001.
- (x) Ministerial Statement relating to the Report of the Auditor General for the year 2001 in respect of the Ministry of Home Affairs.

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