



**ANTIGUA AND BARBUDA**

**THRONE SPEECH**

**DELIVERED BY**

**SIR JAMES BEETHOVEN CARLISLE, GCMG**

**GOVERNOR GENERAL**

**AT**

**THE STATE OPENING OF PARLIAMENT**

**ON**

**THURSDAY, 27 MARCH 2003**

Honourable President of the Senate

Honourable Speaker of the House

Honourable Members of the Senate

Honourable Members of the House of Representatives

When this Parliament convened on the March 18<sup>th</sup> last year, I observed that it was beginning its work at a difficult time for the world.

Sadly, this year is worse.

The world now confronts the spectre of war in Iraq.

Undoubtedly, this war will have grave humanitarian consequences, and its effects will be felt for some time to come particularly as in the area of global governance.

The prospects for international peace and security and economic stability are dimmer now than they were a year ago.

My government is particularly anxious about the consequences of the war for the already troubled economies of the small states of the Caribbean, including our own. There is bound to be a deleterious effect on tourism and investment, a further diversion of official development assistance, and, probably, increases in the price of oil and the cost of transportation and utilities.

Already the people of the world have endured over two years of economic decline driven by a slump in the economies of the United States, Japan and several European nations. Unemployment is already high in many developed and developing countries, and in the poorest countries millions of people are dying of malnutrition.

A further economic decline, occasioned by the uncertainties and instability of a war, will engender considerable hardship worldwide. To one or another, no country will be immune from the buffeting of this awful tempest.

In our own case, weathering the storm will call for increased productivity, some sacrifice, and experienced management of our affairs.

Sound management, so far, has placed our country in a better position than others. Official figures from the Eastern Caribbean Central Bank, released during the Monetary Council Meeting in February this year, revealed that our real Gross Domestic Product increased by 2.7% last year.

This means that, apart from 1995 when we endured the ravages of Hurricane Luis, our country's economy has experienced more than two decades of continuous growth. Few other countries have done so well.

Of the member-countries of the OECS, we are one of only two countries that experienced real growth last year.

Given the difficult global economic circumstances in which our nation competes, our record is cause for satisfaction, and is a tribute to the work of the government and the people of this nation.

My Government is aware that over the last two months, public servants were not paid on time, but it prides itself on the fact that they were paid even though payments were late in some cases.

The point is that we are living in a time of scarce resources but much demand. The loaf, which was previously cut in a hundred ways, has shrunk but the demands for a slice have increased.

In this connection, my Government has tried to be even-handed and just by sharing the loaf as equitably as it can, by denying a share to none, and ensuring that no recipient gets more than is merited.

The result has been that while some public servants have been paid late, all of them have, nonetheless, been paid.

My government has already begun to implement measures that will ease the strain on its resources. These measures will call for short-term sacrifice by each of us if there is to be long-term prosperity for all of us.

In this time of turbulence in the global ocean, we cannot rock our national ship, or chop and change its course. To do so, would run the risk of being overturned by its battering waves, and sinking beyond recovery. In these hard times we must work even harder. And this means everyone working together - public and private sectors, young and old - to safeguard the future of our nation.

In the legislative programme planned for this Parliament, my government will continue to provide for the well-being of the people. It will concentrate on enhancing the safety and security of our nation; strengthening and diversifying the economy; and improving social services for every citizen.

As part of a world that is increasingly becoming a global village, my government is keenly aware of its international obligations. Since the events of September 11th 2001, these obligations have become even more pressing. The Prevention of Terrorism Act passed in this Parliament in

2001 dealt with the prevention of terrorist financing. However, preventing terrorism is about more than just money.

This year my government will introduce a bill to cover other matters specified by the United Nations Security Council in its Resolution 1373. These relate to the criminalisation of terrorist activities, such as the prevention of movement of terrorist groups by effective border controls, the provision of assistance in connection with criminal proceedings relating to the financing or support of terrorist acts, and the exchange of information regarding the movement of terrorists. It will also address matters such as forged documents, traffic in arms, and the proper screening of refugees and asylum seekers in accordance with international law.

The International Criminal Court, which came into being in 2001, now has the support of 89 states in the world. It represents a milestone in the battle against international crime. Just a few days ago, on March 11th, eighteen judges were sworn-in, one of them from our Caribbean region.

The Court has the jurisdiction to try individuals who commit crimes of genocide, crimes against humanity and war crimes. As a signatory to the Statute that formed the Court, my government has an obligation to arrest and surrender persons wanted by the Court and to provide assistance to investigations on behalf of the Court. My government will propose a bill to enable Antigua and Barbuda to meet these obligations as well as other obligations which are essential for the effective functioning of the Court.

In the end, this bill - in tandem with other laws of Antigua and Barbuda directed at crime - will dissuade criminals and criminal behaviour from our country and safeguard its tradition as a safe place in which to live.

In these troubling times, it is our country's reputation for the safety and security of visitors that makes it a very desirable destination for tourists from all over the world.

Tourism remains a mainstay of our economy, and my government intends to try to increase its market share this year by combining the safety of our country with the excitement of its music, dance and culture in its promotional efforts.

Last year's strategic promotional programme in the United Kingdom resulted in a 6.7% increase in UK visitors. It was the only one of our three major markets that showed significant growth. We now have 12 flights per week from the UK landing in Antigua. In June, Air Luxor will begin a direct flight from Portugal, expanding our market potential in Europe.

My government plans to continue to aggressively promote Antigua and Barbuda in Europe and North America, as well as in the Caribbean.

A premier tourism destination should have a first class airport and my government intends to continue the redevelopment of the V.C. Bird International Airport that it started two years ago.

Construction of the parallel taxi-way will be completed before the middle of the year. After that, plans will begin for a runway overlay, a new arrivals terminal and renovation of the existing departure lounge to better cope with the increasing numbers and needs of passengers, and more apron space to park aircraft.

The safety of airlines has become a matter of particular importance in recent times. In this connection, my government will introduce a Civil Aviation Bill which is intended to create an Authority to oversee aviation safety regulations that are consistent with international standards and recommended practices.

In order to encourage increased investment in the tourism industry my government will present amendments to the Tourism Development Corporation Act in order to grant duty-free concessions and income tax concessions to new tourism projects, and to allow interest on loans for the construction of new hotels to be deductible before tax.

My government realises that in order to safeguard tourism for the future, the industry must not only be vibrant, it must be sustainable. Thus, both our physical and human resources must be nurtured. My government will continue the Northwest Coast Project. The rehabilitation of the environment in this area, including Dickenson and Runaway Bays, is important as they experience the highest density of tourist activity in the country.

The Antigua and Barbuda Hospitality Institute will soon be fully opened. Its graduates will gain the knowledge and skills to be dynamic and competitive participants in the industry. These future professionals will not only secure the future of tourism here, but will be able to spread their wings to the rest of the region.

Financial services form another leg that our economy stands on. My government has been diligent in putting in place significant legislative, regulatory and enforcement machinery to combat money laundering, terrorism financing and other financial crime so that Antigua and Barbuda meets and exceeds international standards. The Money Laundering Prevention Act and the Office of the National Drug Control Policy (ONDCP) have been strengthened, enhancing our nation's reputation as a safe and efficient place to do business.

During the next few months, my Government will complete the implementation of a single regulatory body for both the offshore financial services sector and the domestic non-bank financial services sector. This will accord with the pattern of a single regulatory body that applies in other parts of the world, and it will avoid duplication and unnecessary expenditure. The single regulatory body will be the Financial Services Regulatory Commission which will work closely with the Eastern Caribbean Central Bank to integrate regulation in the jurisdictions of the Eastern Caribbean Currency Union.

It is well known that our country had passed the criteria established by the Financial Action Task Force (FATF) by which countries are judged on their ability to counter money laundering. This year, we have also passed, with flying colours, a Caribbean Financial Action Task Force

mutual evaluation of our anti-money laundering, anti-drug trafficking and counter-terrorism financing regimes.

Our jurisdiction now enjoys an international reputation for strong regulation and supervision in the global fight to curb money laundering and terrorism financing.

The quality of the work that we have done and the leadership role we have played was rewarded when, in October last year, our representative was elected Deputy Chair of the CFATF as a prelude to assuming the Chairmanship in October this year.

During the past year, we have also participated in the OECD's Global Forum to examine the universal application of effective exchange of information in tax matters under its "Harmful Tax Competition Initiative". In January, the level playing field, that member countries had constructively been discussing, was threatened by a European Union proposal to allow some EU countries, as well as Switzerland and the United States, to defer any requirement to exchange information on civil matters.

The decision by the European Union creates an uneven playing field and would place our jurisdiction, and others like it, at a severe disadvantage if the OECD is allowed to force small countries to reveal information for civil as distinct from criminal matters. My Government has provided leadership to other countries in resisting the OECD's demands, and we will continue to do so in the absence of a level playing field for all.

During this Parliament, my Government will broaden the possibilities for offshore business by introducing legislation designed to provide a framework on which business activity can be launched in Electronic-commerce, or "E-commerce" as it is called.

Our efficient telecommunications infrastructure coupled with our computer-literate young population places us in a strong position to offer companies that locate here the ability to compete globally.

My Government believes that many opportunities exist for the creation of e-commerce businesses that are linked to the travel and entertainment industries worldwide. In turn these businesses will provide benefits for our on-shore and offshore banks and will contribute significantly to employment and government revenues.

An essential element in the social stability of any country is the active participation by its people in its economic benefits.

To underscore the seriousness with which my government views the empowerment of larger groups of people in our society, it will introduce a bill during this Parliament to launch a Small Business Development Programme. The Small Business Act, as it will be called, will grant incentives and provide technical and managerial expertise to small businesses, as well as identify the types of businesses that would qualify for incentives.

While agriculture does not play a significant role in our gross domestic product, there are products in which our country could enjoy niche markets worldwide. Among these are sea-island cotton, melons, pineapple and tobacco. To ensure that these products, and others that we may develop, enjoy global access, my government will introduce three pieces of legislation to satisfy our obligations under the World Trade Organisation. The Plant Protection Bill, the Food Safety Bill and the Animal Health Bill will control the movement of plants and animals, preventing the spread of disease, and safeguarding the quality of food and food operators. It is hoped that this protection to consumers will facilitate increased trade in our products.

While my government will strive to create conditions conducive to a stable local economy, it must be remembered that our economy does not exist in a vacuum; it is part of a global market place.

By the year 2005, along with our sister-states in the Caribbean Community, we will bring into being the Caribbean Single Market and Economy. The CSME will enlarge the economic space in which our business community can operate for the sale of goods and services. To achieve this, over 400 separate pieces of legislation will have to be passed by 2005. Some of them will be introduced during this session of Parliament.

My government's commitment to Caribbean integration is well known.

That our Prime Minister was selected last February by his colleague Caribbean Heads of Government to be part of a small group of leaders to look at ways of advancing the integration process is testament to this.

A key element in the CSME will be the Caribbean Court of Justice (CCJ). In its original jurisdiction, the Court will have authority for the interpretation and application of the Treaty of Chaguramas whose protocols govern the operations of the single market. In this connection, my Government will introduce legislation to allow the effective functioning of the Court in connection with the Single Market and Economy.

Some Caribbean jurisdictions will also utilise the Court as its highest appellate Court. However, unless, the people of Antigua and Barbuda declare otherwise in a referendum, as required by the Constitution, Antigua and Barbuda will continue to utilise the Privy Council as its highest Court of Appeal.

I turn now to crime. Throughout the Caribbean, the last year has seen a rise in criminal activity. While the extent of violent crime in our country has not been as great as in some others, it has, nonetheless, increased unacceptably.

Much of this crime throughout the Caribbean is linked to drugs.

And, whereas in the past, the problem associated with drugs in the Caribbean was that our countries were transshipment points, today the problem has spread into our societies threatening the security and stability of all our nations.

This is unhelpful to our tourism industry, but more importantly my Government cannot allow our citizens to live in fear. As such, my Government intends to implement measures, along with its Caribbean Community partners, to effectively address this matter as best as we can. This includes a high-level dialogue with the international community on support for a Caribbean-wide plan of action.

Within our own domestic situation, my Government is acutely conscious that the Police and the Defence Force are in the forefront of the fight against narcotics-trafficking and its attendant criminal activities.

Therefore, several bills will be brought to this Parliament to strengthen the role of the Police and the Defence Force.

The Police Bill will seek to modernise the Force including its rules and regulations. But, in doing so, my Government is conscious of the importance of involving Police themselves in the changes that are necessary in their interest and in the interest of effective policing. Therefore, my Government has sent the proposals for the Bill to the Police Welfare Association for its consideration and comment.

There will also be new legislation to update the existing Defence Force Act. The new law will establish a Defence Board which will be responsible for the command, discipline and administration of all matters relating to the Force which must, increasingly, play a vital role in combating narcotics trafficking and other attendant criminal activity.

In addition, my government will continue the refurbishment program for Police stations across the country. This will include upgrading Police Headquarters on American Road and renovating quarters on Barbuda.

Linked to this, is the problem of prisons which, throughout the region, have become overcrowded with persons who have committed drug-related offences.

Earlier this year my Government commissioned a high-powered team from the Region to study the penal system and make recommendations for reform. Consequently, a Prisons Act will be introduced during this Parliament to legislate the recommended reforms.

At the moment, my government is currently negotiating a Prisoner Transfer Agreement with the United Kingdom. Several other Caribbean countries have already done so, and some have extended the agreements to the entire European Union. Under the proposed agreement with the UK, British nationals, who have been sentenced to jail in Antigua and Barbuda, may be returned in certain circumstances to the UK to serve their sentences. My Government considers

that this arrangement will be beneficial to our country in relation both to dangerous offenders, and in terms of easing pressure on our limited resources.

To facilitate this possible agreement with the UK and other countries, my Government will introduce a Transfer of Prisoners Act setting out, among other things, the procedures under which such transfers might take place.

It is well recognized that stable family relations are important in preventing misbehaviour in young people that may lead ultimately to unsocial behaviour. My government, in an effort to properly nurture our nation's children will propose changes to the Magistrate Court Act. These changes will allow magistrates the authority to grant fathers legal access to their children, and make it mandatory for fathers to support their children financially.

Remaining on the subject of children, my government reiterates its commitment to the education of the nation's youth. The increase in national crime has sadly infiltrated our school gates. From now on, schools will have trained security officers on duty, not just after school hours as is traditional, but also during school hours. It is hoped that this will act as a deterrent to those who seek to disrupt classrooms and the peaceful scholarship of students.

At the same time, the school refurbishment programme, which was started last year will continue this year and will include a new school in Barbuda.

Still on education, my Government is convinced that the key source of economic growth in any small state is high value-added activity using human capital intensively.

But to utilise such human capital, it must be trained, educated and given the skills required for competition in a world driven by information-technology.

My Government is keen, therefore, to enhance the quality of our human resources, particularly our young people, by investing in their education and training. To this end, my Government will introduce, during this Parliament, the University College of Antigua and Barbuda Act. Linked to the University of the West Indies, the University College will bring the State College, the Institute of Technology and the Hotel Training School under one administrative umbrella. The location of this University College in Antigua will allow many more persons to have access to higher education than would otherwise be the case. It will provide our country with a broader base of people capable of working for companies that market their services worldwide.

My Government is particularly pleased to announce that construction of a new multi-disciplinary, indoor, sports complex has started on Old Parham Road at the site formerly known as "Woodberry Park". My Government acquired this property specifically for the purpose of constructing the sports complex for the benefit of our young people. It is hoped that, while the complex will be used for recreation, it will also serve as a crucible in which athletes and other sports champions will be fashioned to bring glory to our nation and themselves in international competition.

Education and sport are only two facets of the social well-being of our nation. My government knows that social improvement is also a cornerstone for healthy and productive communities. Arrangements are now in place for the Central Housing and Planning Authority (CHAPA) to build houses on privately-owned land and to make available land and houses for purchase by our citizens.

This is part of a three-year development programme intended to meet the increased demands of the population for housing. Housing developments will be established at Follys, Lyndsays Estate, Buckleys, Mannings Estate, All Saints Mock Pond, and Glanvilles Zion Hill.

In addition, a Housing Improvement Mortgage scheme will be put in place for those who need help in purchasing land or houses. It is the intention of my government that every citizen should enjoy a safe and comfortable home in which to live.

The road programme that my government launched in 2001 was severely affected by the closure of the Bendals Asphalt plant. Nonetheless, my Government still managed to carry out improvements on secondary and village roads whenever material was available. Additionally, work continued on sidewalks, u-drains and curbs improving drainage in villages and providing a safer environment for their inhabitants. My government intends to continue with this programme which also provides an income to over 60 small contractors.

The asphalt plant will be moved from Bendals this year and the road programme will continue to target village roads as well as the following stretches: Fig Tree Hill to Roman Hill Road, Freetown Road to Half Moon Bay, Bethesda Road, Valley Road and Old Parham Road. No area will be left untouched.

Over the last two years rainfall averages have been significantly lower than normal. It is a credit to my Government's foresight in installing two desalination plants at Crabbs that 4 million gallons of water a day were supplied to our population despite the lack of rainfall. Without the desalination plants, not only would crops have died and flower gardens withered, but drinking water would have been at a premium. Sanitation and health would also have been adversely affected.

Last year, 21.5 miles of new pipes were laid, bringing running water to people who did not have it before. This year, consistent with its policy to provide for the people, my Government intends to extend coverage by another 12 miles so as to make sure that water is distributed to all. My government expects to replace old or rusty pipes from Crabbs to Parham, from Jonas Village to All Saints, in All Saints East, in Crosbies, Bourne Avenue, Armstrong Road, Vally Road and Desouza Road.

Health remains of paramount importance to our nation. The HIV/AIDS pandemic that is sweeping the world took its toll on Antigua and Barbuda. And, though, relatively speaking, our country is not as bad as others in our Region, my Government continues to be concerned about the problem.

This year my government will launch a National Strategic Plan against HIV/AIDS with technical assistance from PAHO and the Clinton Foundation. Of course it is also essential that everyone play a part in stopping the spread of this deadly disease.

Three new health centres and one sub-centre opened last year. At least one more is near completion. In addition, the Mount St. John's Medical Centre will open its doors to the public this year. At this time, state of the art technology and equipment are being installed and many of the staff are being expertly trained.

The Mount St John' s facility will be an institution of which we can be justifiably proud. It will provide first-class medical care and service to our people, as well as add a new dimension to the value of our country as a holiday destination for tourists.

Information technology and instant worldwide communications are essential tools in the development of every country. Those who lack these tools are fast being left behind in the social and economic progress of nations. My government's vision is for universal service in telecommunications in Antigua and Barbuda at an affordable cost. The objective is to make telephones, the Internet, and fax machines accessible across the face of the country.

In this connection, legislation will be put before this Parliament to amend the Telecommunications Act to regulate the industry, issue licenses to service providers and to determine the terms and conditions under which these licenses are used. The point will be to ensure that the public of Antigua and Barbuda benefits from modern technology and fair prices.

The Act will also address the rules of the World Trade Organisation by which every country is obligated to liberalise its telecommunications sector. Under these new free trade rules, exclusive licences will cease to exist, and the new regulatory body will be able to control and approve tariffs charged by telecommunications operators.

I turn now to governance and law reform.

It will be recalled that in December 1999 my Government established a Constitution Review Commission to consult with people throughout the society in public sessions and to make recommendations for reform. It was felt that after eighteen years, the Constitution should be reviewed to determine its efficacy as an instrument to serve the society as a whole.

The Commission submitted its report which was laid before the last Parliament. It is expected that this Parliament will debate the report fully and adopt resolutions to make such changes as are regarded as beneficial to the Constitution. My Government would expect that all parties in Parliament will allow their constituency representatives to debate and vote on these resolutions after consultations with their constituencies and according to their conscience. It is anticipated that arising from these resolutions an Act, commanding the full support of the House of Representatives, would be presented to this Parliament making provision for amendments to the Constitution.

It is well known that the Electoral Commission, despite set-backs, is now working smoothly under the amendments to the Representation of the People Act. It is my Government's hope that the re-registration of voters will be completed by the set deadline.

My Government has long fought for the establishment and maintenance of democracy and democratic principles in our society. It intends to make sure that democracy remains at the foundation of our society now and for all time. In this connection, it has done all in its power to establish laws and independent machinery to continue and guarantee our cherished tradition of free and fair general elections.

My Government is also committed to heightening the levels of transparency in government operations. In this connection, it is a matter of great satisfaction that audited financial statements of the government have been laid before Parliament up to the year 2000. This means that, at the present time, only the year 2001 is outstanding. The accounts for the year 2002 are not due until June.

My Government commends the diligence of the Director of Audit and her staff as well as the staff of the Accountant General's office and the experts on loan from the Government of India who worked hard to finish the accounts. The audited accounts are now a matter of public record and demonstrate the manner in which my Government has balanced scarce revenues against growing demands to serve the needs of the people of Antigua and Barbuda.

My Government has decided that there should be greater transparency in financial management and accountability at all levels of the administration. This will help to expose the motivations of those who make spurious claims about Government accountability from time to time. In this connection, my Government will bring a Finance Administration Bill to this Parliament.

The proposed legislation will require Parliamentary control over public funds. This pioneering concept will mean that all moneys received by the State will be paid into the Consolidated Fund and expended on services and investments approved by Parliament.

The Bill will also prevent the Treasury from delegating responsibility for the expenditure of public funds to various government departments. However, each department head will be held accountable for the money entrusted to the department. The Treasury itself will benefit from a coordinated system of accounting. Revenue collection and disbursements will be done in a timely manner.

In keeping with the theme of transparency, my Government intends to increase the efficiency of the Inland Revenue Department. All sources of taxation will be linked, for ease of management, with the use of an information technology programme called REVUNET. This will aid my Government's attempts to collect the revenues due to it and to identify those who avoid their obligations to the State.

While on the matter of Government's fiscal policies, my Government is especially proud of the benefits of its tax policies to the "small" people of Antigua and Barbuda. There are now six credit unions with a membership of over 16,000 persons. These six credit unions have savings in excess of \$29 million, assets of more than \$42 million and investments that exceed \$10 million. This clearly shows that the ordinary man and woman in our country has benefited from the employment and tax policies of my Government.

The amount of savings in our domestic banks is also an indication of how all our people generally, including the private sector and professionals, have benefited from my Government's policies. At the end of December 2002, there was \$2.1 billion in savings in our banks, an increase of \$67.6 million over 2001. And, these savings were the highest per capita in the Eastern Caribbean Currency Union. They are a true indication that our country has done relatively well.

Honourable Senators, Honourable Members of the House of Representatives, to bolster democracy in our society, particularly in regard to access to information and good governance, my Government will also introduce to this Parliament a Freedom of Information Act. The Act will require Government departments and public bodies to provide information to the public on the content of decisions affecting the public, and operational information on how departments and public bodies function. The only documents that will be exempt will be those related to defence and security, law enforcement, international relations and the national economic interest.

At the same time a Privacy Act will also be introduced. For while my Government is anxious that government should be open and governance transparent, it acknowledges that Article 12 of the Universal Declaration of Human Rights states:

"No one should be subjected to arbitrary interference with his privacy, family, and home or to attacks upon his honour and reputation. Everyone has a right to the protection of the law against such interference or attacks.

Therefore, the Privacy Act would protect personal privacy and make provision for complaints to be made, investigated and redressed.

Honourable Senators and Members of the House, the task that is set before you this year - that of administering the affairs of our country for the benefit of all its people - is particularly formidable. It will require careful reflection, good judgement and considered action.

The international milieu is not helpful to small states such as ours, and it is incumbent upon us all to be responsible in our own conduct so as to preserve the gains of our country and not allow them to be squandered.

Amid the doom of a war in Iraq and the gloom of economies in recession, our country can take heart from the findings of the Eastern Caribbean Central Bank which states that in addition to

our 2.7% growth in the economy last year, we enjoyed a balance of payments surplus on goods and services of \$21.4 million. What is more, net inflows of capital to the economy were estimated to have increased, reflecting higher inflows of direct investment. Indeed, the Bank forecasts that real GDP could grow by 3.2% this year, if we manage well the effects of a war in Iraq.

This suggests that our country is durable and our people resilient. With steady management we can overcome the obstacles; we need only to set our minds to do so.

Honourable Senators, Honourable Members of the House of Representatives, I declare this session of Parliament open and pray that the Almighty guides your deliberations. May God bless us all.