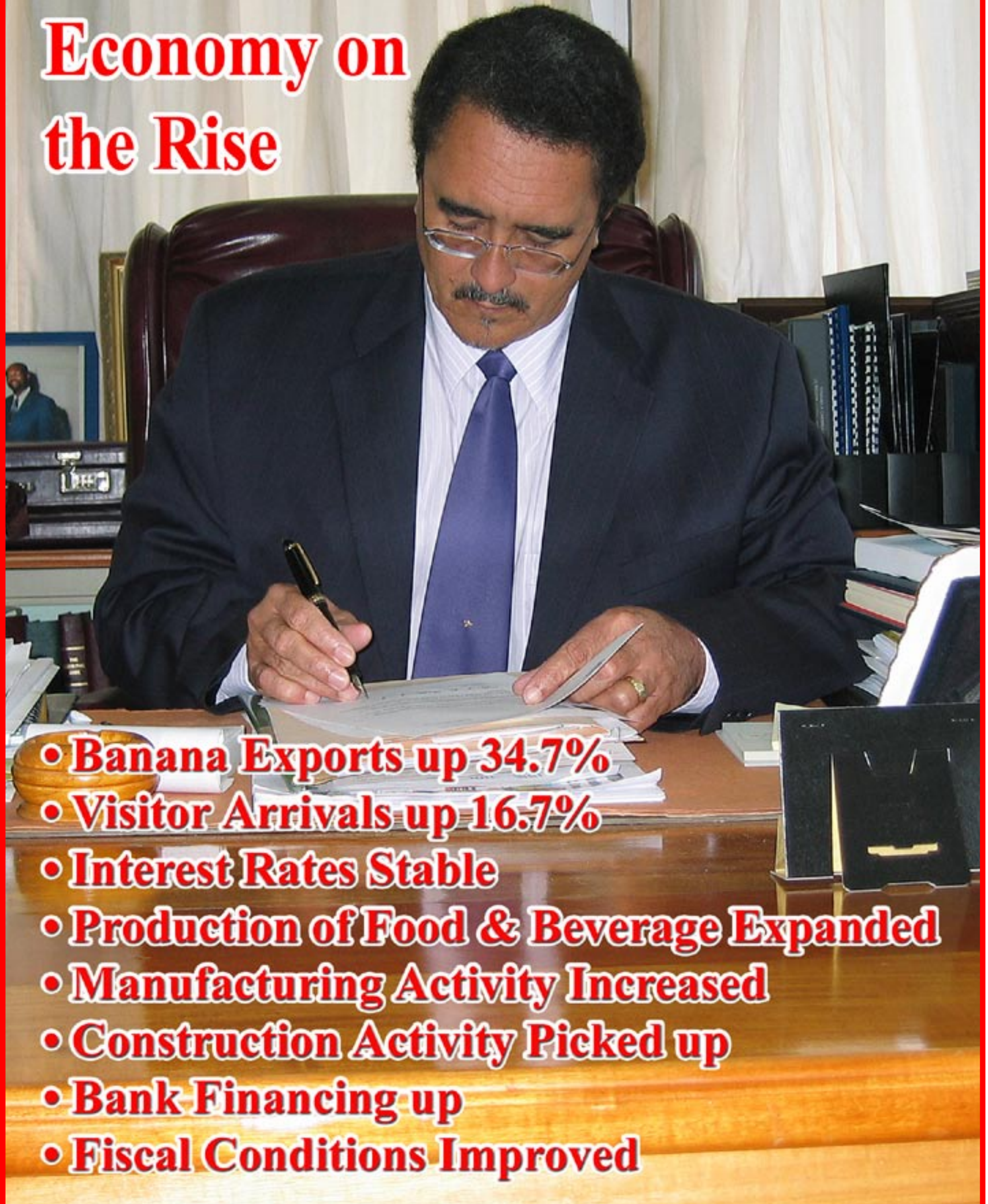




Economy on the Rise



- **Banana Exports up 34.7%**
- **Visitor Arrivals up 16.7%**
- **Interest Rates Stable**
- **Production of Food & Beverage Expanded**
- **Manufacturing Activity Increased**
- **Construction Activity Picked up**
- **Bank Financing up**
- **Fiscal Conditions Improved**



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daily
on all local radio stations



Economy Improved in

Economic Improvement Registered

On the back of a 3.71 per cent growth last year, the economy of St. Lucia continues to show improvements this year, as the Economic Review for the first quarter January – March, 2004 indicates. Improved banana production and revenue offset a poor performance in non-traditional crops, while increased visitor arrivals boosted the performance of tourism. Buoyant domestic demand led to an increase in imports, while deflation ensued as food and telecommunication prices fell during the period. Despite continued expansion in food and beverages, manufacturing activity increased only marginally. Construction activity picked up from increased bank financing, while the public debt stock increased in spite of improved fiscal conditions.

Money and Prices

Developments in the financial and monetary sector for the first quarter mirrored the level of activity in the real economy. Liquidity, as measured by the loans to deposit ratio, improved by

category, comprising mainly acquisition of property, accounted for the largest share of total credit (48 percent) but fell slightly to \$796.3 million. Lending to the construction sector increased by 12.5 percent to \$114.1 million while credit to the distributive trades declined by 5 percent to \$187.6 million.

On the strength of increases in deposits by the private businesses, households, the National Insurance Corporation and non-bank financial institutions, total deposits liabilities of the banking system increased by 3.7 percent to \$2,097.78 million or 76 percent of domestic liabilities. The general increase in the level of thriftiness in the economy saw deposits by residents increase by almost 3.4 percent to \$1,940.4 million, while that of non-residents increased by 8.2 percent to \$157.3 million.

The stock of monetary liabilities (M2) in the domestic economy increased by 2.5 percent to \$1,405.2 million due to increases of 1.8 percent to \$1053.76 million and 4.8 percent to

“The rate of inflation, as measured by the percentage change in the 3-month moving average of the Consumer Price Index to March 2004, fell to -1.3 percent.

However, prices are expected to rise in the April - June quarter due to increases in the price of fuel, cement and other oil-based products”

Banana Exports up 34.7%

Increased rainfall and improved yields from tissue culture plants combined to cause a 34.7 percent increase in banana exports to 12,513 tonnes in the first quarter of 2004. Accordingly, St. Lucia's share of the Windwards' group output of 22,772 tonnes increased from 52.8 to 54.9 despite increases in exports from the other three countries.

The continued strength of the Pound Sterling against the Us dollar in the period helped to push banana revenue up by 34 percent to \$15.5 million, well above that of the corresponding period of 2002 when exports were 3.2 percent

higher.

Available data indicate that a reduction in exports and supermarket demand led to a reduction in output in non-traditional crops. The volume of total production, which includes exports and purchases by supermarkets and hotels, is estimated to have fallen by 7.7 percent to 979.6 tonnes. There were contrasting movements in the level of purchases by hotels and supermarkets, the former increasing by 2.9 percent to 240.9 tonnes in line with increased tourism activity and the latter falling by 7.2 percent to 425.8 tonnes. Exports fell by 19 percent to 312.9 tonnes.

Exports of Bananas

| | 2000 | 2001 | 2002 | 2003 | 2004 |
|----------|--------|--------|--------|--------|--------|
| January | 5,809 | 4,417 | 3,945 | 2,903 | 3,835 |
| February | 6,019 | 3,973 | 3,963 | 2,843 | 4,162 |
| March | 6,143 | 3,994 | 5,015 | 3,546 | 4,516 |
| Total | 17,971 | 12,384 | 12,923 | 9,292 | 12,513 |
| Growth | 2.2% | -31.1 | 4.4% | -28.1% | 34.7% |

| | Mar' 04* | Dec' 03* | % D-M 03 Change | % D-M04 Change |
|-------------------------|----------|----------|--------------------|-------------------|
| DEPOSITS | 2097.78 | 2022.76 | 3.5 | 3.7 |
| Residents | 1940.48 | 1877.45 | 3.8 | 3.4 |
| CREDIT | 1663.59 | 1656.31 | -2.6 | 0.4 |
| Residents | 1643.06 | 1637.26 | -2.3 | 0.4 |
| MONETARY SURVEY | | | | |
| Net Foreign Assets | 351.49 | 335.21 | 118.4 | 4.9 |
| Net Domestic Assets | 1053.76 | 1035.19 | -6.9 | 1.8 |
| Monetary Liabilities | 1405.25 | 1370.41 | 3.4 | 2.5 |
| Money Supply (M1) | 431.48 | 343.13 | 6.6 | 25.7 |
| Quasi Money | 973.77 | 1027.28 | 2.5 | -5.2 |
| LIQUIDITY | | | | |
| Total Loans & Advances | 1663.59 | 1656.31 | -2.6 | 0.4 |
| Total Deposits | 2097.78 | 2022.76 | -3.8 | 3.7 |
| Loans to deposits Ratio | 79.30 | 81.88 | | |

P-preliminary R-revised

2.58 percentage points from the year-end 2003 to 79.3 at year March 2004, as the growth of deposits exceeded that of loans and advances.

Banks remained cautious in their approach to new lending. As a result, the level of domestic credit edged up by less than 1 percent to \$1,334.7 million. Credit to the private sector increased at a similar rate to \$1,513.8 million, while Central government and the other sectors all registered net liability positions as their deposits exceeded their financing from the banking system. Of private sector credit, households credit fell slightly to \$760.2 million while business credit increased by 2.3 percent to \$753.62 million.

The behaviour of credit by economic activity revealed that there were reductions in credit to all sectors except construction. Financing to the personal

\$351.4 million in net domestic assets and net foreign assets respectively. From the other perspective of the monetary aggregate, there was a 25.7 percent increase in the narrow measure of the money supply (M1), due mainly to a 37.3 percent increase in private sector demand deposits, which offset a 5.2 percent reduction in quasi-money, on the account of reductions in private sector savings and time deposits.

There was little change to the term structure of interest rates over the review period.

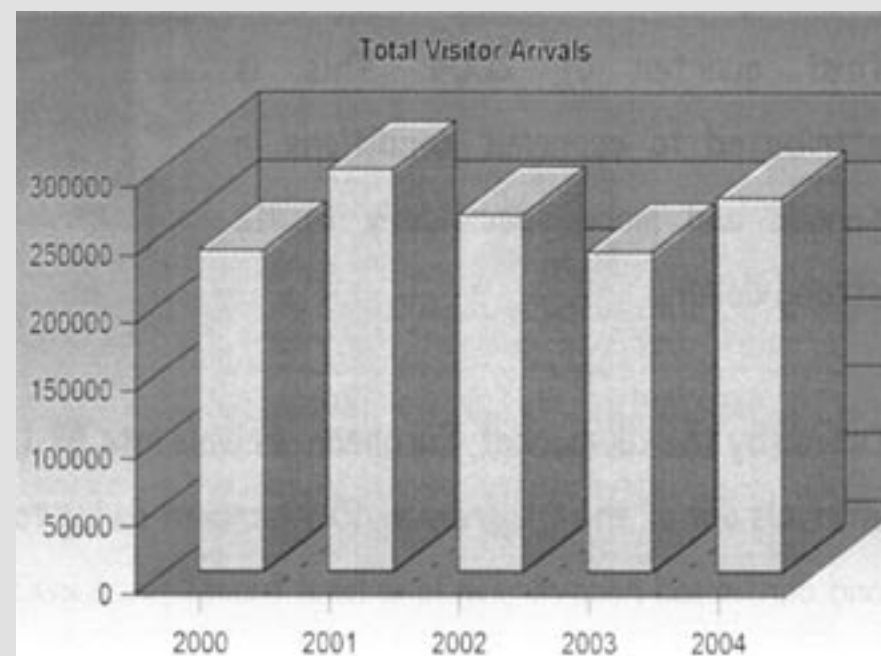
The rate of inflation, as measured by the percentage change in the 3-month moving average of the Consumer Price Index to March 2004, fell to -1.3 percent. However, prices are expected to rise in the April - June quarter due to increases in the price of fuel, cement and other oil-based products.

Tourism Arrivals up 16.7%

The strengthening global economy boosted the performance of the tourism sector in the review period. As a result, St. Lucia registered a 16.7 percent increase in visitor arrivals to 275,400. Despite competition from regional destinations, the island recorded a 3 percent increase in stay-over arrivals to 72,275 as increased arrivals from Europe (by 13.4 percent to 26,701) and Canada (by 11.9 percent to 7,020) offset lower arrivals from the USA (by 0.8 percent to 26,121) and the Caribbean (by 11.76 percent to 11,718). Despite reduced

occupancy at European plan establishments, improved occupancy at the all-inclusives and small properties led to a negligible reduction in average occupancy for the period of 65.4 percent. Tourist expenditure was estimated at \$215.73 million.

Robust activity in the cruise sub-sector was generated by a 29.2 percent increase in cruise calls in the review period. As with other Caribbean destinations, cruise arrivals increased sharply by 25 percent to 193,009, reversing double digit declines in the previous two corresponding periods.



January - March, 2004

Manufacturing Activity Increased

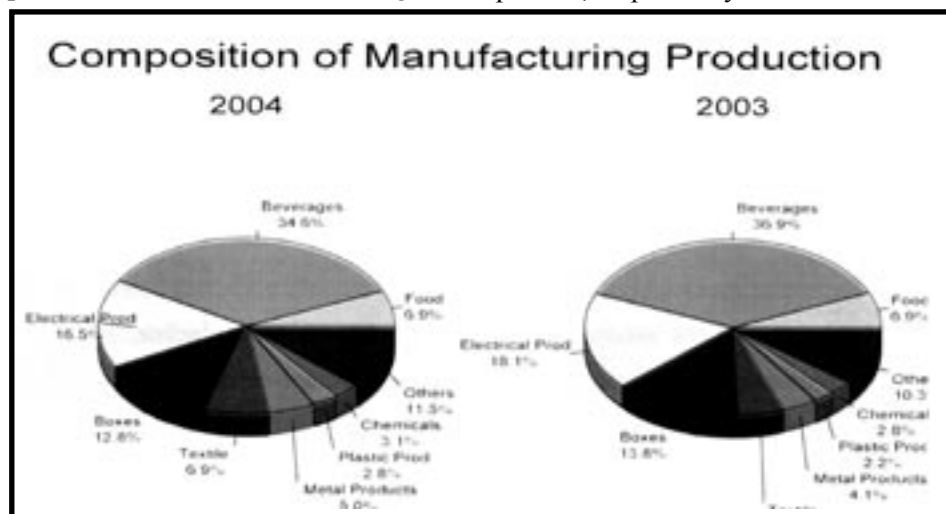
For the first quarter of 2004, the value of manufacturing output is estimated to have increased by 0.2 percent to \$32.1 million. The sector continues to be beset by problems which led to the closure of some plants. As it seeks to meet the challenges of international competitiveness, Government continues to support the sector through fiscal incentives and the adoption of global standards.

The manufacturing industry in St. Lucia continues to be dominated by three main sub-sectors, namely, food and beverages, electrical products and containers of paper, corrugated paper and paperboard. The value of production for three-quarters of the total during the quarter declined by 6.3 percent to \$22.6 million and resulted in a lack-luster performance of the manufacturing sec-

tor. The value of food and beverages fell by 4.9 percent to \$13.2 million as the value of production of non-alcoholic beverages increased while that of alcoholic beverages (mostly bulk rum) fell by 18.1 percent to \$18.1 million.

The value of production of electrical products fell by 8.6 percent to \$5.3 million due to weak external demand, as did the value of output of commercial and banana boxes by 6.8 percent to \$4.1 million. Despite increased banana production in the quarter, production of banana boxes fell as result of high inventories built up during the leaf spot infestation.

In contrast to the larger sub-sectors, all other sub-sectors recorded increases in their value of production. The value of furniture production increased by 68.2 percent, while that of rubber and textiles increased by 64.5 percent and 32.3 percent, respectively.



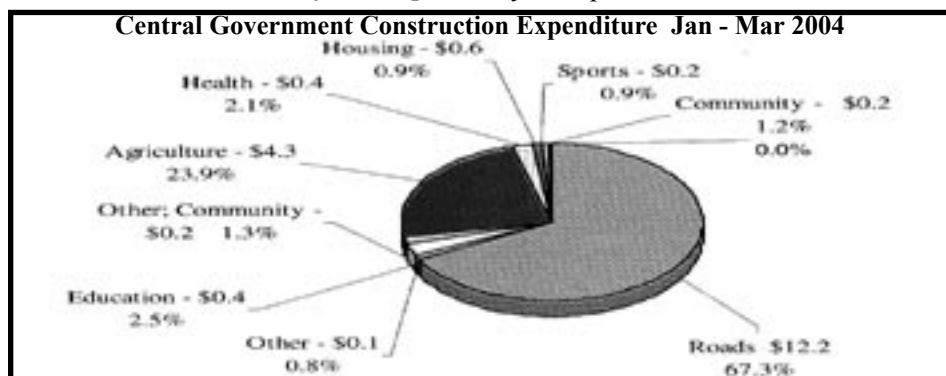
Construction Activity Picked Up

Preliminary data indicate that increased spending by the public sector led to an increase in construction activity. In the review period, Central Government capital expenditure is estimated to have increased by 11.6 percent to \$17.9 million. Of Central Government construction expenditure, 93 percent represented works on economic infrastructure, that is, physical structures necessary for economic growth, while the remainder went to social infrastructure.

Spending on economic infrastructure by Central Government more than doubled to \$12 million due mainly to expenditure on roads, which accounted for 67.3 percent of the total. The main road projects were the Road Development Project (RDP), the Agriculture Feeder Road Project and the Tertiary Roads Rehabilitation Project. Expen-

diture by the Central Government on social infrastructure fell from \$9.7 million to \$1.4 million as there was a slow down in projects involving disaster mitigation, law enforcement and education.

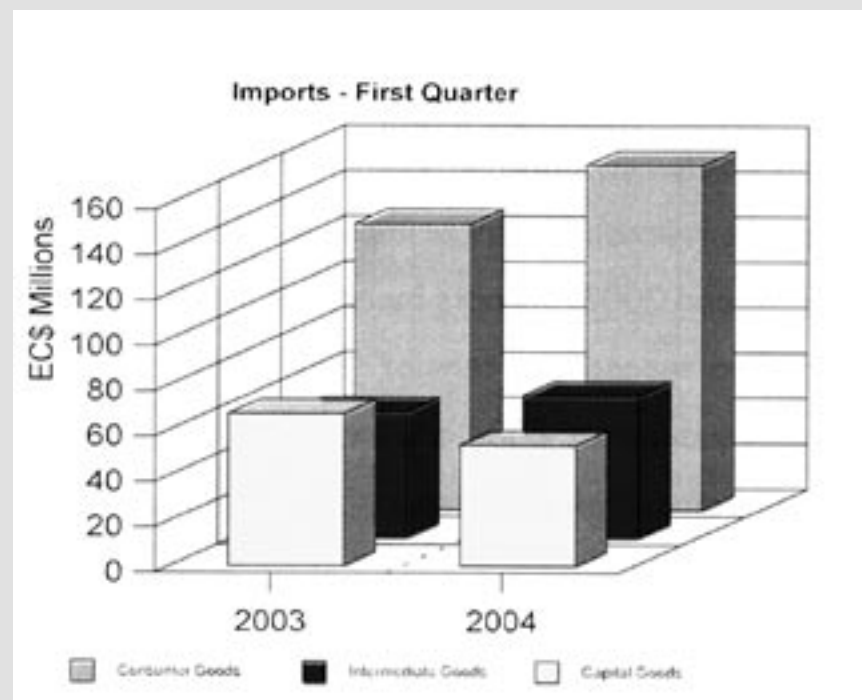
Indicators of private sector construction in 2004 suggest buoyancy in that sector with increases of 33 percent and 61 percent in the number of applications received and approved respectively by the Development Control Authority (DCA). Credit disbursed to the construction sector by all financial institutions more than doubled to \$21.4 million mainly on account of an increase in non residential construction from \$0.5 million to \$10.1 million. Credit for home construction on the other hand increased more moderately by 11.8 percent to \$11.3 million.



Local Demand Strong

Strong local demand led to a 20.5 percent increase in imports of consumer goods (which account for more than half of imports). Accordingly, the level of

imports increased by 7.7 percent to \$276.9 million in the review period. Imports of intermediate goods also registered 13 percent increase to \$62.7 million while that of capital goods fell by 26.45 percent to \$53.2 million, reflecting the tapering off of capital investment in the recently liberalized telecommunications industry. Data on exports for the review period were not available.



Fiscal Conditions Improved

Preliminary data indicate that the fiscal operations of Central Government improved in the first three months of 2004. The overall deficit improved by 62.2 to \$30.7 million as economic recovery coincided with success in expenditure containment measures.

Taxes on goods and services, and international trade increased by 47.3 percent to \$63.4 million, and 10.1 percent to \$37.2 million, respectively. In addition, current revenue increased by 20.9 percent to \$141.42 million. Despite a 16.8 percent increase in wages and salaries resulting from the 3 percent increase to public servants in January 2004, a near 40 percent reduction in current transfers to \$21.3 million helped contain current expenditure growth to 0.9 percent (\$134.4 million). Accord-

ingly, the current balance moved from a deficit of \$16.2 million to a surplus of \$6.94 million.

A 50 percent cut in capital expenditure to \$41 million led to an 18.1 percent reduction in total expenditure to \$175.5 million and explains the overall improvement in fiscal performance.

In the review period, the stock of public sector outstanding liabilities increased by 7.4 percent to \$1,245.4 million. Total external debt grew by 6.2 percent to \$917.3 million largely on account of further disbursements to finance government capital projects. Domestic debt increased by 11 percent to \$328.1 million following the issue of Treasury Bills of \$27 million the on Regional Government Securities Market in January 2004.

“the current balance moved from a deficit of \$16.2 million to a surplus of \$6.94 million”

Emancipate Ourselves From Mental Slavery - PM

... in Conversation with the Nation



Dr. Kenny D. Anthony

On August 1st, we celebrated Emancipation Day. Many of you would have wondered if this was just another excuse for a holiday - and what was the relevance of Emancipation Day to us today - almost two centuries after the event - in 1834 - when our forefathers - the slaves, were told that their freedom would come in 1838.

In the past, we celebrated Emancipation Day on the first Monday in August, but now, together with most of our CARICOM brothers and sisters, August 1st is the date chosen collectively, for us to remember this important period in our history. Previously, the day was not especially marked by national activities. It was just another holiday for blokos and fairs. Now we recognise more and more, the need to commemorate our emancipation - to emphasise its importance for us as a people. It was our first step to nationhood - an opportunity for us to cherish and nurture our freedom and dignity.

Yes, Emancipation may have occurred over 170 years ago, but it is as significant today as it was then. The lesson of the enslavement of the African peoples in this Diaspora is a lesson taught, not only to the black peoples of the world, but to all races and creeds everywhere. The triumph of emancipation is one which reaches out to all humankind - it reminds us that justice and truth triumphs over exploitation, greed and inhumanity; that equality can succeed segregation and discrimination, that good conquers evil. There are echoes of Emancipation today in the dismantling of Apartheid in South Africa, not so long ago, and in the continued fight of the Haitian peoples to attain full statehood and democracy, in the horrors of Sudan, and many other places, where sometimes the divider of

'race' is replaced by religion.

The Paths We Have Conquered

Yet, the trials and tribulations of the Emancipation struggle also remind us that the road to the glories of equality, justice and, yes fraternity, is a long and difficult one. Often, we forget the progress we have made, the steps, however small, that lead us to the ultimate goal.

Sometimes it is easier to believe that we should let things remain as they are. There are times when even the oppressed and the 'unfree' doubt their capacity to exist in full freedom. Not too

tiny percentage of the population, usually white, that children out of wedlock had no legal status, but were outcasts, derisively described as 'ba-ta'.

So, today, we must accentuate the positive - and acknowledge that emancipation has brought us far, very far. It brought us not only out of the despair of being owned as property or chattel and being brutalized, physically and mentally, by our owners - but it led us to independence and to general progress as a people, defined by our new identity as Caribbean, and our new freedoms.

“The lesson of the enslavement of the African peoples in this Diaspora is a lesson taught, not only to the black peoples of the world, but to all races and creeds everywhere”

long ago - a poll in Jamaica produced the astounding conclusion that the majority of Jamaican peoples felt that life was better under colonialism. How quickly we have forgotten the gains in education, the black power movements which alleviated, if not eliminated, social structures which were defined solely by the colour of one's skin. We have forgotten that many of our parents and forefathers could not even sign their names, that we could not even vote, when land was owned only by a

The Road is Long

Yet, Emancipation Day should also make us reflect on how far again we have to go. This growing process has many facets and many stages. We need to grow first, as individual daughters and sons of slaves and of slave societies. Even those whose foreparents were not enslaved have been touched and shaped by slave society. We need to grow as a nation, formed from the children of slave societies, and mindful that we are existing in a world in

which our place in the global scale of things is still, as sub-nations; nations still enslaved in the world context, by our inequitable history and unequal opportunities. In that world context, the bigger and more developed countries were accustomed to taking and using our natural and human resources to develop their own, with little thought for the development of those from whom much was taken. Remember that Eric Williams demonstrated how Europe and America were industrialized from the fruits of slavery and Walter Rodney showed us how 'Europe Underdeveloped Africa'. As we well know, such practices are difficult to break.

The World Context

In today's context, we no longer have conquerors who blatantly plunder, seize and control, but there is little doubt that the world is still an unequal place. And - in this context - race - that catalyst for slavery - still seems to be important. Of course, unfair working conditions and poor development opportunities in our part of the world, the so called 'Third World', cannot simply be blamed on slavery. But, in our part of the world, some inheritances are grounded in historical inequities, based on race, which filters into class, and which defines the geography of the world. It is no accident, for example, that many of the poorest countries of the world are peopled by black or non-white races. Such world divisions continue in an environment which still places a greater premium on things and places of a particular race. These inequities make it difficult for us to take our rightful place in the world as a developed and successful nation. This world outlook continues to ignore the great contributions which the previously enslaved peoples of the world made to the development of these so called first world nations and indeed the progress of the world. This, indeed, is part of the rationale for lobbying for reparations for the descendants of African enslaved peoples, now a theme frequently and eloquently articulated by our Caribbean intellectuals and others in the Diaspora.

The People Perspective

But what of the effect of slavery on us as individuals, and collectively, as a people? We are all familiar with Bob Marley's song - 'Redemption Song'. For Bob Marley, the important aspect of the discussion on Emancipation was the question of 'mental slavery' - the psychological dimensions of our slavery experience - which still impact negatively on us today as a people and often prevent us from achieving our fullest potential. Often, it is difficult for us to pinpoint the links, but we can accept as indicators perhaps - a lack of pride in industry, a lack of commitment to work in belief that work is for the benefit of ourselves and not simply something we do when we have no other choice or when the boss is watching (the slave whip of yester-year); a cynicism toward the view that hard work can bring progress and success to ourselves; an inability to believe that

Laborie Commended for its Strong Cultural Thrust



Minister Rambally chats with master African drummer, Ndiaye

The village of Laborie has received recognition for being one of the strong cultural footholds on the island. The Praise was bestowed on the village by Minister for Social

Transformation, Honourable Menissa Rambally. She was at the time addressing the community and visitors at Emancipation Day activities at the Laborie Square.

served and developed in the Laborie community.

Calling on community members to applaud themselves for the outstanding work, which they were doing in terms of cultural development, Minister Rambally acknowledge the people of Laborie for ensuring that aspects of the island's cultural life were given special significance. She said that Laborie had become well known for ensuring true meaningful celebrations and observances.

The Minister spoke to Laborie's participation in other national events, such as St. Lucia Jazz and Jounen Kweyol, noting that the community had created a cultural niche market: "You are fast becoming home to those special niche activities. My guess is that the people of Laborie stand to benefit significantly from these types of activities. Though you may think that your initiatives are small, I am sure that in the long run they will tremendously benefit your community".

Emancipation Day activities in Laborie featured Bou Mohammed Ndiaye, a traditional drummer from Senegal, West Africa, who has played with many top international artists, including Stevie Wonder and The Rolling Stones. There were also top cultural artistes, including Kendel Hippolyte, and others from the South of the island.

The theme of this year's Emancipation Day in Laborie was "Celebrating All Freedoms". It was chosen to commemorate the abolition of slavery, but also to relate this commemoration to the liberation of all citizens and to the need to preserve freedom in all aspects of modern life.

The cultural event, which was organised by Labowi Promotions with support from the Cultural Development Foundation and the Alliance Française was described the Minister as proof that St. Lucian heritage was being pre-

PM's Conversation con't

we can help build and not merely destroy - not surprising for peoples who were forced to work for so long for the good of others without reward to themselves; a doubt that what we can achieve is just as good and maybe even better than 'foreign', a mindset that others must always do for us, that tells us that we cannot do anything by ourselves, or for ourselves or that we are incapable of doing any better than we are doing at any moment; an alienation of ourselves from the notion of a society or community - in preference for 'every man fend for himself', again, not surprising in peoples who were not allowed community. We can perhaps trace these psychological problems in our societies to our enslaved past.

Emancipate Ourselves

Yet - as Marley tells us - we must find the strength and belief to fight these self-defeating paradigms - to emancipate ourselves. Today, unlike yesteryear, we have many of the tools to liberate ourselves, despite an often hostile and dangerous world. We have opportunities in education. We have knowledge. We have governments whose every desire is to develop the people under their care, despite poor financial resources. This was not something that persons in slave societies had. We have laws which remind us that race, colour and creed cannot be used to exploit or enslave us.

Today too, we have a fuller and more truthful history. We are now being taught about the proud and rich African heritage that is ours. We now know that the land of our forefathers was not always just a hunting ground for slaves. No, it was an intellectual, technological and cultural fountain, a well-spring which gave the world many of its present wonders - such as Mathematics. These are truths which we are only now discovering - having been denied this knowledge for centuries. This too can help us to emancipate ourselves from mental slavery. On Emancipation today - we must reconnect to Africa - but not only to bemoan the negative - but to derive succour and strength from our original birthplace. Race - which for so long has been used to divide and shame us - can also uplift and edify us.

So, we need to develop the confidence to wield these tools - to use them for our betterment and our country's progress. And it is only when we truly believe in ourselves - as individuals - as a nation of proud peoples - that we can truly negotiate for a more just place on the world stage.

For Emancipation to be truly meaningful - we must embrace all of these concepts. In the words of the prophet, 'Bob Marley', "we must emancipate ourselves from mental slavery."

Have a wonderful holiday.



Ndiaye thrilling the crowd



Playwright Kendel Hippolyte performing



Large crowd at the Laborie Village Square

Caricom Youth Ambassadors Urged to Lead in the Fight Against HIV/AIDS

Prim Minister of St Kitts and Nevis and Caribbean Community (CARICOM) Head with responsibility for Health and HIV/AIDS, Dr. the Honourable Denzil Douglas has charged CARICOM Youth Ambassadors (CYA) at a workshop in St. Kitts and Nevis to become effective change agents in the fight against HIV/AIDS.

Addressing the youths on the final day of their four-day strategic planning workshop at Bird Rock, St. Kitts and Nevis, Dr. the Hon. Denzil Douglas stressed the need for a strategic coordinated and sustained approach to combating the dreaded disease, noting that HIV/AIDS is prevalent among young people.

The St Kitts and Nevis Prime Minister acknowledged the vital role of the youth ambassadors in the fight against the pandemic, and pointed out that despite the wide dissemination of information on the nature and impact of the disease on the individual and society, there continues to be an increase in the



Dr. the Hon. Denzil Douglas

incidence and spread of the virus.

Dr. the Hon Douglas said, "Few countries now consider HIV/AIDS as only a health issue. Instead, the pandemic is now regarded as a risk to national and regional development

because of the serious challenges it poses to sustaining economic activity and attracting human and financial resources." He emphasized the need for increased access to care and greater involvement of all in spreading the mes-

sage of HIV/AIDS prevention.

Noting that HIV/AIDS is the leading cause of death in the 15-44 age group, the Prime Minister urged the young leaders to become vigorous advocates particularly if they are to influence their peers. He reiterated that they must be part of the planning and implementing of any initiative that is geared towards stemming the spread of the virus—"we must act today, and [act] together. Everyone must commit to positive action," he said.

It is hoped that at the end of the workshop, Youth Ambassadors along with their fellow youth from other networks and organizations, will develop a plan of action to enhance their capacity towards making a difference in the control and reduction of the spread of the disease.

Prime Minister Douglas assured the delegates that St Kitts and Nevis would play its role in building effective youth mechanisms to assist with lessening the impact of HIV/AIDS.

Caricom Bureau Makes Recommendation On Haiti

The Bureau of the Conference of Heads of Government of the Caribbean Community (CARICOM), comprising the Chairman,

Prime Minister of Grenada; the immediate Past Chairman, Prime Minister of Antigua and Barbuda; the Next Chairman, President of Su-

riname; and the Secretary-General has arrived at a recommendation on the Community's relations with the Interim Administration of Haiti.

The recommendation, which has been transmitted to all Heads of Government of the Community for their consideration and feedback, was arrived at during the 18th Meeting of the Bureau, held at Grand Anse, Grenada on Wednesday (July 28), to receive and consider the report of the CARICOM Ministerial team, which visited Haiti

earlier this month. Heads of Government have been invited to respond to the recommendation by mid-August.

Secretary-General of CARICOM, Mr. Edwin W. Carrington said that in arriving at its recommendation, the Bureau was giving substance to the Community's firm commitment to what is in the best interest of the Haitian people, without prejudicing the principles underlying the functioning of the Community.

WELCOME TO SAINT LUCIA

Mr. Victor Girard (L), Deputy to the Governor General welcomes H. E. Mr. Andreas D. Mavroyiannis, new High Commissioner for the Republic of Cyprus to Saint Lucia. The two countries established diplomatic relations 24 years ago.



MBI to have Direct Weekly Flights to Saint Lucia

St. Lucia is soon to benefit from a direct weekly service from a British Midlands International (BMI) Airbus out of Manchester with a carrying capacity of 400 passengers.

The airline was first slated to begin a shared service to St. Lucia and Barbados in November this year. But after an analysis of St. Lucia's performance in the market, BMI decided to enhance its services here with a direct, dedicated flight to St. Lucia every Monday.

"This new air service will provide the island with the opportunity to share a section of the British market that was never ventured into before", said Public and Visitor Relations Manager of the St. Lucia Tourist Board, Kimani Goddard, adding, "It will also allow the Tourist Board to market St. Lucia as a

tourism product to a completely new, UK Market. She noted that this new air service would provide an even greater boost for St. Lucia's wedding and honeymoon markets. "As you know, St. Lucia has a very high percentage of visitors coming for weddings and honeymoon, and the timing of the flight will be very important for that market", Miss Goddard said.

Currently, over 36% of arrivals to St. Lucia are for weddings or honeymoon, with excess demand in the market, especially in the UK market. Figures from January to June 2004 show a 13.9% increase in arrivals from the UK market. Miss Goddard attributable this to St. Lucia's marketing efforts and the increase air lift out of the UK market over the past three years.

Former Saint Lucian Ambassador Clears Helenites Centre Perceived Scandal

St. Lucia's Ambassador to CARICOM, and former Ambassador to the United Nations and Consul General in New York, His Excellency Earl Huntley has said that there was no truth to rumours of mismanagement of the Helenites Centre in Brooklyn, New York.

According to Mr. Huntley, in 1998, the Government of St. Lucia stepped in to assist, after the property in question fell into financial difficulty under the administration of a group of St. Lucian owners known as the Helenites.

"That building has been the centre of community activities for St. Lucians in New York for decades. However, the city of New York was about to foreclose on the building for arrears of property taxes. The government decided to assist with the payment of

the taxes on condition that it received title to the property so that the property could be turned over to a non-profit organization," Mr. Huntley said.

The Government of St. Lucia received title to the property from the Helenites at the cost of one dollar and then paid the arrears of taxes to the city, amounting to US\$59,000.00. This, Mr. Huntley emphasised was all the money, which the government spent on the property.

After scrutinizing several options, the newly formed tri-state council of St. Lucian Associations endorsed a proposal for the redevelopment of the property through a mortgage facilitated by a long standing member of the Association. Plans are therefore in the pipeline to redevelop the centre, which now houses a day care service, into a commercially viable building.

Emancipation Day: A Call for Positive Values

As Saint Lucians celebrated Emancipation Day on August 1st, a call has been sounded for a recommitment to strong, positive and righteous values, while at the same time using today's technologies and opportunities to help develop into a proud, industrious, respected, viable and admired nation.

That call has come from Minister for Social Transformation, Honourable Menissa Rambally as she addressed the nation Sunday August 1st, 2004.

Minister Rambally expressed concern at the erosion of many of the values for which the island's ancestors stood, and which underpinned much of the progress made thus far: "We are beginning to see a deterioration of

civic responsibility and a growing selfishness that are gnawing away at the social fabric of our nation. No longer are we taking collective responsibility for our development, but tending instead, to cater to narrow self-interests and aggrandizement. We see some among us falling for the trap of get-rich-at-all-costs activities and eschewing the characteristics of hard work, discipline, dedication, respect and loyalty that our forefathers espoused in building our nation."

Minister Rambally also lamented that common courtesies that were taught as children and extended automatically to each other were now being replaced by rudeness, disrespect and ridicule, even towards the older, the less fortunate and the less-abled.

"That is why, my fellow Saint Lucians my message this year is a simple, but I believe important one. We need to rediscover our Saint Lucianess – those traits and features that made us a courteous, respectful, disciplined, law-abiding, industrious and patriotic people. All of the gains that we have made since our physical emancipation will be destroyed, if we do not truly free ourselves of the negative values that some of us now practice," she said.

Activities for the observance of Emancipation will be held throughout the entire month of August under the theme, "A rediscovery of our Saint Lucianess"

Controversy over Official Residence in New York Laid to Rest

Concerns regarding the status of the official residence of the Ambassador to the United Nations in New York has been laid to rest.

A statement emanating from the island's Minister for External Affairs, International Trade and Civil Aviation, Senator the Hon. Julian Hunte indicates that the matter of outstanding property tax payments on the official residence to the Town of Harrison in New York, has already been settled and all proceedings by that authority have been discontinued.

According to the statement, when the government of Saint Lucia purchased the property in 2000, it was assumed that having received State Department approval for the transaction, tax exemption status would have been automatic. On that basis, it was considered (wrongly as it turned out) that statements of property tax assessments issued by the town authorities were administrative errors.

Having received those statements repeatedly for two to three years, the Mission of Saint Lucia became con-

cerned and sought clarification from the State Department and the town authorities, only to be advised that, notwithstanding State Department approval for the transaction, a separate application for tax exemption from property taxes from the local authorities had to be made. This application was immediately filed and formal tax exemption status was granted.

With this process concluded the Mission of Saint Lucia embarked upon a series of negotiations with the town authorities, with a view to having them withdraw the taxes that had so far been levied. These negotiations proved futile. The Mission engaged the authorities in further discussions, this time to have the tax exemption status backdated, but that effort also did not bear fruit.

At the end of this process of negotiations, the Mission considered two options open to it for the settlement of the outstanding payments. The first option was to effect direct payment, while the second was to effect payment from the proceeds of the sale of the property.

By then, a decision had been taken by the Government of St. Lucia to repair the building and offer it for sale. As it happened, before the sale of the property could take place, a listing of properties in default of tax payments (including that owned by the Government of St. Lucia) was issued. As a result, the Government of St. Lucia has had to resort to the first payment option, and has effected payment of the amount due to the Town of Harrison.

The property in question was purchased in 2000 for US\$1.4 million dollars. Since that time the value of the property has increased considerably. Renovations on the property are currently being concluded and the Government of Saint Lucia has placed the property on the market at an initial price of US\$3.5 million dollars.

The Ministry of External Affairs, International Trade and Civil Aviation regrets the misunderstanding surrounding this matter and any disquiet it might have inadvertently caused to the citizens of Saint Lucia, both at home and abroad.

THIS WEEK ON NTN

July 30th – Aug. 6th, 2004

Special Emancipation Day Programming – Sun. August 1st, from 6:30 p.m.

•The Ministry of Education Presents "Technical Vocational Education in Action" – Friday July 30th, 7:10 p.m.

•The GIS speaks with Director General of the OECS – Dr. Len Ishmael – Saturday July 31st, 6:30 p.m.

•KUTUMBA – African Influences on St. Lucian Culture – Sunday August 1st, 6:30 p.m.

•The GIS speaks with General Manager of BELfund – Marcellus Joseph – Monday August 2nd, 6:15 p.m.

•The GIS discusses the pros and cons of the Caribbean Single Market and Economy (CSME) – Monday August 2nd, 8:00 p.m.

•Know Your Notes – Learning the features of the EC Dollar – Tues. August 3rd, 6:15 p.m.

•The Works of Dr. Joseph Edsel Edmunds – Wed. August 4th, 8:00 p.m.

•Nouvelle Nous Menm (An up-to-date Edition of Government News in Kweyol) – Thursday August 5th, 7:00 p.m.

•Disaster Management – A Key to Economic Development – Thursday August 5th, 7:30 p.m.

•Sports in Action with Joseph "Reds" Perreira – Friday August 6th, 8:00 p.m.

Remember to tune in for:

•GIS News Breaks and Kweyol News daily from 6:30 p.m.

•Issues & Answers/Mondays at 8:00pm:

•Interview/Tuesdays at 6:15pm :

•Konsit Kweyol/Tuesdays at 8:00pm (Kweyol Discussion):

•Your Right to Know/Thursdays at 6:15 p.m. (Min. of Ed. Prog).

Take 2/Fridays at 6:15pm (Week in Review)

•Weflechi/Fridays at 6:40pm - (Week in Review—Kweyol)

For the complete programme guide, log on to our website at www.stlucia.gov.lc and then click on the NTN icon.

www.stlucia.gov.lc

Public Discussion on New Telephone Agreement Coming



L-R: Eluid Williams, GM of ECTEL; Hon. Felix Finisterre; Fred Walcott; and Embert Charles, Director of Information Services at the Press Conference

The general public will be given the opportunity to comment on a recent agreement between Cable & Wireless (C&W) and member states of the Eastern Caribbean Telecommunications Authority (ECTEL). This consultation will last three months.

The agreement, which will see telephone rates reduced, covers a four-year period for Dominica, Grenada, St. Kitts and Nevis, St. Lucia, and St. Vincent and the Grenadines.

The Price Cap Plan must now be approved by the National Telecommunications Regulatory Commission (NTRC) in each member state by December 1, 2004, following the public consultation. The process is to involve all clubs, associations, and individuals island-wide.

In putting the current agreement in context at a press conference on Wednesday, August 4, 2004, at the Ministry of Communications, Works, Transport and Public Utilities, in Union, Minister the Honourable Felix Finisterre informed the media that as a means of dealing with the issue of market dominance, on May 20, 2001, ECTEL member states had arrived at an agreement with C&W, which set out some basic rates to begin the entire process of liberalization of the telecommunications sector.

Minister Finisterre pointed out however, that due to constraints set upon ECTEL by "flaws ... undertakings ... obligations in that agreement, they not able to carry it out at that time". One

agreement, he noted was that "there was going to be the establishment of a Price Cap", taking into account measures of financial viability of C&W "to arrive at an equitable rate to pay, to set the tariffs".

The new rate reductions for C&W customers, a new regulatory regime for Cable & Wireless, and a new relationship with government and the telecommunications regulators were announced on Friday, July 30 in Grenada.

New Rates

"There is a lot of good news in this agreement for C&W's customers", said General Manager, Cable & Wireless St. Lucia and St. Vincent and the Grenadines, Fred Walcott as he addressed the local media.

The agreement, if approved, will see substantial benefits for Cable & Wireless fixed-line customers throughout the ECTEL member states. The per-minute rates to call both fixed and mobile phones from a fixed line will be reduced in two stages, the first this December 1st, and the second in December 2005.

In the first reduction, rates for fixed-to-fixed calling will be reduced from the current 9 cents, 8 cents and 6 cents in the peak, evening and weekend periods, to 7 cents, 5 cents and 5 cents. In the second reduction, they will be further reduced to 7 cents, 4 cents and 4 cents come December 1st, 2005. This amounts to a 20% reduction in each year.

Calls from a fixed line to a mobile phone will also decrease by an average of 10 cents by December 1st, 2005. These are substantial reductions that will be of significant benefit to both residential and business customers.

In addition to these rate reductions, C&W will start out by giving fixed customers 60 free minutes of local fixed-to-fixed calling each month, in the evenings and weekends. This increases to 80 free minutes each month on December 1, 2005. Monthly access lines rates will also be frozen so that they cannot increase for the next four years. "Taken together, we believe that these initiatives will make our service even more affordable and valuable to our customers," said Mr. Walcott.

New Regulatory Regime

In addition to new rates, this agreement will provide for the introduction of a price cap regulatory regime, which regulates C&W's rates. Price caps are internationally accepted methods of regulating the rates for incumbent telephone companies. It involves setting a series of maximum rates, or "caps",

on telecommunications services, with the company being prevented from raising its rates above those levels. In this manner, the interests of consumers are protected. At the same time, the company is given more flexibility to set its rates provided that it complies with the caps and any required reductions.

Regulation under a price cap regime delivers a more certain regulatory regime, with clear pricing rules and a compliance mechanism to ensure that the rules are being followed.

Cable & Wireless has welcomed this new regime as an appropriate way forward: "As we all know, it is critical for all stakeholders that there be an efficient and effective regulatory regime. Cable & Wireless is hopeful that we have found such a regime, and that everyone – subscribers, regulators and Cable & Wireless – will all reap the benefits of that regime going forward".

New Relationships

Another positive development from this process has been the new relationship that is developing between Cable & Wireless and the ECTEL Member State Governments and ECTEL. "The discussions have been characterized by a high degree of professionalism and respect. We hope to be able to build on this relationship going forward", said Mr. Walcott.

Mr. Walcott noted that while there are matters over which they would differ, and perhaps even argue, C&W was hopeful that their future dealings would be characterized by the same professionalism that had characterized the discussions so far. "As regulator and regulated companies, we both have an interest in making the relationship as smooth as possible so as to ensure that we can each reach our goals.

According to Mr. Walcott, C&W is pleased with the outcome of the process, and are cautiously optimistic for the future. The discussions were tough, he said, but was also fair, and ultimately this is the way it should be.

"as a means of dealing with the issue of market dominance, on May 20, 2001, ECTEL member states had arrived at an agreement with C&W, which set out some basic rates to begin the entire process of liberalization of the telecommunications sector"