



REMARKS

BY

HON. T. DESMOND BANNISTER, MP

MINISTER OF PUBLIC WORKS

ON THE OCCASION OF THE

BAHAMAS HOTEL AND TOURISM ASSOCIATION

BOARD OF DIRECTORS AND MEMBERSHIP MEETING

11:00 AM

FRIDAY, 3RD AUGUST 2018, GOVERNOR'S BALLROOM,

BRITISH COLONIAL HILTON HOTEL

BAY STREET

NASSAU, NP., THE BAHAMAS

SALUTATIONS

- Minister of Tourism, Honourable Dionsio D'Agular
- Director General, Mrs. Joy Jibrilu and Senior Managers of the Ministry of Tourism,
- President of The University of the Bahamas, Mr. Rodney Smith and his Executive Team
- Chief Executive Officer, Bahamas Chamber of Commerce, Mr. Edison Sumner and other members of the Chamber
- President, Bahamas Hotel and Tourism Association, Mr. Calton Russell and other Executives of affiliate agencies
- Board of Directors and members, Bahamas Hotel and Tourism Association
- Other Special invited and distinguished guests
- Ladies and Gentlemen:

A pleasant good morning.

I am delighted to address you this morning at The Bahamas Hotel and Tourism Association Board of Directors and Membership Association meeting as the Minister of Public Works with responsibility for the Water & Sewerage Corporation, Bahamas Power & Light, Town Planning, the Straw Market Authority, the Bridge Authority and the infrastructural development of the Bahamas.

I wish to also express my gratitude to your Executives and members of your Association for affording me this opportunity to engage you today on matters within my portfolio that are of critical importance to all of us.

I want to speak with you candidly today about opportunity.

Upon being sworn in as Minister of Public Works I took an inventory of our public infrastructure. It was not impressive:

- ❖ Ageing roads throughout the capital, and family islands, many of which had not been paved in decades; and so many of which have been dug up so frequently that they look like patchwork quilts.

- ❖ Old buildings such as the General Post Office, the Clarence Bain Building, and the Rodney Bain Building that were essentially abandoned and remain a blight on the landscape of the city.
- ❖ A downtown much of which turns into a ghost town as one travels to the east.
- ❖ An electrical utility that was woefully overstaffed, and which operated on generators that were unable to provide reliable power generation to this city or the family islands.
- ❖ A Supreme Court where Justices diligently seek to serve their mandate from separate locations in less than ideal circumstances
- ❖ Poorly throughout and incomplete structures such as the baseball stadium and the proposed post office
- ❖ Run down schools, many of which have outlived their useful lives by many years.

You get the picture. I don't need to talk about the Straw Market or Festival Place, or the International Bazaar and other touristic attractions, or the disrepair of critical touristic infrastructure such

as the glass window bridge in Eleuthera; beach erosions throughout the country; and unreliable water infrastructure.

I believe that I understand some of your challenges in selling our destination. It's enough to make the proverbial tourism goose choke.

There is much to do; and there are no easy answers.

Our national infrastructural needs provides a call to arms for all of us.

In my capacity as Minister of Public Works I look forward to working with all of you to systematically make positive improvements that will enhance your tourism product and improve that standard of living for all Bahamians.

It will take a sustained effort by all of us, but I am confident that there will be a positive turnaround and; however I warn you that it will be incremental as I work on a capital budget of only \$120 million this year.

We appreciate that a network of drivable roads is critical to the tourism product. Hence, for the first time in many years we have begun to systematically address the conditions of roads throughout the capital, whilst also focusing on improving family island roads.

You will be aware of the work on East Bay Street, Farrington Road and Tonique Darling Highway. Many of you will also be aware of the milling that is going on at night on the Paradise Island Bridge; and of the extensive paving in Palmdale. Soon we will address Nassau Street, East Street, Village Road and Bernard Road.

It is not an easy process, and I must request your patience. I guarantee that the results will be worth the trials that you may now face when attempting to drive through Palmdale during the day.

You see, we're not simply fixing the roads; before we pave we are ensuring that as far as possible critical underground infrastructural needs.....water, power, cable and telecommunications are all addressed. As far as possible we want

to ensure that the taxpayer gets a bang for his buck by addressing all of these issues comprehensively. Once the roads are paved, we do not expect that our utilities will have to excavate them again except in emergency situations. Moreover, if the utilities are required to excavate the roads, legislation that is currently before Parliament will subject them to a regulatory regime that will expose them to hefty fines if they do not meet certain prescribed standards.

Additionally, the Ministry's new WhatsApp pothole hotline 376-0936 gives all of us the opportunity to snap photos of the inevitable potholes that will occur because of our climatic conditions and our aging roads. I urge all of you to utilize the hotline so that nuisances that we notice on our daily drives are quickly addressed.

The goal of the comprehensive paving plan is to ensure that roads in the capital will provide comfortable access to all destinations.

The government is also addressing the demolition or sale of unused or abandoned infrastructural improvements.

This week tenders will go out to contractors for the demolition of the Clarence A. Bain Building. We anticipate that in short order (relatively speaking) that building will only be a memory, and that we will be able to turn the site over to the University of the Bahamas to facilitate their expansion plans.

At the same time, plans are progressing for other large scale infrastructure improvements such as:

1. The repurposing of the former Independence Shopping Centre at the intersection of Baillou Hill Road and Tonique Darling Highway that was gutted in a woeful attempt to construct a general post office;
2. The possible sale of the Rodney Bain Building and other unused government structures;
3. The construction of a new Central Bank and American Embassy downtown;

4. The demolition of the old general post office to make way for new construction of critical public infrastructure;
5. The redevelopment of the Southern Recreational grounds into a modern, upscale safe park filled with amenities.
6. The redevelopment of Clifford Park as a safe user friendly family centered recreation site;
7. The construction of a new school on Carmichael road as a first step addressing educational needs in the rapidly expanding the southwest corridor;
8. True urban renewal over the hill by the provision of incentives through the recently passed Economic Empowerment Zone Act, which will provide economic incentives for investment in our over the hill communities; and
9. The development of a new government office building on the old playing field of the former St. Johns College on Market Street. The Prime Minister has spoken to his vision that their investment will be made by a special purpose entity that will provide investment opportunities for those who want better returns than the banks are willing to pay.

At the same time, we are enhancing touristic facilities and opportunities throughout the country. For example:

1. We are currently in the process of tendering the pavement of the monument road in Long Island, which gives access to the Columbus Monument. We will also improve access to the Monument itself, which provides one of the most beautiful vistas in the world.
2. The Minister of Tourism is excited about the new airports that he is planning for the Berry Islands, Exuma and North Eleuthera, three family island destinations that have amazing potential as gateways to Paradise.
3. The Coastal Engineers in my Ministry are excited about the recently signed IDB Coastal loan which will permit us to save much of our rapidly eroding coastlines and regenerate many of our beautiful beaches that have been rapidly disappearing. One look at the Dune Road on Elbow Cay or much of the coastline throughout the country where beaches have eroded as much as thirty feet will tell you how important this initiative is to our tourism product.

4. Our bridge building initiative will ensure that the glass window bridge, which provides the most breathtaking views anywhere will be preserved. At the same time we are initiating the engineering studies that will facilitate the construction of a new bridge to facilitate commerce between Harbour Island and North Eleuthera.

We are also focused on replacing the bridge between Spanish Wells and Russell Island; building a new bridge to provide safe transportation between little Exuma and Great Exuma; as well as building three bridges in Andros and Newton's Cay Bridge in Long Island.

I have addressed many of our initiatives because we are all aware that our touristic product cannot be seen in isolation. We must address solutions holistically. Key to the optimal end result is confidence in provision of inexpensive, reliable energy.

When we come to office a company named Power Secure had been contracted to manage the power company. The government has now separated from Power Secure, and has put the power

company in the hands of a capable and experienced Bahamian Board and management team. As a result there have been incremental improvements (Inagua/Abaco/Transmission & Distributions).

BPL is now on the verge of signing a critical agreement with Shell N.A. Shell is a world leader in the provision of fuel. They will build, own and operate a 270 megawatt plant that we expect will provide reliable power generation. At the site the government is cleaning up the massive spills of oil that have polluted Clifton for many decades.

By itself alone we expect that the new generation plant will decrease the cost of power; however, there are other initiatives that are being undertaken that will improve reliability and decrease the cost of power in the Bahamas.

The first was BPL's ongoing VSEP initiative. BPL is becoming lean and competitive. The plan calls for 314 staff members to leave, which brings us closer to the goal of decreasing salary cost to a

reasonable level. These savings, of course, will be passed on to the consumer.

Additionally, all family islands served by BPL will benefit from a number of initiatives in order to improve system reliability. These initiatives include new generation capacity, system coordination studies, increase lightening protection, grounding and distribution line fault indicators. All of these efforts will improve restoration times and system reliability.

BPL also encourages increased participation from the Family Island in the Small Scale Renewable Generation Program (SSRG) – Commercial and Residential Customers, so that they will also experience savings through this medium.

In that regard, BPL began plans to bring Liquid Natural Gas (LNG) into the generation mix. The proposed plan will bring fuel diversity

and remove price volatility that is currently seen from having a generation mixes that is 100% based on fossil fuel.

With the introduction of tri-fuel generation (LNG, Diesel and Heavy Fuel Oil), BPL will have the flexibility of selecting its fuel based on any number of reasons including price.

Ladies and Gentlemen:

In addition to fuel diversification, the newly proposed generating plant will be state of the art with the best in class efficiencies for single cycle power generation. This new facility will not only modernize BPL's fleet, but with newer technologies provide higher energy conservation and efficiencies when compared to existing assets.

BPL has also introduced Solar – Small Scale Renewable Generation (SSRG). Under the Electricity Act and Regulations amendments made in 2015, the option was made for customers to have Grid Tied Renewable Energy (RE) systems.

These modifications require that systems be subject to an application, inspection and approval process. This approach has been established to ensure, among other factors, public safety for both the customer and the general public.

All existing and planned systems must obtain approval in accordance with this process. Operating a grid-tied system without following the registration, application and inspection process can result in fines or 1 disconnection from the grid or both.

Ladies and Gentlemen:

I would be remiss if I were not to share with you that we have the perfect environment to foster small scale renewable generation in our many Family Islands, and so it would be of value to embrace this emerging technology to assist in the further development and modernization of our energy infrastructure as we seek to improve our conservation and efficiency capabilities. Just as a point of interest,

permit me to share with you that we intend to further expound on this type initiative through the use of other renewables such as ocean energy, biofuels, waste to energy and where possible wind. One very promising initiative worthy of mention is a project which will seek to provide 10 mega watts of biomass fuel by way of the use of the invasive Casuarina tree, which will supply power to both the residential and business community of North and Central Andros. This initiative is intended to spur crop and livestock production and will be executed under the provision of the Electricity Act 2015.

Ladies and Gentlemen:

“It is the intention of Bahamas Power and Light to promote the Small Scale Renewable Energy Program by way of roof top installations, water heaters and the usage of government buildings. Additionally, I am pleased to say that in the future there will be a focus on many projects involving waste to energy, by working closely with the Ministry of Environment on its Waste to Energy Initiative. These

projects will not only eliminate the issues experienced at the New Providence landfill but will also convert waste to energy with a grid tie-in.

Ladies and Gentlemen:

In concluding, I trust that I have provided some insight into the Government's goals to address the cost and reliability of electricity and too, the plans in our quest to become more energy efficient and proactive in our use of clean energy technology. I wish to assure the Bahamian public that with respect to our infrastructural needs, the Government of The Bahamas is thinking ahead and anticipating the needs of our customers before a gap develops. We are dealing with challenges before they become a major crisis. Essentially, we are taking a proactive approach and solutions based focus on our electricity programs.

The message that I leave you with is that the complacency of the past is gone.

This government is committed to investing in critical infrastructural development, and to lowering the cost of doing business in the Bahamas.

We are committed to a national rebranding exercise in partnership with businesses that will reinvigorate our tourism product.

The modern infrastructure will be in place.

The opportunity will be presented.

We invite the visionaries among you to join us.

Once again, I thank you for affording me this wonderful opportunity to share our plans and I congratulate your president Mr. Carlton Russell, the Board of Directors and members of the Bahamas Hotel and Tourism Association for the good work that you are doing. It is indeed “Better in the Bahamas,”.

Thank you and good morning.