

# Official Report

*PROCEEDINGS AND DEBATES OF THE NATIONAL ASSEMBLY OF THE FIRST SESSION (2006-2011) OF THE NINTH PARLIAMENT OF GUYANA UNDER THE CONSTITUTION OF THE CO-OPERATIVE REPUBLIC OF GUYANA HELD IN THE PARLIAMENT CHAMBER, PUBLIC BUILDINGS, BRICKDAM, GEORGETOWN*

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162<sup>ND</sup> Sitting

Thursday, 11<sup>TH</sup> August, 2011

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*The Assembly convened at 2.20 p.m.*

*Prayers*

*[Mdm. Deputy Speaker in the Chair]*

## **PRESENTATION OF PETITIONS**

### **Private Bill**

**Ms. Teixeira:** I beg to present to the Assembly a petition on behalf of the Christian Brethren Incorporation, seeking to have introduced into the Assembly a Private Bill to amend the Christian Brethren Incorporation Ordinance 1914, Chapter 221 of the Kingdom Edition of the Laws of British Guiana (Principal Ordinance).

**The Clerk:**

### **PETITION BY THE TRUSTEES OF THE CHRISTIAN BRETHERN IN GUYANA OF LOT 45 SECTION 'G' CAMPBELLVILLE, GEORGETOWN**

“To the Hon. Members of the National Assembly of Guyana

The humble Petition of the Trustees of the Christian Brethren in Guyana

1. Your Petitioner is a body corporate incorporated by the Christian Brethren Incorporation Ordinance Act, Chapter 221, Vol. 4 of the Kingdom Edition of the Laws of the British Guiana (Principal Ordinance)
2. Your Petitioner is desirous of promoting a Bill to amend section 4 (b) of the Principal Ordinance Act dealing with the powers of the trustees of the body corporate to sell, transport, mortgage, invest or otherwise dispose of any property, both movable and immovable, referred to in the Schedule to the Principal Ordinance Act and acquired thereafter by deleting there from the words, “that property is hereby specifically excluded” and (b) substituting there for the words, “any movable or immovable property held in the name of the body corporate whether referred to in the Schedule hereto attached shall be exercised with the approval of a meeting summoned and specially held for that purpose, in accordance with the provision for calling meetings in Section 3 by the Trustees, for the time being, who have been duly appointed pursuant to provisions of section 3.
3. The objective and reason for the aforesaid Bill is to remove the current statutory disability which excludes us from having the power to sell, transport, mortgage, invest or otherwise dispose of the property of the body corporate, and to grant us the specific power to do the aforesaid matters with the approval of the membership of the body corporate at meetings summoned for that purpose in accordance with the provisions for calling meetings in Section 3 of the Principal Ordinance Act.
4. The amendment to the abovementioned Section 4 (b) of the Principal Ordinance Act is approved by the membership of the body corporate at a meeting of the members, specifically summoned for that purpose and held in accordance with the provisions relating to the calling of meetings in Section 3 of the Principal Act on Sunday, 22<sup>nd</sup> day of May, 2011.
5. A copy of the aforementioned Bill is hereto attached and marked ‘A’. Your petitioners respectfully request that the National Assembly be pleased to permit the introduction of the aforesaid Bill in the National Assembly and to pass the same.

Where for your petitioners as in duty-bound will ever pray.

Dated 29<sup>th</sup> day of June, 2011

David Simon – Trustee

Joseph Barker – Trustee

Melville On – Trustee

Leslie Glenn – Trustee

Stanley Boodie – Trustee”

*Question put, and carried*

## **REPORTS FROM COMMITTEES**

**Mdm. Deputy Speaker:** Hon. Members, there is a Report from the Public Accounts Committee but in the absence of Mrs. Volda Lawrence, this matter will have to be deferred.

## **PUBLIC BUSINESS**

### **BILLS – SECOND READINGS**

#### **TELECOMMUNICATIONS BILL 2011 – Bill No. 18/2011**

A Bill intituled:

“An Act to provide for the establishment of the Telecommunications Agency and for a regular, coordinated, open and competitive telecommunications sector and for matters incidental thereto or connected therewith.” [*Prime Minister and Minister of Public Works and Communications*]

**Prime Minister and Minister of Public Works and Communications [Mr. Hinds]:** Mdm. Deputy Speaker, Hon. Members, I rise to move the second reading of the Telecommunications Bill – Bill No. 18/2011.

This Bill, like the Broadcasting Bill that was passed last week, has been long in the making and it is fitting that we should forego our usual recess to consider and pass this Bill into law as this Ninth Parliament ends, so that the succeeding Tenth Parliament can begin its work with three

major laws on our law books – The Broadcasting Law, Access to Information Law and this Bill which is to create a new telecommunications law and a new regime for the telecoms sector in Guyana.

The purpose and intent - the heart of this Bill- of no less weight than the 95 Clauses which to follow is to be found in part of the not so long “Long Title”:

“An Act to provide for...a regular coordinated, open, competitive telecommunications sector...”

The 95 provisions in this Bill and the seven sets of regulations which Government plans to table have been written to create, comprehensively, a new, open, competitive regime which will be fair to and preserve the activities of current sector participants and, as well, be attractive to new entrants whether they be large or small, of wide interest or of narrow and specialised interest. This new, competitive regime should give more play to the initiative, innovation and ingenuity of our people so that they could experiment and create the hybrid systems which we think will rapidly evolve to arrangements which are appropriate to our geographic and economic circumstances, giving good value for every dollar that we spend as customers seeking services at the lowest possible sustainable costs in Guyana’s circumstances at this time.

Let me add at this time, Mdm. Deputy Speaker, Hon. Members, say that we need our service providers to be able to sustain themselves. That has always been and continues to be a mandate of the Public Utilities Commission (PUC). It does a society no good if the providers of any service are driven to a point of beggary; where services deteriorate. How are we to know? How can we tell that providers are being as efficient and effective in whatever they do? And not making a killing; not exploiting us but always seeking to provide services at the lowest possible sustainable cost.

There was that period in time when in Guyana and in many developing countries, the answer was clear. The view prevailed that low prices along with timely provision of good quality services were most likely to be realised with government monopoly ownership. For whatever reasons in Guyana, and in many other countries around the world, that approach did not deliver what was expected in that historical period. And there has been an understandable turn to private ownership as occurred in Guyana at the end of the 1980s. It was at that time that our

Government-owned monopoly telephone service provider – Guyana Telephone Company (GTC) - was converted into the Guyana Telephone and Telegraph Company (GT&T) and privatised. It was changed from a government-owned telecoms monopoly of extant networks and technology into a privately-owned monopoly over the prevailing networks and technology of that time.

Fortunately, as it happened, new emerging technologies were not included in that monopoly so we, this People's Progressive Party Civic (PPP/C) Administration, were able to seek investors and nurture competitive investments into the new emerging mobile cellular telephone service, with Digicel eventually joining GT&T in offering competitive mobile cellular service. The competition between the 'blues' and the 'reds' has certainly benefitted our people; has certainly created excitement and a sense of and the reality of enjoying many of the most recent marvels of telecoms technology. Each cellular phone service provider – GT&T and Digicel – reports about 300,000 customers with handsets ranging from the most basic to the most sophisticated – the BlackBerry and I-Phones are common in Guyana. Nearly every one of our people, including children, now has a cellular phone.

As Minister responsible for mining, I can attest to the fact that now cellular phone services are widely available across our country. I now have regular telephone connection in many locations where there were none recently, if ever - Matthew's Ridge, Port Kaituma, Red Hill, Mabura, Ituni, St. Cuthbert's Mission, Mahdia and Kumaru.

The step we are taking with this Telecommunications Bill 2011 is the next step in changing a regime that was basically a monopoly - government monopoly regime at that – to an open, competitive, private individual enterprise regime that is in the service of our people and country.

There is good reason to note our earlier regime as a government monopoly. The major new institutional arrangements to realise this new, open, competitive private enterprise regime is the creation of the Telecommunications Agency - the successor, with an expanded mandate, of the National Frequency Management Unit (NFMU).

Up to the time of being privatised GTC as the government owned provider of telecoms services, encompassing the main sources of expertise and experience in such matters in our country, was also the manager for the spectrum in Guyana for itself and for others. It issued to itself telephone numbers and it represented Guyana in the many regional and international forums which deal in

the relations between State in matters of telephone and now the larger arena of telecommunication services. There is evidence to support the contention that it was well along into the privatisation of GTC/GT&T that the Government of the day realised that some parts of the mandate of GTC ought not to be and could not be privatised to GT&T and so the NFMU was brought.

In preparing this new Telecommunications Bill 2011, Government had the benefit of conceptualising the Telecommunications Agency as a regulator in this new, open, competitive private enterprise-led market regime. This new arrangement brings benefits; different benefits but benefits, nevertheless, to all participants in the telecoms sector in Guyana. The Laws of 1990 were dated. As they were coming before the surge in new technologies, they reflected the mature thinking but largely stagnant since the 1960s. Indeed, the PUC Act of 1990, the privatisation agreement and licence with Atlantic Tele-Network (ATN) and GT&T which had, to some extent, the force of law was born out of two systems, each of which came out of its own particular historical experiences and, consequently, had different approaches.

The Telecommunications Act of 1990 was patterned after the British system whilst the PUC Act, the agreement and licences were patterned after the American system and at times one can expect that with the greater experience and expertise of ATN then, ATN could have influenced things even more their way.

There is no doubt that there were significant inconsistencies between the documents which set the Telecoms Regime of 1990, the PUC Act of 1990, the Telecoms Act of 1990, Guyana Frequency Management Order of 1990, the agreement and the licences. Whilst it is understandable how these differences would have come about, as the privatising of GT&T was one of the earliest privatising experiences, at the time Guyana was still more familiar with the British system whilst the investor was familiar with the American system, the record needs to stand. These differences led to ambiguities in establishing a new privatised monopoly regime. The differences were likely related to and, maybe, led to intense differences between even members of the outgoing People's National Congress (PNC) Regime and intense differences between some members of that Regime, like the then Chairman of the PUC and ATN/GT&T. I point to these things so that the records can state that the intense differences between the Guyana

Government of the day and ATN/GT&T began with PNC Administration and not this PPP/C Administration.

Let the records also state the tremendous investments, growth and development of GT&T and the huge cash flows which have flown to ATN/GT&T and the advisory service fees, profits and also increases in capitalisation during this period of PPP/C in Government.

Let me point out for the record a particularly potential large area of conflict within the documents which constituted the telecoms regime of 1990.

The very huge but not complete overlap in the mandate of the Office of the Director of Telecommunications (DOT) which was established in Telecoms Act 1990, modelled after the United Kingdom (UK) Act, and the PUC, and more specifically the Chairman, modelled after the Federal Communications Commission (FCC) of the USA.

The PNC refrained from appointing the DOT. Some of the roles of that office were being filled by the NFMU and sometimes, the PUC. It was not unreasonable at that time to refrain from appointing the DOT. But a number of specific functions were not being provided for. We, this PPP/C Administration, continued the non-appointment of a Director of Telecommunications until a few years ago – about 2008 – when our telecoms sector had matured to a point which needed the exercise of the powers vested, uniquely, in the DOT.

In the Telecoms regime being established at this time, we have addressed and removed such contradictions that were in the earlier regime. We have been able to now craft a regime which better manages this new world telecoms industry of 2011 which would not and could not have been imagined at the end of the 1980s. In jurisdictions all over the world, the rapid emerging technologies – alternative ways now of providing what was previously accepted as a service which could be provided in only one unique way, in the presence of the many divergences and many convergences, expert opinion on a number of things have also been widely varying, changing and evolving. The sector has recognised this in the common term of the gray areas; areas of uncertainty or of widely different interpretations and applications of laws lay down in the 1990s and earlier. Laws of that year could not have taken into account the telecoms sector of today. The regime being instituted today in its entirety eliminates gray areas of regulatory uncertainties which pervades our regularity regime to this day, and will be of real benefit to all

participants – extant, existing and prospective – in our telecoms sector, to the regulators also and also to us, the consuming public.

I want to say that this transformation of the legal regime of our telecoms sector to an open competitive sector is timely; it comes at a good time for us. Many of our fellow CARICOM countries have already made the transition over the last ten years but some are still to do so. We have had the benefit of their experiences so far, while not losing very much in being far behind them. Why do I say so? Because I think we can refer proudly to a most common basic measure of liveness and advance of a telecoms sector – the gross of penetration ratio. The average number of telephone sets per hundred of our population. Thanks to GT&T and Digicel, we can boast of a very rapid growth of penetration ratio, particularly over the last five years to upwards of 80% today. That is, on the average, 80 out of 100 individuals in Guyana – man, woman and child – have telephone sets. We know that some people have many sets and there may be more than 20 out of 100 who may not have a set. But the penetration ratio, which is a worldwide accepted measurement, for Guyana, today, stands at more than 80%. It is relevant to note that here because of the discussions with ATN/GT&T towards the end of the 1990s about an appropriate time to move to an open regime, ATN/GT&T advocated not until there is a penetration ratio of at least 35%. Today, we have a penetration ratio of much beyond 35%. On this count, we can all agree that the time is right for this transition in Guyana.

Guyana's new legal regime with the Telecommunications Bill and consequential amendments to the PUC Act is a modern regime arising from or cognisant of international best practices and tried and tested regimes, but also adjusting to fit our circumstances. The telecoms Act 2011 and the consequential PUC amendment will be supplemented by significant and detailed regulations in the area of licensing, spectrum operation, prices, spectrum management, interconnection and access, universal access service, telecommunication related competition matters and telecommunications related consumer protection matters. Also being prepared are model licences for the main types of networks and services that may be licensed under the new law and thereby creating a framework for an even greater level of fair play among operators and service providers.

As I said earlier, this transition will create the framework for an open, competitive sector without exclusivity for any kind of telecommunications network and services. And it will address the



expansion of telecommunications networks and services into under-served and un-served areas and regions of Guyana. It will serve to regularise and rationalise the growth in internet- based services that is already blossoming in Guyana. As we may know, there are four significant operations Internet Service Providers (ISPs) and several other small operations. They are all waiting with baited breath for regularising licensing of the operation so that they may come out from the gray area that I talked about earlier and come under the umbrella of a licensing regime and protection of fair regulations. Such regularisation will also serve as an incentive to invest in a greater way in their operations.

Before I go through the physical elements of the new telecommunications legal regime, I would like to explain how the new regime is situated in our Government's policy regarding the telecommunications sector. I would like to share some details of particular efforts government has embarked upon along the path to liberalisation, but also to the share information on other efforts of the Government to foster economic and social development through this sector and, indeed, through the total economy and society of Guyana.

As early as 1993, the Government had entered into discussions with GT&T and its principal shareholder, ATN, with a view to establishing an open, competitive sector. Such efforts were not successful at that time and over the years other similar efforts were made. Major efforts and compromise took place in 2001, 2003 and 2008. Additionally, of particular importance was the launch in 2000 of the Modernisation of Telecommunications Sector Project that saw national consultation on issues and options for reform of the sector. The preparation of the Draft National Telecommunications Policy and a Draft Telecommunications Bill were all being prepared. During that time also, the Government faced litigation filed by GT&T and ATN in the United States (US) Courts over efforts to encourage Information and Communication Technology (ICT) development in Guyana through meaningful interventions all of which, in the opinion of some experts, were lawful interventions by the Government.

Our last significant efforts to negotiate an end to the GT&T monopoly took place in 2008 and reached the point where the Government and GT&T recognised the need to allow for an examination of some financial issues concerning the company, and for the preparation of an appropriate legal framework that would govern an open competitive sector. Thereafter, the Government continued, in earnest, its efforts to update drafts then available which were on hand,

and to complete the preparation of a comprehensive legal framework for the sector. This is the framework that we present to this Hon. House for passage into law.

*2.50 p.m.*

Whilst all of these negotiations were going on, the demand for greater and better level of service by Guyanese spurred investment in domestic cellular service, at the astounding rate we have seen, by Digicel and GT&T and in other internet-based services by other operators. GT&T has also responded by continually investing in infrastructure and, I would say, by positioning itself well in preparation for a competitive sector by its investment in cellular, the new submarine cable and in provision of IP - that Internet Protocol based services.

Having said all of that, I must circle back to reiterate that such investment has not been in an open regime. You would recall that the investment that I talked of took place in an environment of a wide sweeping monopoly granted to GT&T, and a current legal regime that is largely outdated in light of the technological thrust of the sector within and outside of Guyana. The current laws were prepared largely for a sector that was expected to be characterised by significant presence of a monopolistic licensee. And that is what we are ending here and as I said earlier, it is time.

Other significant efforts that recognise the importance of an advanced competitive telecommunications sector to Guyana were captured in detail in the National Development strategy, the Competitiveness Strategy and the ICT for Development Strategy of 2006. Government's oft stated objectives for reforming and modernising the sector have and continue to include the following:

1. to promote access to reliable competitively priced and advanced telecommunication services in all regions of Guyana;
2. to improve the lives of all citizens by improved access to economic, social and information resources, through improved national telecommunications infrastructure that permits access to the internet and internet based services;
3. to promote the development of ICT services and businesses in order to improve the lives and businesses of citizens of Guyana and to provide export revenues;

4. to improve access by all citizens to Government and other public services, including public health, education and economic and social services through use of technology and appropriate telecommunications infrastructure and;
5. to promote competition in the supply of telecommunication services as a means to achieving improved services, increased efficiency and competitively priced services.

I would also remind this Hon. House that the Government has also sought through direct intervention and investment, to help to bring these objectives to reality. I speak particularly of Government's investment in the installation of the optical cables from Lethem to Georgetown for the purpose of connecting with the cables from Brazil, a cable we are told which runs from Venezuela to Manus. It is a cable to provide E-Government purposes – E-Government to the people of Guyana. And connected with this cable from Lethem would be a cable providing backbone connectivity to persons from Moleson Creek to Charity and, in the time, expanding to more remote areas.

I must make reference to a related project which is based on an open telecoms regime and which created one of the areas of differences between the Government and GT&T some years ago. This is our One Laptop Per Family (OLPF) project that would provide computers to, in the first instance, some 90,000 families across Guyana, projects to equip all secondary and primary schools across Guyana with computer labs, and to entrench computer literacy in the school curriculum and to train teachers in computer literacy. As we can recall one of our basic tenets of our growth and development policy is that whilst we seek to refashion the old economies to make them profitable, we also must focus in the new, emerging areas of economic activity. Fundamental to the new areas of economic activity is the telecommunications sector, particularly the internet in all of its manifestations and applications that we see today.

Mdm. Deputy Speaker, Hon. Members, in all that I have spoken so far, I have been pointing to the Government's seriousness with respect to encouraging the development of the telecoms sector for the benefit of all Guyana. This new legal framework and all of Government's effort to encourage growth in the sector is fully justified when we consider the experiences of other countries that have established liberalisation of the telecommunications sector, and when we consider the data from the International Telecommunications Union (ITU) and the World Bank. Some reports have shown that by just adding ten more by folds per one hundred persons in a

typical developing country, boosts growth in Gross Domestic Product (GDP) per person by 0.8% points and it is noted in the ITU's Second Broadband Commission Report - A Platform For Progress - that market liberalisation remains the most effective mechanism to encourage greater investment in telecommunications networks.

Experience show that liberalisation through the licensing or authorisation of new operators in the telecoms sector will yield greater benefits than incentives or obligation driven approaches targeted at only a monopoly or duopoly. This new telecommunications legal framework is characterised by transparency: that is, what the regulators do must be done openly, must be published. It is characterised, too, by technological neutrality - there is no preference for any particular type of technology. And also non-discrimination in the issuing and monitoring of licensees and frequency authorisations in the connection of and access to telecommunications network and services and implementation of a universal access service programme, all to be administered in a competitively neutral manner, with regulatory borders imposed only where necessary to ensure a competitive and integration of networks and services.

Mdm. Deputy Speaker, Hon. Members, if we look overall at this new regime, we will see that there are, along with the Minister, two regulatory institutions - a telecommunications agency into which the National Frequency Management Unit (NFMU) will be incorporated, functioning under the subject Minister's supervision which will be the technical regulator, and the Public Utilities Commission (PUC) which will function as the economic regulator for the sector. The minister will be responsible for matters such as developing policy, determining what types of networks and services would require licences, granting or denying applications for licences and frequency authorisations according to set rules and with stated recourses for people who feel that they have been not treated fairly, making regulations, overseeing the new telecommunications agency, representing Guyana's telecommunications interest internationally.

The Telecommunications Agency - the technical regulator - implements the Minister's policy directives, receives reviews and makes recommendations and applications for licences and frequency authorisations, advises and supports the Minister and matters related to policy, licences, spectrum and international relations. It also monitors and enforces compliance with licences and frequency authorisations, monitor the spectrum plan, supervise, regulate, and monitor harmful interference and other technical aspects of telecommunications including

numbering systems. It ministers the universality for the universal access service programme and also has the mandate for the Guyana's high level domain.

Mdm. Deputy Speaker, Hon. Members no doubt you would have seen the great growth in websites and in the naming of websites and in internet addresses. For this new area we state, in this law, that it is the telecommunications agency that has the mandate for managing Guyana's high level domain.

The PUC, the economic regulator, regulates wholesale and retail prices for telecommunications networks and services; regulates interconnection and access; regulates number quota and equal access; enforces competitive safe guards; resolves disputes involving operators and service providers; protects consumers and resolve disputes between consumers and service providers. We have new licensing provisions. The guiding principles of the new licensing provisions are:-

1. Public networks and services will have to be licensed;
2. Separate licence or license amendment required to land and operate a cable;
3. No licences would be required for network services used solely within a company and not being operated to provide public telecommunications services. Those are referred to as private networks and services. For those who may give some thought to the matter, there could be cases where a private network and service starts to behave in a way which some people may say is a public network and as I said earlier, the Minister finally makes the ruling on whether in such instances the particular network would be deemed private or public.

The Minister will have broad authority to determine which networks and services are public in nature. Frequency authorisations will be required for use of the spectrum and the operation of radio communication equipment, except if exempted by order of the Minister, for example, for use by the general public of wireless consumer products. The controls that we use to control our Television sets and our air conditioners emit radio waves, but of such low intensity and limited area that the general practice is not to require any licensing of them once they stay within set parameters.

The new framework contemplates three types of licences. Individual licences will be required to operate a public telecommunications network or provide public telecommunication services.

Class licences may be authorised for certain public telecommunications network and certain public telecommunications services as determined by the Minister. Special licences and related frequency authorisations would be permitted in cases of emergencies and other exigent circumstances, for demonstration testing and other short term situations, valid for ten days and renewable for good cause.

There are exemptions. The Minister may exempt networks and services from requiring licences and these will be designated in order, after consultation with stakeholders. Dealer permits will be required for the sale, transfer, programming and reprogramming, or other modification of radio communication equipment. The material terms and conditions of licences and frequency authorisations include: no set limit on numbers, transparent and non-discriminatory terms and conditions - that is, a level playing field. The Agency recommends generally, and the Minister approves or denies for good reason - reasons which could be defended in court.

Obligations attached to licences and frequency authorisations include: requirement to comply with the Bill, the Regulations, the Telecommunications Code and other relevant laws. There are restrictions on assignment, sale and transfer of ownership and there are requirement to pay fees. Obligations attached to frequency authorisations include respecting the technical parameters of frequencies assigned and adhering to authorised frequency bands and so on.

This new Bill also speaks to the usual things that such Bills have to speak to. It speaks to suspension or termination of licences and frequency authorisations for good cause, amendments to licences and frequency authorisations, renewal of licenses and frequency authorisations and so on.

This Bill also takes account of ships and aircrafts which will come into Guyana's territory from time to time. And the usual position is taken once such ships and vessels, aircrafts are properly registered in some other jurisdiction, Guyana will recognise that registration. They do not need to have a Guyana registration but once they are in Guyana's territory they will come under the laws of Guyana.

This Bill makes provisions for transition and start up of the new regime. It provides for new licences for the current operators –GT&T and Digicel - and also the four major ISPs. As I said earlier, licences have been prepared so that the changes from one licence to another - from one

operator to another - would be minimal and one can make a judgment on the necessity, or otherwise, for such changes. Similarly, mother frequency authorisations are being prepared.

Prices, no doubt, would be the concern of the majority of the people of Guyana and of the Government too. Fundamentally, the new regime looks to the market place to set prices. Prices are set by market participants on the basis of supply and demand. But taking account of our situation and using provisions that exist in nearly all jurisdictions, we have provisions for situations of dominance and co-dominance, and anti-competitive behaviour.

Another area of interest, particularly to the providers in the field, is the area of interconnection and access and we have provided for it; there are provisions that speak to it. In fact, a whole part of the new Telecommunications Bill 2011 speaks to interconnection and access. Interconnection is required if one is to realise the full benefit of an open competitive telecom sector so that someone on the network of 'Provider A' can speak to someone else on the network of 'Provider B' or 'C'. There are a number of technical issues involved and they are difficult issues too but we can manage them. We have set a framework which gives the best chance for managing such issues in an open, fair and even-handed way. A part of this issue of access and interconnection is that of co-location of facilities...

**Mdm. Deputy Speaker:** Your time is up, Hon. Prime Minister.

**Minister of Home Affairs [Mr. Rohee]:** Mdm. Deputy Speaker, I would like to ask that the Hon. Member is given fifteen minutes more to continue his presentation.

*Question put, and agreed to*

**Mr. Hinds:** Co-location would be a new word to many of us; it was new to me until I got involved in this business. It is seen when telephone lines are strung on electricity poles. That is an instance of co-location. But then it can get very difficult when we talk about access to the last mile and local loops and so on. It is extremely technical and, maybe, it is only for those who have been really involved in the business. But we do believe that our provisions in this Telecommunications Bill are supplemented by the regulations, creating comprehensive detailed and enforceable set of rules for the interconnection and access between and among operators and service providers. For example, operators will be obliged to provide interconnection and access

and the PUC would be required to mandate the terms of interconnection and access if operators and service providers do not reach agreement, by themselves, on terms within specified time limits. We will see, too, that an agreement that is made between two operators become known, published and become available to others, also.

There is provision for universal access and universal service. This speaks, particularly in our Guyana situation, to areas, particularly hinterland areas, - less densely populated areas - where the usual economic considerations of potential number of customers and their spending rate would likely not create a favourable regime for investment. The feasibility studies would come out negative. For such situations we have, again, put in provisions which are very common, too, in other jurisdictions for providing universal access. There is provision for universality fund to be contributed to by telecoms by telecommunications undertakings. The telecommunications agency working with the Minister, would from time to time determine what service is required in areas which are not attracting the normal market provisions. And we would advertise. There would be an advertisement inviting offers to provide that service at certain costs, with a certain amount of subsidy, and, generally, the provider that would provide the service of the right quality and specifications would win the bid. I should say a capable provider who bids the lowest to provide that service in that un-served area would generally win the bid and would receive the subsidy to provide that service.

There are in the Bill provisions related to spectrum management and provisions related to competitive safeguards. Some of those provisions deal with the special handling of the special arrangements for cases of dominance and co-dominance.

There are provisions relating to consumer protection.

There is a part that deals with offences and the penalties that those offences would attract. There is, as one would expect in such a significant change, transitional provisions and these are of a number of types. There are provisions for an orderly transition from the existing legal regime and to the new one. In the very first provision in the Bill, it says that the Act will come into force at a certain appointed date and there is provision for different sections of the act to come into force on different dates.



For some of the difficulties which, we perceive, relating to issues, as I mentioned earlier, of co-location and terms like unbundling and so on, we have also the opportunity to bring them in at the appropriate times. In our transitional we have made adequate arrangements for transitioning.

*3.20 p.m.*

We also have to take account of the total evolving legal regime, the coming into being of Competition and Fair Trading Act and the Consumer's Protection Act. In here there are some provisions which give the mandate in matters of telecommunications services to the Public Utilities Commission (PUC). We also have transition issues with regards to the National Frequency Management Unit (NFMU) and generally all the assets, contracts, liabilities and so on of the NFMU are transferred to this new agency. In the case of employees, however, they are not transferred. They are to be dealt with fully in accord with their contracts of employment with the NFMU. They can apply to the new Agency.

Mdm. Deputy Speaker, there are a number of speakers coming after me; before I close let me refer to the consequential amendments to the PUC Act which we will address subsequently to completion of the second reading of this Telecommunications Act 2011. I have coming behind me a number of other Members, on this side, who would speak more to other issues of this transition that we are making today. Let me close in affirming again that on the one hand this is a big step that we are taking today and on the other hand this is a timely step that we have made great strides over the last 30 years that in making this transition now, the distances are smaller we had experience in a competitive system already in the area of cell phones services. While I think that this is a truly transformative step in many regards it is also a step of continuing growth and development and we should expect no disruptions. We should ensure that we manage this transformation so that there will be no disruption in the telecommunication services which our country and people now enjoy. Mdm. Deputy Speaker I close and beg that this Bill be read a second time. [Applause]

**Mr. Lumumba:** Mdm. Deputy Speaker, I am very pleased to stand here today to support this Bill for many reasons. There are some fundamental things about this Government and the party that represents this Government. One of the fundamental things about this Governmental Party is

the fact that we believe in equality, the fact that we believe in whatever we do must also be in the interest of the people and the interest of the working class.

We are not here, today, to focus on the Guyana Telephone and Telegraph company (GT&T), we are here to focus on the principal of monopoly. Monopolies started a very dangerous calamity and I think it is very important .There are many people or many citizen today who would ask why we are doing this? Some may think it is anti AT&T thing, some people might think it is that so it is important we let the public know the position is against monopoly and visions is a phenomena historically in the world not only Guyana. I spent some time to study this issue of monopoly. I picked up some information. It says: "a company or group who have exclusive control over commercial activities providing a good service, for example; if I have a mango tree in my yard and the Government said you must only buy Herman mango but my neighbour has bigger mangoes that tastes better, makes you feel stronger and healthier. Yet you cannot sell that mango because we only have to buy Herman mango that is the danger of a monopoly system, it is a dangerous system. Of course my Cde. Mr. Ramson, does not have a mango tree.... In economics monopolies exist when a specific individual or enterprise is the only supplier of a particular kind of product or service. Monopoly is always categorised by the lack of economic competition to produce the goods or services and lack of buying substitute good. The law refers to process by which a firm gains persistently a larger market share as what is expected of perfect condition...."

**Mdm. Deputy Speaker:** Hon. Member can you please tell us where you are reading from?

**Mr. Lumumba:** Oh sure. I am reading from: [www.answer.com](http://www.answer.com) topic monopoly. I took it off the internet. Is that permitted? Ok

**Mdm. Deputy Speaker:** Go ahead.

**Mr. Lumumba:** When not legally coerced to do otherwise, monopoly typically produces few goods and sells them at higher prices than those other firms in competition to maximise profits at the expense of consumer satisfaction. Sometimes the Government legally decide that a given company is a monopoly, and sometimes that is necessary to serve the interest. For example, the present monopoly system...that authority was put in place by the government- unfortunately it was the PNC government... I am not trying to name any government but the fact is that

monopoly came about recently because of the PNC. Governments sometimes force companies to split into small independent corporations as in the case of AT&T in the United States.

The other aspect of monopoly that we have not looked at is the question of pricing: price discrimination and capturing of consumer surplus. Improved price discrimination allows the monopolies to gain more profit by charging more to those who want to weigh the profit or who has a higher ability to pay. I emphasise this point because I want us to be clear that the issue today is breaking the monopoly and the tentacles of oppression that comes with a monopolistic system or a monopolistic entity. For example, more economic text books come from the United States than in third world countries like Ethiopia. In this vein the purpose of using the Government granted copy right monopoly to price discrimination between wealthy economic students and poor economic students. Similarly, more patented medication come from the United States than in other countries with a poor customer base.

Perfect Price discrimination will allow for the monopolistic to charge a unique price to each customer based on the individual. This would allow the monopolist to extract all consumer surpluses off the market. Note that while such perfect price discrimination is still a theoretical culture, it has become increasingly in the advancement with information technology and micro-marketing. Typically a highly general price was listed and various market segments get various discount. This is an example of failing to make the purpose of charging some people higher prices more socially acceptable. We also have to look at the pricing with market power. Price discrimination is charging different consumers different prices for the same product when the cost of serving the customer is identical. Actual price discrimination, each customer bares the same price. The purpose of price discrimination is to capture consumer surplus and transfer it to the producer. Price discrimination is not limited to monopolies, of course.

The purpose of price discrimination is to earn higher profits by capturing surplus and transferring it to the sector. There are three conditions that must be present for a firm to engage in successful price discrimination. First, the firm must have market power. Second, the firm must be able to structure customers according to their willingness to pay for the goods and third, the firm must be able to prevent resell. If you look at the monopolistic structure of GT&T prior to the induction of Digicel, it was very difficult for a middle man to come into the business. Everything had to come through GT&T.

Market power is the power to raise prices without losing all of the customers. Again, if you control the market you can raise prices anytime you feel like. –Enforcement: a firm which practices price discrimination must be able to prevent middle level ... or capturing consumer surplus themselves. The firm that accomplishes this must be ... resale again. This goes back... I think earlier, Mdm. Deputy Speaker, the Prime Minister spoke about the various aspects of the Bill and some of the aspects of the Bill and the purpose of the Bill were to prevent resale of products.

It is important that we recognise that some historical companies have been involved in monopolistic practices and GT&T is in favour of that. For example, the Salt Commission, British East India Company, Dutch East India Company, Western Union was once a monopoly, the National Football in the United States- Baseball, the National Basketball Association. All these were monopolistic agencies.

Mdm. Deputy Speaker, the telecommunications industry touted as being non-competitive throughout the world but has experienced significant structural changes in recent years. In the United States telecommunication has been a regulated monopoly- a private company controlled by the Government and over sighting agencies. In other countries it has been, in many cases, still a state of semi agencies, however, the movement towards greater completion during the 1980s suggest that the telecommunication policy like other forms of public policy exist within a societal context and must change along with societal factors. Therefore, the changes in policy with greater competition, the form which that country has taken and the impact that will result can be reviewed as a function of societal forces. This also suggests that the environment stimulating competition in our region has expected benefits does not necessarily exist in other regions.

Movement towards Competition: the shift in telecommunications policy of a monopoly and the control of the monopoly regulation and competition can be found in two forms. In the United States it took the form of a regulation and the breakdown of (inaudible) monopoly and in the United Kingdom

In that case, through the world including the major capitalist country in the world, the regulation and anti-monopolistic practices has been enforced. We should not feel different in Guyana that,

for some particular reason, we might be giving our money to one particular company. It is happening all over the world today. The 'Granddaddy' of communism in the world today, is communist China. And I want to make this point: China is a communist country is moving towards liberalisation. If China can move towards liberalisation, so can Guyana. Recent policy developments determined by the Peoples Republic of China are encouraged to participate in monopolised industries. The Minister of the Ministry of Industry and Information stated in an interview in September, 2010 that the F&T is currently looking to involving private enterprises in the telecoms industry. Could this mark the beginning of further liberalisation of the telecoms industry?

What are the developments? In the hope fostering greater input from private enterprises in various sectors and industries the ... issued a set of opinions entitled "Opinions on Encouraging a United and Healthy Development of Private Investing". The construction of telecoms facility was one of the key equity development or equity .... in basic telecoms business and the setting up of .... Subsequently, the State Counsel also issued opinions on the enhancement of mergers and acquisitions of enterprises .... This set of opinions aimed at regulating the (inaudible) of merging and acquisition through several (inaudible) and in particular a lasting (inaudible) with private enterprise and funding mergers and acquisitions in the structural sector. This is important-if countries like Russia and China can move into anti-monopolistic practices, so can we in Guyana.

In closing, I want to join my colleagues who have made a clear case for the liberalisation of the Guyana Telecommunication Industry. Any form of monopoly must be seen as an oppressive economic tool that is bent on the manipulation of the free market in order to benefit a single entity or a specific group. In the case of Guyana's monopoly imposed by a provincial, backward PNC regime and one that could .... Guyana, today remains one of the two Caribbean countries that lack a full liberalised telecommunications sector. As I said, even the great State America has moved towards some form of liberalisation. If a grand.... (Inaudible) why not Guyana. The domination of the telecommunication sector by GT&T of over 20 years has been a historical transition ... the company made it difficult for ordinary persons to gain mobile communication and when they did, the cost was high. GT&T also profited billions over the years and we have not seen any fundamental improvement in the technology with the enormous accessed profits. On the other hand when DIGICEL entered the market on February, 14, 2007... [audio distortion]

**Mdm. Deputy Speaker:** Hon. Prime Minister what do you call that?

**Mr. Lumumba:** when DIGICEL entered the market on February, 14, 2007 the average price for a local call was close to \$50, it is now \$20 or less. With this overnight reduction of 50% one can clearly see a monopoly as an unfair system. Another example is, the application fee was \$4500 and now both GT&T and DIGICEL by means of advertising stunts have dropped the price for sim-cards to almost zero cost. One can now receive a handset for \$5000 as opposed to 10 and 50,000.

Mdm. Deputy Speaker, do I really have to say more? Do I have to really show that the PPP/C is champion of this country while the PNC are the friends of the economic oppressors of this great country? (inaudible) endorsement of the monopoly. The minimum level of open competition by the introduction of DIGICEL to the local market had resulted in the development of mobile service in most parts of Guyana. We are now a better country because of that small change in competition. In the Mazaruni and other isolated areas in Guyana one can now make contact with family and friends. Open telecommunication within the market has an impact in the education of our children. It is believed that to rent internet system will move from \$10,000 to \$1000 per month with the liberalisation of the telecommunication industry.

Mdm. Deputy Speaker, do you believe that with only GT&T we would have the level of blackberry service that we now have in Guyana. It is clear that the time has come for us to end the telecommunication monopoly in Guyana. It is time that the rich give way to the poor and the working class. It is time that we, the Members of this Parliament, support the banner of justice and crushes the head of the monopoly; it is time that we allow Guyanese to enjoy the true freedom and liberty. It is time to end the monopoly. Thank you. [Applause]

**Minister of Home Affairs [Mr. Rohee]:** Mdm. Deputy Speaker, when a country and the Government of the day make the decision to move in the direction which this Bill seeks to take the nation it must be recognised as a historic occasion. The Bill must be recognised and described as a flagship; this Bill, the significance of which must not be underestimated... I believe that while those of us who are presently in this House at this point in time recognise the significance and the importance of the Bill that is currently before this House, it probably would not be until many years would have passed, when future generation would recognise the

importance and the significance of this Bill. Because it is they who will eventually become the beneficiaries of the various aspects of this Bill. When I speak about the people, I speak about our people, irrespective of the social, political or economic organisation of which they are in.

Guyana has come a very far way since the 1980s when the communication sector in this country was in a very poor state. Thinking about the infrastructure, as well as the service. Those of us who were acquainted with, not technically speaking, the communication sector but who had to utilise the various means of communications that were at our disposal in those days, would know that to make a phone call in the 1980s one had to call GT&T to book the call to be made at a certain time and on a certain day. To send a cable one had to go down to a building- this was at the ground floor of the Bank of Guyana building. There were difficulties in making overseas calls; there were also problems in audibility- some times while making overseas calls you could not hear the person. There were problems with the speed of connectivity. I make these points simply to illustrate where we were in the 1980s and where we are in 2011. The country has reached a stage where it has become necessary to embark on a transformative process vis-a-vis the telecommunications sector. Why do I say so? This is so fundamentally speaking because development in Guyana is moving at a rapid pace. The world beyond Guyana is moving at an even more rapid pace and for Guyana to be part of the international global telecommunication market we have to move in this direction. To do otherwise would be a disservice to our people. In this respect I congratulate the Hon. Prime Minister for bringing this Bill before this Hon. House.

There has been, over the years, tremendous infrastructure development in Guyana which occurred even after the privatisation of the telecommunications company in the 1990s. The country has seen fixed access line going from 11000 in 1990 to 147000 customers today, while the cellular service which did not exist in 1990 now has 300,000 customers, particularly with the GT&T network. This network is completely digitalised and all subscribers have full international broadband connectivity. GT&T, the blues as the Prime Minister referred to, marketing strategies and activities were fully exposed when other competitors entered the market starting with *Cell Star* which was the predecessor of Digicel-now rebranded as Digicel Guyana Ltd. The Bill before us, when compared to the Telecommunications Act No. 27 of 1990, is much broader and has more sweeping powers. This is aimed at changing the telecommunications sector. The 1990

Act, as the Prime Minister mentioned and I will reinforce, has 61 sections, this Bill has 95 sections. That attest to the fact that...it is not only a question of the number of sections, it is a question of complexity of the issues and the changes which have taken place in the sector. These imposes a further re-administration, they need to take those changes into account and have them reflected in a much more comprehensive, wide ranging and authoritative Bill like is before this Hon. House.

Perusal of the Bill will show... there is a crucial section of the Bill which captured my attention.

*3.50 p.m.*

That section has to do with prices and dominance, interconnection and access, spectrum management, numbering and domain main management. These could be seen as technical matters on the surface, but when these aspects of the Bill become enacted we will then be able to understand, for those within the public who have an interest in this matter, we will recognise how significant they will be for business and other forms of communication activities in the country.

If there is one thing that this Bill will do from a social point of view is the creation of jobs. This Bill in my view will create a whole range of job opportunities in this country. It will allow persons to use the internet to the fullest. This is extremely important for any developing country who wants to move rapidly on the super-information highway. Job creations will come about as a result of new players in the telecommunication sector; this is important for a developing country such as ours. In other words, a lease of life will be given to the telecommunication sector with the introduction and the eventual enactment of this Bill. A new generation of entrepreneurs in the telecommunication sector will emerge. It is inevitable. As long as we see the emergence of a new breed and generation of entrepreneurs, we will concomitantly see job opportunities emerging, and this is extremely important for us.

The realisation of the many sectors in this Bill will give great comfort to many citizens, in that it will allow them to communicate more freely and more frequently will family, relatives and friends in other countries vis-à-vis internet and vis-à-vis other facilities which this Bill will facilitate. A perusal of the Bill will make one be convinced that the cost factor in telecommunications will be greatly reduced. This would have easily come about with extremely intense competition in the sector, as we saw with Digicel coming into the telecommunication



sector albeit in a limited way, we saw the great benefits being derived from competition. With the introduction of this Bill, competition becomes more intense and healthier due to the regulatory aspects that we will subsequently deal with which will obviously redound to the benefits of the population since cost will be affected positively.

If in the past, or if currently, we have rather limited access to the internet, this Bill will allow greater and unlimited access to the internet. If in the past as we are currently shattered by certain provisions in the current dispensation vis-à-vis the communication sector, this Bill will make it more unlimited. I emphasise the opportunities that will be created. It is left for those who will be actors and players in this sector to take full advantage of the opportunity that will be opened up in the sector.

The Bill and the other facilities and opportunities that will be opened up will facilitate persons engaging in activities in one country and another, from Guyana and other countries, engage in such ventures as distant learning. People will be able to communicate more directly with each other, and the development of skills will open up in this respect.

There are other aspects of this Bill which I believe will be important for us to pay attention to. I refer for example, to section 19(1)(i) where it states:

“subject to the provisions of this Act, the Minister shall regulate the use of the spectrum by any person, including ships aircrafts and other vessels whether registered in Guyana or other jurisdictions.”

This of course is an extremely important clause; it emphasises the wide ranging nature of the Bill. In addition, if we look at section 19(1)(k), it says:

“subject to the provisions of this Act, the Minister shall give to any person/s such directions or take such other actions with regards to telecommunication and the spectrum as may be deemed necessary in the interest of national security, public order, or relations with the Government of a foreign country or territory.”

It shows that the architects of this Bill had a vision, and the administration had the vision to recognise that in putting in place a Bill of this nature, National Security interest had to be borne in mind.

I refer further to section 26(1)(d) of the Bill which attracted my attention, which states, “that notwithstanding any provision of this Act the agency may require any person operating a type of telecommunications network or providing a type of telecommunication service that is not required to obtain licence for exemption under section 23 or 24, whichever is applicable, must”, and then it is broken into “a” and “b”. It goes on to section 26 which says, “every licensee shall upon written request made by the Minister and subject to any written law, cooperate with the Minister in matters of National Security and Public Order”. Here again the Bill is visionary in the sense that it recognises that instances and situations may arise that will require the Minister to act in a manner and to make a request to those who may have been granted a licence, to cooperate with him in matters of National Security and Public Order. We have seen in other countries where this matter somehow or the other was either overlooked and countries have now recognised the importance of placing such issues within the law.

Mdm. Deputy Speaker I crave your indulgence to refer once again to section 31(1)(e) of the Bill where it states, “every authorisation holder shall upon request made by the Minister and subject to any written law, cooperate with the Minister in matters of National Security and Public Order”. In other words, the Bill imposes upon the authorisation holder not to be a free agent in a situation where national security and public order is to be disrupted or stands threatened to be disrupted. A Minister in this Bill has the authority to call upon every authorisation holder to cooperate in the Minister in matters of national security and public order.

In section 84 the Bill then states, “notwithstanding any other provision of this Act, the Minister may take any action he deems appropriate with regards to the telecommunication networks, communications services, or use of the spectrum of a radio communication equipment operated or provided by persons not located in Guyana. This is manifestation of some *extraterritoriality* to the extent that such network services or use of the spectrum of communication equipment, (a) competes fairly or otherwise jeopardises the operation of communication networks or the provision of telecommunication services, or the use of the spectrum of major communication equipment in Guyana or between Guyana and any other location, or (b) are being operated or provided in a manner that is contrary to the public interest, national security or public order. You may have persons who are operating these facilities that are mentioned in the Bill and contrary to

the laws. This provision therefore enables the Minister to take action as he deems fit, thus giving him wider powers to deal with this matter in the public interest.

Finally, in section 88(1) the Bill gives the Minister power to, I think this is an extremely important section of the Bill, it states:

“where the Minister deems it necessary due to national security or the maintenance of public order or a state of public emergency have been proclaimed by the Minister or President as the case may be, may: (a) authorise the taking of possession and control by the Government of any facility, telecommunications network, telecommunications service or a portion of the spectrum and use it for the Government’s services or purposes or for such other use he may determine in the nation’s interest.”

In other words, the Government now has the authority if a person misuses these facilities to take possession of them and to use them as the Government sees fit in the interest of the State.

The Intercept of Communications Act which was passed in this House in 2008, we find at section 89(2) a savings clause for the Intercept of Communication Act. In other words the Telecommunications Bill No. 18 of 2001 could be described as consistent with the Intercept of Communications Act and provides for the savings of that Act in its entirety. There is no conflict whatsoever between the Intercept of Communications Act and this new Bill that is before us. I wish to once again congratulate the Prime Minister for bringing this Bill which is extremely timely before this House and to commend it for positive consideration. [Applause]

**Mdm. Deputy Speaker:** Hon. Members this is a convenient time to take the break. The House is now suspended for one hour.

*Sitting suspended at 4.04 p.m.*

*Sitting resumed at 5.08 p.m.*

**Mr. Nandlall:** Mdm. Deputy Speaker I rise to make my contribution and to offer my support to the Prime Minister on the Bill that is before the National Assembly. It is important that we first recognise that this Bill in my humble opinion is long overdue. It is long overdue because the world in which we live in is one that is radically different from every other epoch in the history

of mankind. It is a world that is highly sophisticated, highly technical and highly complex all as a result of the advances which have been made in the realm of technology. This Bill, for the first time in a massive way seeks to bring fundamental regulations to a sector which has hitherto have been virtually unregulated, that is why this Bill is of great importance and significance. From the size of the Bill itself it is patently obvious that it is a very expansive piece of legislation, and anyone who has read it would obviously conclude that it is a very technical and highly specialised piece of legislation. Perhaps to appreciate the importance of this Bill we should situate it in a particular historical context. We do not have to go very far back; all we need to look at is what the telecommunication sector was in Guyana twenty five years ago, a time that is obviously within the living memory of all of us.

The telecommunication sector in Guyana twenty five years ago bears no comparison to what exists today. The sector was absolutely controlled by the State through the Guyana Telecommunications Corporation. Minister Rohee alluded to the state of the sector at that time. Firstly, less than ten per cent of the people of this country had access to telecommunication services. The service that was available was radically different from that which exists today. The service which was available then consisted largely of landline telephones. Reference was made earlier by Minister Rohee of the arduous task that one had to undergo if one wished to make an international telephone call. You were required to send your number to Telecoms and wait sometimes a day or long hours before a connection is made by the operator to that number before you can get through to make that call. You then had to deal with the exorbitant prices for the cost of making those calls. The cost of making international calls at that time was way beyond the affordability of most Guyanese. The sector then was confined largely to person to person calls and a limited number of PBX (Private Branch Exchange) exchanges. That was the state of the sector in Guyana 25 years ago. In 1990, with GT&T's entry into Guyana, we saw the beginning of a telecommunications revolution in Guyana. I think that it is public knowledge that the entry of GT&T into Guyana brought with it its own controversies, the contract under which they came is clouded up to today with controversy and all types of political implications. The contract is today still described as a sweetheart deal. I think US \$16 million was the sum, and they had about half of the money in the bank accounts of the company. The land and buildings which they bought alone could have covered the cost of the contract. That marred the entry of GT&T.

We then had GT&T enjoying a very monopolistic control over the sector for a long period as stipulated by the contract. The Hon. Member Mr. Odinga Lumumba held at lengths with the monopolies and the evils of the monopoly. In 1990, though we had massive changes taking place with the entry of GT&T, we had limitations under which the telecommunication industry functions in this country. After years and years of negation this Government was able to extract from the monopolistic situation a concession whereby a license was issued to a competitor, but only for the provisions of cellular service. About a decade ago or there about, you had the advent of Digicel. Immediately, we as a people and a country recognised the benefits of competition and the break from a monopoly. What happened immediately, was you had massive investments made by Digicel, immediately jobs were created, immediately GT&T in a more competitive environment had to respond in kind, and they also had to make massive capital investments. Many of the promises which they had made and which they were refusing to fulfil in terms of extending their services to unserved areas, they were now forced to do so. The price for the telephone service significantly dropped, and ultimately the people of this country benefited from a far superior service at a more affordable rate. That in a nutshell is what the situation was up to five or six years ago. It continues to grow. Today the position is that almost every adult Guyanese owns a cellular phone. Over eighty percent of people living on the coast have access to landlines in their homes.

We then have the advent of the internet and the whole highway of technology which goes with that. What we do not have is the necessary regulatory framework to control this highway of technology. We have a proliferation in this country of internet service providers. We have all manners of companies and businesses offering international calls and all sorts of internet services without any regulations. We have GT&T operating and we have Digicel operating, but because Digicel and GT&T are huge companies they operate under a licence. They are regulated. They operate at great expenses and capital investments. They operate in a very odd equal environment. They themselves have recognised that and have been calling on the Government to bring the necessary regulations and regulatory mechanisms into place to create a more levelled playing field. We as a Government recognise the importance of regulating the environment; that created the basis for us to negotiate with GT&T to penetrate the exclusivity and the monopoly which they enjoyed over the sector. Hence, after years and years of negotiation and after long consultations with all the sectors involved we have arrived at a situation where everyone have

agreed that we must regulate the environment. We must regulate the environment to make it more competitive. We must regulate the environment to make it more liberal. We must regulate the environment to make it more liberal and modern. We must regulate the environment so that the people ultimately of this country can enjoy a better quality of service at a more affordable price. It is in that context that we must situate this Bill.

The Bill has certain salient concepts. It is too big a legislation to go into clause by clause; rather it is more convenient to treat with the concepts which this Bill embraces. The important concepts as I see them, which this Bill embraces, are: it liberalises the sector. It makes the sector more open, freer and more conducive for competition to take place. As I have said before, we have seen the massive benefits which accrued from competition in relation to GT&T and Digicel. Those are only two competitors; imagine what will happen when there are more players with more significant investments to be made in the sector. The Bill also sets up and establishes a licensing regime in which all participants in the arena must subscribe. This brings under control of the Government and regulatory body established by the Bill all the players, so that no one can operate after the implementation of this Bill without a licence and without satisfying certain criteria and certain requirements. Often times we hear Governments being accused of being unaccountable. The same must apply to the private sector, especially the private sector that provides a public utility. All over the world that is the position, because public utility is recognised more and more as an important and salient right of the society. Therefore, this Bill and the one that comes after it, the Public Utilities Commissions Bill, brings a regulatory framework to capture the operations of all the participants in the sector. It vests powers in the Minister to take charge of the sector after consulting with the agency and the actors in the sector.

*5.24 p.m.*

Now, critics of the Bill may argue that there is a large repository of power invested in the Minister. I have thought of it and looked at similar legislation in other countries. Because Guyana is somewhat behind that is why I say this legislation is long overdue. This regulatory framework is already in place in legislative form in various countries in the Caribbean. The Organisation of Eastern Caribbean States (OECS) has it; Jamaica and Trinidad and Tobago have it.

The legislation offers two models: one where the power is repositied in the Minister and the other where the power is repositied in an agency. We have chosen the one where the power is repositied in the Minister because the empirical data shows that when the power is repositied in the agency - because I suppose of the exigencies of the operations of the agency - it becomes a very bureaucratic overload and results in inefficiency in the functioning of the sector.

When there is a Minister, a singular person in authority, the empirical data shows that for those countries which have this type of model the sector functions more efficiently. So, this Government has chosen efficiency over a top heavy bureaucracy.

One may argue that repositing all this power in the Minister is a bad thing. That is a regular argument advanced against anytime we pass a Bill in this House that repositis any power and authority in a minister. But Mdm. Deputy Speaker, you are a lawyer, and you know that no matter what linguistic formulation is used by the Parliament or ...to invest in whatever power, however wide it may be, be it a Minister or a statutory authority, irrespective of how untrammelled that power may appear, or how wide a discretion there may be, the courts over the lasts two hundred years have always found a mechanism to penetrate and control the exercise of that power. Today, discretionary power must now be exercised according to certain established principles. The person with whom the authority is vested in must act in accordance with the rules of natural justice. This Bill, in several instances, the Minister is enjoined to consult and take into account the views of persons who would be affected by any decision the Minister makes. The public authority is enjoined to act reasonably having regard to all the circumstances. What is reasonable in law is a huge debate on the clearly defining principles. The public authority must always take into account relevant considerations. The public authority or minister must always act only in good faith, must not act with a bad or ulterior motive, and must only be influenced by relevant and not irrelevant considerations.

This Government has gone so far as to pass the Judicial Review Bill in which we have put the review of the exercise of those powers on a statutory footing. Anyone who believes that a statutory officer or a Government Agency or a Government Officer or a Minister of the Government is acting in excess of his authority, or is abusing his power, or is exercising his discretion wrongfully, we have passed the legislation for the citizens of this country or any person aggrieved to go to a court and challenge the exercise of that authority. The fact that this

Bill vests power in the Minister, there is nothing wrong with it. There are sufficient legal mechanisms which we have established to ensure that there is proper scrutiny and control of statutory power.

Another important aspect of this Bill is that it speaks directly to pricing. Anytime we speak about a service to a people, one of the most important factors which must be taken into account is the price at which that service would be sold to the people who are to purchase it. This legislation in a very commendable fashion leaves that very vital issue of pricing to the market forces. Oftentimes we in this National Assembly are accused of control. Here we must be complemented for leading an important issue of pricing to be determined by the factors out there affecting the marketplace. That I believe is an important factor because in determining the prices the more competition the lower the prices. That is the end result of this type of freedom, this type of economic and financial freedom, which we are giving to the sector in Guyana. Of course, inherent in that freedom, and expressly stipulated in the Act are also regulations which will ensure that dominant actors in the industry do not exploit their economic superiority in the industry. So while on the one hand we are saying that market forces are the determining prices, we have regulations and mechanisms in place to ensure against exploitation. This is another important and very salient feature of this Bill.

Mdm. Deputy Speaker, the Bill also expands the regulatory role of the Public Utilities Commission. That is why the Bill which immediately succeeds this Bill for discussion this evening is a Bill that expands the Public Utilities Commission (PUC), so that its jurisdiction and authority is expanded proportionately to the extent of the expansion we are bringing to the sector.

What is the important role of the PUC? The important role of the PUC is many fold, but most significant is that it offers a forum for persons who are aggrieved to go and ventilate their grievances. It allows for the PUC, whenever a situation of exploitation is pending, to step in and to regulate. It also offers a mechanism whereby the actors, the participants in the industry, could go to the PUC, go to a forum outside of the adversarial system which the court offers, and try in a mediatory fashion, to work out beforehand the resolution of any impending dispute.



This Bill has very, very important concepts which it engages. While it encourages expansion, most importantly, it ensures that those who are currently in the system do not suffer any undue advantage as a result of the new entrants that will come into the sector.

Mdm. Deputy Speaker, I think this is a Bill whose time has now come. I think this Bill is inevitable. I think this Bill is necessary to regulate that which is today unregulated, so that we can have a progressive telecommunications sector. This Bill places us on par with almost all the leading countries in the world which are taking cognisance of and are changing its architecture to facilitate and conduce with the rapid change of technology which is taking place internationally. I have no difficulty whatsoever in supporting this Bill. [Applause]

**Mr. Ramotar:** Mdm. Deputy Speaker, a lot has already been said on the merits of the Bill, all of which I agree with. I do agree that this is a Bill whose time has come. As you know, in our modern world the whole question of information technology and communication, bandwidth and all the other things, has taken on a significant role in the development of any society. If we are to modernise our society, modernise our country, it seems to me that this Bill is indispensable for us to do so.

My good friend, the Hon. Member Odinga Lumumba spoke about the monopoly and the evils of some monopoly; reference was also made to our own experience in that regard. Therefore, particularly in a sector like this that has become so vital for social and economic development, it seems to me that for us to have the maximum benefit from this telecommunication and information technology today, it is necessary that it be liberalised, which this Bill is trying to do. It offers us huge possibilities.

In the first place, lowering the cost of bandwidth through competition will allow Guyana to catch up with the rest of the world, as telecommunications operators will have to look at value-added services and differentiate their businesses if they are to advance and survive. Therefore, we can expect that new services will be added to what we already have. Within a liberalised environment it is clear that we can very well attract more investment into to the sector and create much needed employment in our society.

It is said we have a big advantage because we are an English speaking country. We could use more of this type of technology to earn and enhance the revenue of our State. Already we are

seeing a sizable amount of persons employed in some call centres that are springing up in different parts of our country and creating employment. This could also create a high level type of employment with the infrastructure that is now being put in place within the society, and at the same time not only the infrastructure, but also the liberalisation with the infrastructure could make us have access to higher employment.

Today we hear about a country like India which has become one of the driving forces in the international economy. One of the reasons it has become such a driving force in the international economy is because it took advantage, and at a very early period got its act together as far as the information technology process is concerned. Today India has become not only a major area where a lot of work from the more developed parts of the world is outsourced - like accountancy, engineering and several other high level type of jobs – whereas India has now become a force to be reckoned with in the area of information technology.

We, as I said, have now a fairly highly educated population, and are investing more into the education sector. We are building the capacity of our people by building tertiary education.

As you know, Madam, our intention has been made clear, on more than one occasion, which we want to see first of all, that we have universal secondary education in this country. We are almost there, and in the very near future we definitely will see universal secondary education in Guyana.

More than that, as our capacity increases it is very clear that we could use the main factors of the development of our country, is our people. It is very important, therefore, that we provide the framework, tools and infrastructure, to take advantage of the growing capacity of our people.

I think that we cannot speak about a modern society without speaking about modernising our communications sector. This Bill, the whole intention of this Bill, is focused to ensure that it creates the laws, that it has the facilities and framework, for such modernisation to take place in Guyana.

Apart from the big companies that have been spoken about so often this afternoon, this Bill will encourage small operators to develop and compete. It will also help with the regulations to ensure that we do not have remote parts of our country anymore. The Bill also provides that the regulations could be of such that all the companies, instead of putting the burden on one body;

could share resources to connect areas that are still not connected in our society. In that way there will be the opening of new prospects, new possibilities, for people in different parts of our Guyana, creating equal conditions. What we enjoy in this regard on the coast, we create equal conditions for those people who live far away from the coast, and who only recently used to be described as living in remote circumstances.

I think this Bill will create a lot of that type of competition. It will bring on new and talented people to invest in business. Who knows, I am sure we probably have in our country people as talented as Bill Gates, and this could offer them opportunities to get into the international market where they could sell their services, earn for themselves and in the process of earning for themselves make a valuable contribution to the development of the society.

Mdm. Deputy Speaker, as I mentioned this resource, the IT resource, has become as important as our mineral resource and it is therefore necessary that we have regulations, fair competition, and a level playing field, so it can blossom, it can develop and make the contribution it could make to the whole process of modernising our society and making our country a better place. Thank you for your attention. [Applause]

**Mr. Hinds (replying):** Mdm. Deputy Speaker, Hon. Members, let me first thank my colleagues who spoke in support of this Bill, and each of whom put a particular view so that we could grasp in greater entirety the purpose of this Bill.

Let me say again that the purpose of this Bill is to provide for the establishment of a regular coordinated, open and competitive telecommunications sector. I say that in view of the great amount of acrimony, antagonism (bitterness even) which had, from time to time, punctuated the relationship of Guyanese, the Government of the day – the PNCR initially and then our PPP/C administration – with ATN/GT&T. I need therefore to emphasise that this Bill is not doing anything to ATN/GT&T. Our aim is to create a regime that would be good for Guyana and Guyanese, and also good, fair and even-handed, in dealing with all the participants in the telecommunications sector. I need to say again that the Government has nothing against investors making money.

Again, the PUC's mandate is to ensure that operators/providers receive adequate amounts of money. There has to be profits. If there are no profits there will be no new investors. None of us would invest in anything that would not have some flow of profits.

We have spoken to the introducing at this time of the idea of dominance in particular in our sector, where we would have sometime in the future a dominant person or two dominant persons in the provision of the major basic telecommunication services. But we do not think that this in any way diminishes what we are achieving here in setting up the regime for an open, competitive telecommunications sector.

There are a number of arguments which I anticipated maybe would have come from the other side. I take the opportunity to address them. There is an argument that what we have here is too large and not suitable to our circumstances; that it focuses too much on international practices. As I said before we did have an eye on international best practices, but at the end we have here a system that is attuned to our circumstances.

We have in the laws the provision for the PUC to bring everybody together in the sector to arrange for presentation by any or everybody on how they see the sector, how it is evolving at the time, where it might go, and the problems that one would anticipate. The annual information education meeting is, we think, something unique to Guyana. I could say that I particularly think it is suitable for us because we have a lot of arguments and bitterness we endure, because we do not have sufficient information. We are also very busy that we cannot go and seek out information. But if we work together annually, for a day or two, to speak about the telecommunications sector a lot of potential areas for differences, deceptions and contentions would be revoked.

We also have arguments that in going to this new regime we are making too big a jump. Some people read the law, and they read everything being applied on the commencement day. We have spoken before to the fact that there are provisions to bring in different aspects of the law on different dates. One particular area is the new and difficult issue of access to each other's facility, core locations and so on. We do not see an immediate insistence on this. In fact we are aware of the other arguments to promote security of telecommunications services in Guyana. We are aware of the argument of redundancies as we have done in bringing in the second new cable

from Brazil. We are aware that there is need for redundancy so we see the need for a complete building of two parallel systems across our country so in the case of anyone coming down due to a storm or any act of God then the service could be continued by the other system.

There have been arguments, I think particularly flowing from GT&T and its supporters, which we should not be looking to open the International Services from the commencement date. We have said to all the interested parties that we would be doing that from the commencement date. Indeed, we think that this step is timely. The opening up of international connections is probably now one of the biggest constraints on the telecommunications sector and the kind of economic activity which could flow from a fully open regime.

*5.54 p.m.*

We believe that, as both Guyana Telephone & Telegraph Company (GT&T) and Digicel have thrived with an open competitive mobile cellular system, all the participants in an open international connection connectivity system will also be able to thrive.

There is an issue about universality fund and whether it is unfair to some participants to contribute to a universality fund. We have heard arguments from both major parties and, in this one, they seem to both hold the same view, but we, as Government, are of a different view. We think that the important thing is that there should be a fund to support those parts of our country and the people living in those parts where there would not be an economic cake for providing certain kinds of services. We think that the fair way to do this is to choose a revenue flow to every operator in the telecoms sector and to put a levy on that flow to support the universality fund, which would support the national policy requirements for universal access.

There are also criticisms of the combination of fees – the total combination of fees – for authorisation to use spectrums and various sort of fees. Yes – just to put it – we have been looking at this issue. We have been aware of this issue from since in the year of 2006. We had, in particular, an expert from India for some time with us, and this is one of the areas he reviewed. The study showed that from around the world, taking account of the fact that in many large countries, different States had the power to have different laws in some of these areas. We found that the total take of all sorts of fees - licence fees and other kinds of fees - ranged from six per cent to sixteen per cent of gross revenues. What we have here in our laws could run at eight per

cent to nine per cent, quite well in that range, and maybe even slightly below the average of that range. So we think this is a fair and reasonable position.

There are a number of arrangements which exist, as of today, and which are always going forward, but which I have no doubt will change. In fact, I can say that I have sensed calls for change. The issue of terminal equipment and inside wiring, in the case of landlines, has been initially the responsibility of the landline provider, that is, the GT&T Company. In the case of the self-service, we can point out that the customer, in acquiring his handset, is already taking responsibility for terminal equipment. We expect that to provide competition terminal equipment and inside wiring will, in the not too distant future, be fully liberated and the traditional obligations of GT&T will go.

Similarly, with the question of responsibility for telephone directories, we still have the talk, nationally, on how telephone directories would evolve. Now, today, when there is, maybe, four times as many cellphones as landlines, how significant is a telephone directory of only landlines? Should we not now include, even if not on a voluntary basis, cellphone numbers in a directory? What about internet addresses, and so on? I would expect that the arrangements for telephone directories will evolve, but it must be subject to national discussions on where we would like to go on this question.

There was a question, too, put of capping fines, in which our law, now, with its clauses, has some amount, \$200 000, I think, in a number of cases, maybe, even \$500 000 a day for continuing fines. There is a position or argument being made that continuing fines should rise to some number and then be capped. We do not accept that. The easiest thing to do to handle a situation which is attracting a fine is to cease and desist from it. We do not accept the argument that there should be a cap on fines for continuing violations.

Let me say here that, over the course of time, we have had a number of meetings with AT&T, GT&T, Digicel and with the four major Internet Service Providers (ISPs), in particular. We had meetings last November and, maybe, two weeks or so ago. We did receive from them, on those occasions, some commentaries and we have taken them into account. To receive a view or a criticism, an alternative, is not to accept them. They are put to us for our consideration, we have considered them, and to the extent that we could accommodate them, we have accommodated

them. Not to have accommodated them, it is not to have considered them. In our last meetings we have offered to the major participants in this sector up to the 17<sup>th</sup> August to put further views to us now that we have laid particular documents here in National Assembly.

So as I move that this Bill be read for a second time, I will say that I would request that having been tabled that this Telecommunications Bill 2011 be sent to a Special Select Committee, which will concentrate and focus on the reviewed clause by clause, so that we will have it back to us very early in September. I think I should say here, too, that we expect that the Public Utilities Commission (Amendment) Bill 2011, which we should next address, should be sent to that same Special Select Committee as the two are very closely entwined.

Mdm. Deputy Speaker, I beg now that the Telecommunications Bill 2011 – Bill No. 18/2011 be read a second time.

*Question put and carried.*

*Bill read a second time.*

*Bill referred to Special Select Committee.*

### **PUBLIC UTILITIES COMMISSION (AMENDMENT) BILL 2011 – BILL No. 17 of 2011.**

A BILL intituled:

“An Act to amend the Public Utilities Commission Act.” [*Prime Minister and Minister of Public Works and Communications*]

**Mr. Hinds:** I have a short presentation here. The Public Utilities Commission (Amendment) Bill 2011 follows as a consequence of the Telecommunications Bill No. 18, in that, it will amend the Public Utilities Act as needed to conform with the Telecommunications Bill. These amendments are necessary so that, together, the two Bills will create a clear harmonise, transparent and non-discriminatory legal regime for telecommunications, with a level playing field for all the sector participants. The new regime is similar to that found in other countries worldwide, including most Caribbean countries.

Under the Public Utilities Commission (Amendment) Bill, the Public Utilities Commission (PUC) will continue to function as the economic regulator of the telecommunications sector with responsibility for ensuring a competitive environment, seamless in the connection and access between and among telecommunications networks, and price regulations, only where required, to protect consumers and competition with the expectation of greater choice, better service quality and lower prices for our consumers.

The PUC will carry out these functions, however, in a manner that is specific to the proper regulation of an open competitive telecommunications sector, something that the Principal Act, which is more appropriate for the regulation of monopolies, does not.

The Public Utilities Commission (Amendment) Bill accomplishes this by several means. First, it creates a new definition for “telecommunications undertaking, “which will now be a different term from the term “public utility” in the Principal Act. The added definition “telecommunications undertaking” is contained in a new section 3 (1) (k) of the Principal Act and it is the same definition for that term used in the Telecommunications Bill – that is any operator of telecommunications networks, provider of telecommunications services or other persons that are subject to the Telecommunications Bill.

The amendment to section 4 (2) of the Principal Act, however, ensures that only those telecommunications undertakings that directly or indirectly provide services to or for the public will be regulated by the PUC.

Second, the amendments acknowledge the existence of the Telecommunications Act, for example, by inserting references to that new Act, section 21 (1) and (3) of the Principal Act. These amendments will ensure that the PUC’s activities, with regard to telecommunications, are governed by both the Principal Act and Telecommunications Act.

Thirdly, the amendment Bill removes telecommunications undertaking from the Principal Act provisions on rates setting and quality, development and expansion of services and facilities. Instead the PUC’s functions and powers, in those areas, will now be provided for the Telecommunications Bill and seven sets of comprehensive regulations, anticipated and being prepared, to be promulgated upon enactment.



Under the Telecommunications Bill, and those regulations, prices will be set, in most instances, by the marketplace. However, under section 38 of the Telecommunications Bill, the PUC will continue to regulate the prices charged by telecommunications service providers that are capable of controlling the market, either alone or jointly with another provider, or that engaged in anti-competitive conduct.

Under Consumer Protection Telecommunications Regulations, the Commission will also continue to enforce the quality of service provided to consumers, as well as consumer rights, with regards to telecommunications services and the confidentiality of all users of such services. In addition, the Telecommunications Bill and the anticipated regulations address deficiencies in the Principal Act by giving the PUC new enforcement powers to ensure competition in telecommunications services and the integrated functioning of the sector.

Fourth, while continuing to require the PUC to give effect to the terms of a licence issued to a telecommunications undertaking, and any agreement between the Government and the telecommunications undertaking, this Bill eliminates from the Principal Act similar provisions regarding agreements between the Government and an investor in relations to the privatisation or capitalisation of a telecommunications undertaking. These amendments coordinate with the standardisation of the terms of licences, provided for under the Telecommunications Bill, which would achieve the level playing field that is the hallmark of any open competitive telecommunications sector. They also reflect the fact that the Government would no longer be reaching special agreements with investors in the telecommunications sector, which is also consistent with an open competitive marketplace for telecommunications.

For those who would have looked at the amendments and the Principal Act, we would see that most of the amendments have to do with introducing the terms “telecommunications undertaking”, along with “public utility”, so as to affect our intentions in the Telecommunications Act to make special provisions for the regulations of the telecommunications sector.

I move that the Public Utilities Commission (Amendment) Bill 2011 be read for a second time.

**Mr. Nandlall:** In 1999, the Public Utilities Commission Act was passed by this National Assembly and it established a Public Utilities Commission, a statutory authority which was established to bring under its regulatory control certain public utilities, of which the telecommunications industry is one of them.

Earlier, we dealt with the Telecommunications Bill and that Bill, Mdm. Deputy Speaker, as you have heard from several speakers and myself, has brought very wide-ranging and profound changes to the telecommunications sector. In order for the Public Utilities Commission to perform its regulatory role in a competent and efficient manner and to bring harmony between the changes, which we are now making in the telecommunications sector, it is necessary that we amend the Public Utilities Commission Act to bring those changes under the umbrella and operational control, and regulatory control, of the Public Utilities Commission.

The Telecommunications Bill and the Public Utilities Commission (Amendment) Bill are two pieces of legislation which are inextricably bound, because if we make changes in any of the public utilities in this country, and we want the Public Utilities Commission to continue to have a supervisory or regulatory role, then we have to modify, amend, expand or alter the powers of the Public Utilities Commission to the extent of the alteration that we are making to the particular public utility.

Therefore the amendments, which are before the House now, are simply to ensure that there is harmony as a result of the changes which we have made to the telecommunications sector to bring them under the control of the Public Utilities Commission.

In the circumstances, I support the Hon. Prime Minister as he proposes this Bill to be read for the second time.

**Mr. Hinds (replying):** Let me thank the Hon. Member Mr. Anil Nandlall and other Members for supporting this Public Utilities Commission (Amendment) Bill 2011. Let me move to request that this Bill be read a second time and say, again, that we intend to send this Bill to a Special Select Committee, the same one that would be set up to attend to the Telecommunications Law, 2011.

I now move that the Public Utilities Commission (Amendment) Bill 2011 be read for a second time.

*Question put and carried.*

*Bill read a second time.*

*Bill referred to Special Select Committee.*

## **COMMITTEE BUSINESS**

### **MOTION**

#### **ADOPTION OF THE INTERIM REPORT OF THE PARLIAMNETARY STANDING COMMITTEE ON OVERSIGHT OF THE SECURITY SECTOR**

“BE IT RESOLVED:

That the National Assembly adopts the Interim Report of the Parliamentary Standing Committee on Oversight of the Security Sector.” [*Minister of Home Affairs – Chairman of the Parliamentary Standing Committee on Oversight of the Security Sector*].

**Mr. Rohee:** Mdm. Deputy Speaker, with your permission, I would like to ask that the Adoption of the Interim Report on the Parliamentary Standing Committee on Oversight of the Security Sector be deferred to the next sitting of the House.

*Motion deferred.*

### **ADJOURNMENT**

**Mdm. Deputy Speaker:** Hon. Members, this concludes our business for today.

**Mr. Hinds:** Mdm. Deputy Speaker, I move that the House be adjourned to Thursday, 1<sup>st</sup> September, 2011.

*Adjourned accordingly at 6.18 p.m.*

