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vol. 2

DOCS
CA1 EA 89R27 ENG
vol. 2
McKenzie, Dan
Report on practical measures which
might be taken to increase trade,
investment and economic cooperatio
between Canada and

b2273056(E)

v.2

Form 675 G (5)
PROCEDE *Piasfax* R. PROCESS
MONTREAL TORONTO

Dept. of External Affairs
Min. des Affaires extérieures

DEC 19 1989

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OFFERS OF ASSISTANCE

REC#	Title	Firstname	Lastname	Company	Address	City, Province	Postal	Expertise
1	Mr. & Mrs.	A.	Barnes	1-416-573-9230	2783 King Street East	Hamilton, Ontario	L8G 1J3	Establishment of A.M. Radio facility.
2	Mr.	Martin	Borner, President	Montvest Realty Limited 1-416-842-4598 1-416-842-4600	506-345 Lakeshore Road East	Oakville, Ontario	L6J 1J5	International real estate brokerage and financing. Hotel, condominium, commercial, and retirement projects construction.
3	Mr.	Geoffrey	Briginshaw	1-416-277-0608	2053 Lorelei Road	Mississauga, Ontario	L5A 1C1	Professional Engineer, knowledgeable about electric power projects and water supply projects on several islands in the Caribbean from personal experience.

REC#	Title	Firstname	Lastname	Company	Address	City, Province	Postal	Expertise
4	Mr.	Frank	Cowan	Frank Cowan Company Limited 1-519-458-4331	1 Cowan Street East	Princeton, Ontario	M0J 1V0	Expansion of the Trade Wind Conch Farm on Providenciales to produce seafood for local consumption and export and to provide conch seed stock throughout the Caribbean; resource management and training islanders to manage facility.
5	Mr.	D. H. A.	Darrell	1-416-634-6534	304-505 Locust Street	Burlington, Ontario	L7S 1X6	Revitalization of the salt industry
6	Mr.	Bryan Leslie	Davies		P.O. Box 22180	Barrie, Ontario	L4M 5R3	Photography, slide shows, video productions.

REC#	Title	Firstname	Lastname	Company	Address	City, Province	Postal	Expertise
7	Mr.	D. Trevor	Davies	Teaching Master-School of Business 1-519-376-7114	Georgian College of Applied Arts and Technology 1150-8th Street East	Owen Sound, Ontario	N4K 5R4	Student exchange programs.
8	Mr.	Bill	Dingman	1-403-263-1279	Site 7, P.O. Box 45, R.R. #1	Calgary, Alberta	T2P 2G4	Purchasing of real estate for developing condominiums and resorts.
9	Mr.	John	England	N.R.S. Achievers Real Estate Ltd., Realtor 1-416-683-3783 Mr. England's address has changed to Hedersley Street, no confirmation as yet.	643 Kingston Road	Pickering, Ontario	L1V 3N7	Real Estate Services

REC#	Title	Firstname	Lastname	Company	Address	City, Province	Postal	Expertise
10	Mr.	R.	Finlay, Director	SHARE International School of Applied Technology. Mr. Finlay may be reached in Florida 1-305-782-1720 or Bermuda 1-809-295-5151. Address unconfirmed.	C/O The Ministry of Works & nd Engineering Division, P. O. Box H.M. 525, Hamilton HM CX, Bermuda.			Many and varied projects under general heading of Science, Home, Art, Recycling, Engineering.
11	Dr.	Wayne W.	Gamble, President	Farmwest Management Ltd. 1-306-244-8166.	219 Robin Crescent	Saskatoon, Saskatchewan	S7L 6M8	Feasibility & economic analysis, market analysis, policy review and evaluation, environmental impact, soil conservation, groundwater analysis, engineering, drainage, waste disposal & treatment, hydrology.
12	Mr.	Jean-François	Germain		1004-60 Bloor Street West	Toronto, Ontario	M4W 3B8	Video distribution projects and market consulting.

REC#	Title	Firstname	Lastname	Company	Address	City, Province	Postal	Expertise
13	Mr.	Gordon	Cobham	Brunswick Shipping Lines 1-506-847-8010.	P.O. Box 982	Saint John, New Brunswick	E2L 4E3	Shipping services to the Islands. Establishment of a marina.
14	Professor	Jim	Guy	Faculty of Political Science and International Law 1-902-564-4398.	University College of Cape Breton P.O. Box 5300	Sydney, Nova Scotia	B1P 6L2	Currently working on a project studying Canada-Caribbean relations.
15	Professor	Frances	Henry	Department of Anthropology 1-416-736-2100 extension 7099.	Faculty of Arts York Univer sity 4700 Keele Street	Downsview, Ontario	M3J 1P3	Conduct surveys.

REC#	Title	Firstname	Lastname	Company	Address	City, Province	Postal	Expertise
16	Mr.	Douglas	Hutchings		1409-201 Sherbourne Street	Toronto, Ontario	M5A 3X2	Importing (to Canada) tropical fish. Already in progress in another Caribbean locale. Willing to move to and expand operation in Turks and Caicos.
17	Professor	Bryce	Kendrick	Department of Biology 1-519-885-1211 (bus.) 1-519-886-0042 (res.)	University of Waterloo	Waterloo, Ontario	N2L 3G1	Biological research (neotropics).
18	Professor	John E.	Kersell	Faculty of Arts 1-(519)-885-1211 extension 3572.	Department of Political Science University of Waterloo	Waterloo, Ontario	N2L 3G1	Revival of the Salt Industry

REC#	Title	Firstname	Lastname	Company	Address	City, Province	Postal	Expertise
19	Dr.	J. D. H.	Lambert	Department of Biology 1-613-489-3222 (res.) 1-613-564-3971 (bus.)	Carleton University	Ottawa, Ontario	K1S 5B6	Agriculture Strategy.
20	Mr.	Michael	Lavigne		151 Noel Street	Moncton, New Brunswick	E1C 8V3	The forming of a regional chapter to deal with the concept of association. Assist in the dissemination of information.
21	Mr.	Orv	Lawrence	COMTEK 1-705-474-9729.	728 Eastwood Avenue	North Bay, Ontario	P1B 7V3	Promotional Work.

REC#	Title	Firstname	Lastname	Company	Address	City, Province	Postal	Expertise
22	Mr.	Earl A.	Levin	Earl Levin Consultants Inc. 1-204-582-6224.	133 Machray Avenue	Winnipeg, Manitoba	R2W 0Z2	Urban and regional planning.
23	Mr.	Graham	MacDonald	The Crocus Group, Heritage Planning Associates 1-204-772-1583.	752 Westminster Avenue	Winnipeg, Manitoba	R3G 1A5	Establish a Canadian-Turks-Calcos Institute, museums and other cultural facilities. The Group is prepared to engage in teaching projects, parks planning, tourism planning, and natural resource planning, etcetera.
24	Dr.	David	Makow	1-613-745-5623	14 Davidson Crescent	Gloucester, Ontario	K1J 6M2	Exploration of Thermal Energy Conservation. Development of the process whereby energy is extracted from the temperature difference between ocean surface water and water 50 feet below. Possible application of process in the Arctic.

REC#	Title	Firstname	Lastname	Company	Address	City, Province	Postal	Expertise
25	Mr.	Wayne	Mercer	1-613-992-9160. 1-613-748-9839.	516 Rivershore Crescent	Gloucester, Ontario	K1J 7Y7	International management skills in public and private sector tourism. Lived and worked in the Caribbean as tourism advisor to governments.
26	Mr.	J. D. C.	Morrison	1-416-270-4437.	1311 South Aldo Drive	Mississauga, Ontario	LSH 3E7	Establish a small tourist business.
27	Mr.	B. R.	Newman, President	Trojan Board Ltd. 1-204-233-7171.	400 Des Meurons	Winnipeg, Manitoba	R2H 2P1	Do-it-Yourself solid wood paneling and flooring products. Establish a base for the servicing of South American, Central American, and Caribbean market.

REC#	Title	Firstname	Lastname	Company	Address	City, Province	Postal	Expertise
28	Professor	William A.	Pershing	Faculty of Extension, Adjunct Professor, Faculty of Business 1-403-432-5540	University of Alberta	Edmonton, Alberta	T6G 2G4	Has developed tourism and hospitality courses. Anxious to be involved.
29	Mr.	P. J.	Powell, Senior Partner	Development Consultants 1-416-481-7410	302-90 Broadway Avenue	Toronto, Ontario	M4P 1T4	Analysis of potential agricultural initiatives.
30	Mr.	Mike	St. Louis	ASL Traffic Management Ltd. 1-204-632-6676, 1-416-827-4642.	2420 Speers Road	Oakville, Ontario	L6L 5M2	Shipment of goods (the most efficient service available requiring the least handling possible) from within a 30 mile radius of Toronto to Port of Providenciales Turks and Caicos Islands.

REC#	Title	Firstname	Lastname	Company	Address	City, Province	Postal	Expertise
31	Mr.	H. G.	Walker	1-613-728-5500	1821-195 Clearview Avenue	Ottawa, Ontario	K1Z 6S1	Establishment of a regional broadcasting network.
32	Mr.	Mark Roman	Warencya, Director	Product Concepts 1-416-921-4707.	620 Spadina Avenue	Toronto, Ontario	M5S 2H4	Import/ Export opportunities with the Islands. Presently applying to the Ontario Ministry of Skills Department for a loan under the Student Ventures Program to develop Canadian interests within the T & C region.
33	Prof. essor	Kenneth	Westhaus	Faculty of Arts 1-519-885-1211 extension 3660	Department of Sociology Uni versity of Waterloo	Waterloo, Ontario	N2L 3G1	Knowledgeable of the cultural and political aspects of tourism in the Caribbean. Able to participate in the planning of the project.

REC#	Title	Firstname	Lastname	Company	Address	City, Province	Postal	Expertise
34	Mr.	Anthony P.M.	Wilson	A. & A. Wilson 1-416-451-1222	19 Morpath Road	Brampton, Ontario	L6W 2Z3	Hospital Consultants Investment Counselor. Initiate a campaign to establish a clinic and/or hospital. Embark upon an indepth factual and unbiased report on future medical initiatives.
35	Mr.	Gary W.	Zebroski	Gary W. Zebroski, Architect 1-416-529-6777.	200-36 Hess Street South	Hamilton, Ontario	L8P 3M1	Shipment of school textbooks (used) from Canada to the Islands.

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MONTREAL - TORONTO



ARMAND ASSOCIATES

238 Davenport Road, Suite 242, Toronto, Ontario, Canada M5R 1J6

December 16, 1988

The Honorable Dan McKenzie
2180 Marine Drive
Suite 1600
Oakville, Ontario L6L 5V2

Dear Mr. McKenzie:

Following up on our telephone conversation; I may be able to offer certain resources and experience which could be of assistance to you, in your activities pertaining to the Turks and Caicos. First, let me offer congratulations on your new assignment from the newly re-elected Government...as for several years I have been one of those who believe that some form of permanent association between Canada and the Turks and Caicos could be beneficial to both. I hope that your recent appointment will prompt a serious examination of various options.

I am attaching a summary of my professional background, which involves extensive experience in the Third World, including the Caribbean region. There are certain perspectives on my contacts and know-how which may be of particular interest to you:

1) Highly experienced in international tourism. I played a senior role in Canada's own tourism industry, particularly during that period between the mid-sixties to the late seventies when Canada's international tourism promotion was considered "the cutting edge" in the industry.

Although working in the tourism field in a variety of other nations, I've also played a very senior role in Bahamian tourism for the period 1978-1983, and I enjoy a very high reputation there. Indeed, I have recently formed a partnership which has just secured award of a major assignment for international promotion by The Bahamas government.

2) My international experience is not limited; however, to the tourism field. My company acts on behalf of both Canadian and U.S. firms, in their development of joint ventures and technology transfers with various companies in the Far East and Latin America...covering fields as diverse as petrochemical processing, auto and truck parts, fruit and other agricultural produce, rubber components production, etc.

Principal Fax # (416) 971-8309

Armand Associates Inc. / Les Associés Armand, Inc.
Telephone (416) 972-1096 Telex 06-218811 (Maitel-Tor) Fax (416) 968-9522

3) I have some specific interests pertaining to the Turks and Caicos, as I visited T&C only last month, and I'm hoping to be there again in January. I am acting as consultant to a group which is considering the establishment of a food products processing facility there, and consequently I am now known to several members of the governing Cabinet.

4) I am highly experienced in dealing with government criteria, both domestically and abroad. Domestically, although I have first-hand consultant experience with operations such as Tourism and Employment and Immigration, my recent professional focus has gained me a credible reputation with organizations such as CIDA and the Ontario Ministry of Trade & Technology.

I hope that the above information may prompt your interest--and, if so, perhaps there may be ways in which I can assist your investigations. I hope we will have the opportunity to talk further, at your earliest convenience.

Yours truly,



Paul Goulet

PG/ci

Attachment

ARMAND ASSOCIATES

258 Davenport Road, Suite 242, Toronto, Ontario, Canada M5R 1J6

PAUL GOULET: consultant concerning international trade and investment development; marketing analyst and adviser.

Born and raised in Ottawa, Paul Goulet attended the University of Ottawa (Honours Arts) and then apprenticed in advertising with a major department store, and in public relations with a national petroleum company. Through his successful work as a volunteer political advisor, he became National Public Relations Director of the governing political party; over the period 1963-77, he provided political counsel at many levels within Canada, and abroad.

From 1964 until 1973, he worked in the advertising field, in turn becoming General Manager of a national advertising agency, with a special expertise in international tourism. Mr. Goulet took a leave of absence in 1971 to graduate from the International Marketing Institute at Harvard Business School.

In 1974, he established his own marketing-communications firm, and also became a partner in two creative/production services for radio commercials and programming, winning several top international awards including the CLIO Statue (New York) and the IBA Spike (Hollywood). In 1980, Mr. Goulet switched his broadcast production focus to television, as he packaged, produced, and wrote TV specials and entertainment series for American and Canadian networks, plus foreign distribution.

Through his continuing activities as a marketing communications consultant, Mr. Goulet has accrued considerable experience in the Third World, particularly in the fields of tourism and economic development. His projects and counsel have been employed in the Caribbean, Latin America, North America, and in several Pacific Rim

.../2

countries. In the period 1985 through 1987, he served as a partner and president of a firm specializing in business development between North American companies and the People's Republic of China, but has now expanded such business development activities to various locations in the Far East, Latin America, and elsewhere.

In addition, Mr. Goulet provides consultation services to government and to private business in both the U.S. and Canada; for example, in the past year, he has conducted two development programs for the federal government department, Employment and Immigration Canada, and serves as consultant to the Bahamian Government for that country's 1992 Quincentennial Commission. He is a participating investor in several projects/companies involved in fields as diverse as hydrocarbon processing, consumer market fragrances, agricultural products trading, etc.

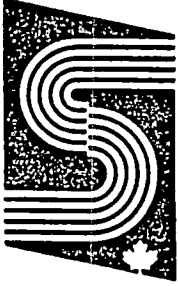
Mr. Goulet is married and makes his home in Toronto, Canada, but spends considerable time abroad on business matters. His personal enthusiasms include textiles, the study of history and historiography, and gardening.

Practical experience in trade/business development (locations)

Canada, USA, Mexico, The Bahamas, Dominican Republic, Costa Rica, Panama, Peru, Brazil, Chile, France, Portugal, Spain, Morocco, South Africa, Tahiti, Fiji, Australia, New Zealand, Papua New Guinea, Indonesia, Hong Kong, Taiwan, China (PRC), Japan, and The Philippines.

11/88.

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SOLWAY ENERGY CORPORATION

30 - 942 SOUTHWEST MARINE DRIVE, VANCOUVER, BRITISH COLUMBIA, CANADA V6P 5Z2
PH. (604) 324-3327 · CABLE SOLENCORP · TELEX 04-352848 VCR

March 14, 1989

Mr. Dan McKenzie
1606 - 2180 Marine Drive
Oakville, Ontario
L6L 5V2

Dear Mr. McKenzie,

We understand you are studying commercial opportunities for Canadians in the Turks and Caicos Islands. We would like to know if you can help us, or if we can help you with this project.

Our firm manufactures a simple plastic solar water heater for warm corrosive type climates and are very interested in pursuing the Caribbean. We have some demonstration units in Jamaica and Grand Cayman and will be sending another to St. Lucia. We are planning to make these in Jamaica within the next two years.

We look forward to your correspondence.

Yours very truly,

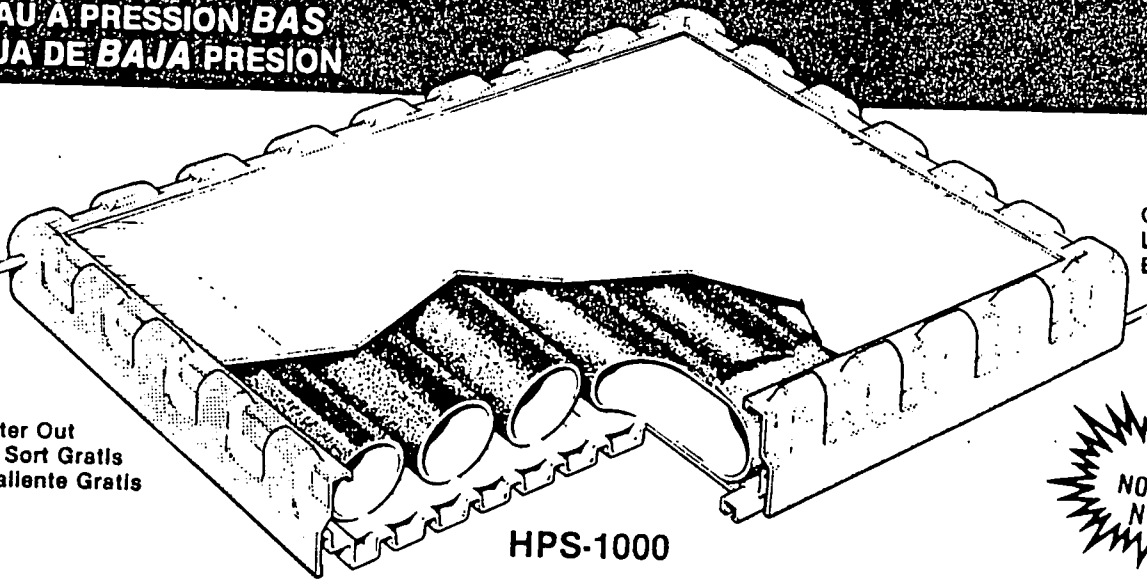
SOLWAY ENERGY CORPORATION

John L. Richardson, P. Eng.
President
JR/ms 11-51

SOLWAY

FOR LOW WATER PRESSURES
POUR L'EAU A PRESSION BAS
PARA AGUA DE BAJA PRESION

SOLAR HEATERS
CHAUFFES SOLAIRES
CALENTADORES SOLARES



Cold Water In
L'eau Froide Entre
Entra Agua Fria

Free Hot Water Out
L'eau Chaud Sort Grátis
Sale Agua Caliente Grátis



ENJOY THE LUXURY OF FREE HOT WATER

- Guaranteed to reduce hot water costs
- Each unit serves 1 to 2 people
- Easy installation
- Complete system all in one piece
- No pumps, controls or moving parts, no maintenance
- Only two connections — pipe or hose
- Perfect for gravity water supply
- Add units for larger systems
- Also delivers preheated water to existing water heaters

Applications:

Home, apartment, hotel, laundry, kitchen, school, clinic, farm, military camp, washing, film processing, etc.

Specifications:

- Dimensions: 1.3mx1.0mx0.18m
- Water volume: 100 litres
- Shipping weight: 30 kgs
- Material: High density polyethylene (black)
- Glazing: Polycarbonate
- Mounting: Adjustable brackets

AMUSEZ-VOUS AVEC LE LUXE D'EAU CHAUD GRATIS

- Garantie la réduction du coût de l'eau chaud
- Chaque unité sert 1 à 2 personnes
- Installation facile
- Système complet dans une seule pièce
- Sans bombe, contrôles ou pièces mobiles, pas nécessaire d'avoir service d'entretien
- Seulement deux connexions. Tuyeau ou hwyau
- Idéal pour l'approvisionnement de la chule naturelle de l'eau
- Ajoute pieces pour systèmes plus grands
- Envoie aussi de l'eau pre-chauffé aux chauffes-eau déjà en existence

Applications:

Maison, appartement, hôtel, blanchisserie, cuisine, école, centre médical, ferme, camp militaire, vaiselles, developpement du film photographique.

Spécifications:

- Dimensions: 1.3mx1.0mx0.18m
- Volume de l'eau: 100 litres
- Poids d'embarquement: 30 kg
- Matériau: Polythène de haute densité (noir)
- Vitrerie: Polycarbonate
- Montage: Console réglable

DISFRUTE EL LUJO DEL AGUA CALIENTE GRATIS

- Garantiza la reducción del costo del agua caliente
- Cada unidad sirve 1 a 2 personas
- Instalación fácil.
- Sistema completo en una sola pieza
- Sin bomba, controles o partes móviles, no necesita servicio de mantenimiento
- Solamente dos conexiones. Cañería o manguera
- Ideal para proveer la caída natural del agua
- Agrega unidades para sistemas más grandes
- Envía también agua precalentada a calentadores de agua ya existentes

Aplicaciones:

Casa, departamento, hotel, lavadero, cocina, escuela, centro médico, granja, campos militares, vajillas, develados de películas, etc.

Especificaciones:

- Dimensiones: 1.3mx1.0mx0.18m
- Volumen de agua: 100 litros
- Peso de embarque: 30 kg
- Material: Polietileno de alta densidad (negro)
- Vidrio: Polycarbonado
- Montaje: Soportes regulables

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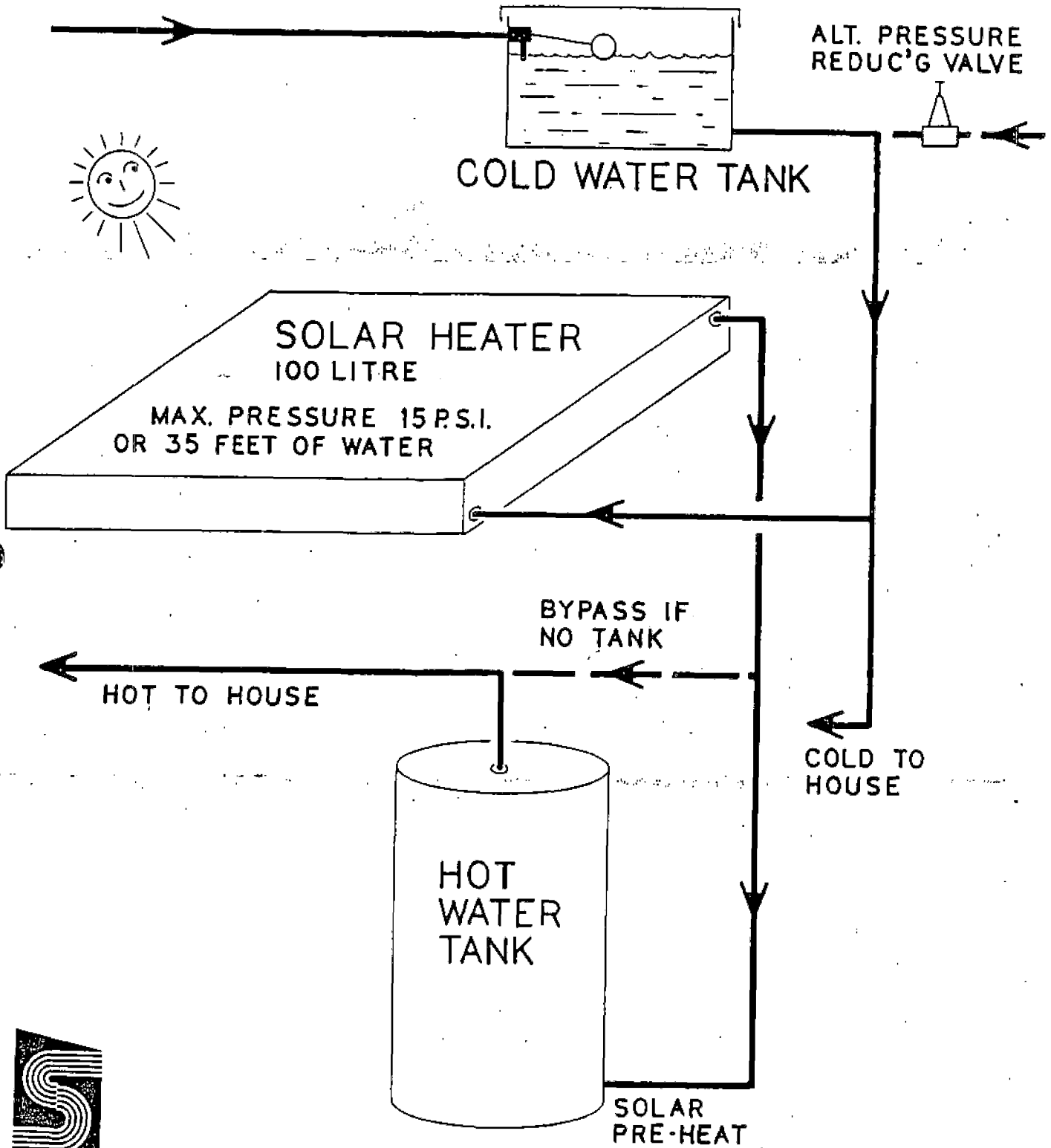


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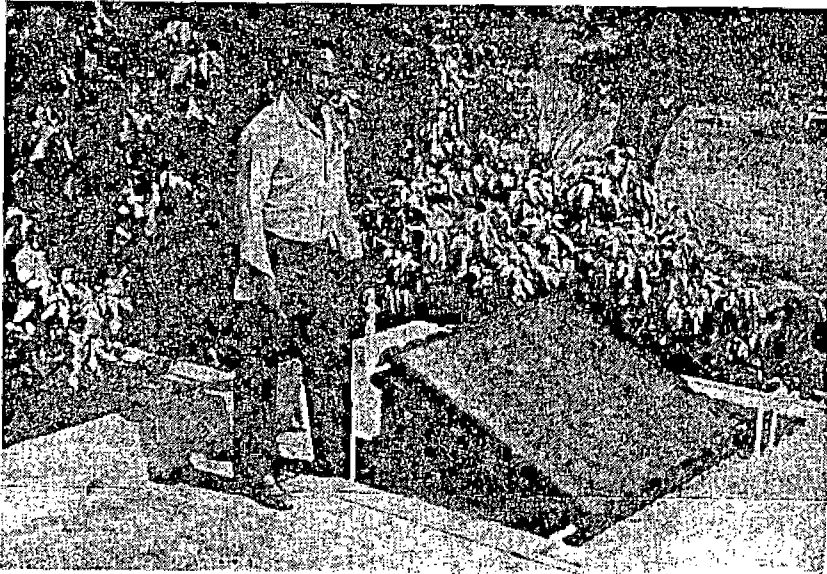
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(Established 1977)

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SOLWAY HPS-1000 PIPING DIAGRAM



PASSIVE SOLAR WATER HEATER MODEL HPS-1000



Kingston, Jamaica



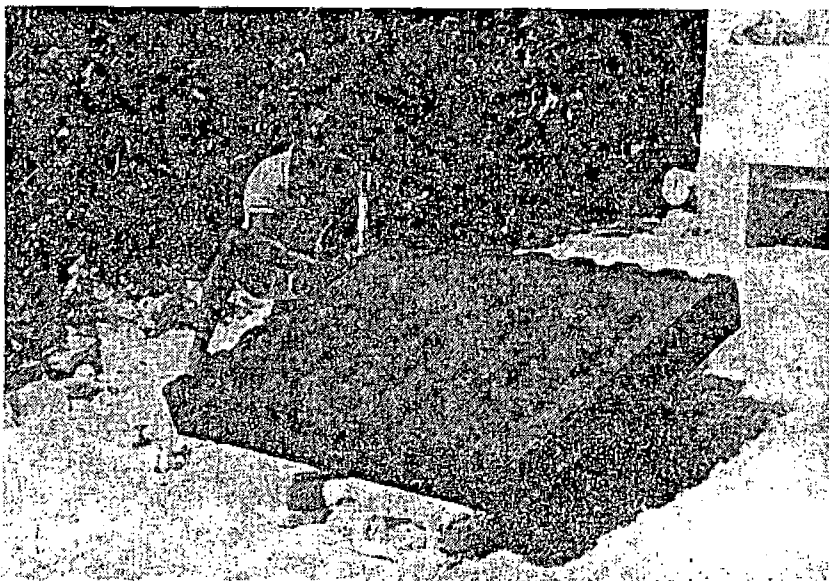
Negril, Jamaica



George Town, Grand Cayman



Ocho Rios, Jamaica



Negril, Jamaica

Form 875 C (6)
PROCESO DE PASADIA - PROCESES
MONTREAL TORONTO

Canadians ready to start investments

IF a link between Canada and the Turks & Caicos Islands is established, Canadian investors are standing by to begin development projects throughout the Islands, according to reports from the Commonwealth Parliamentary Association Conference held last week on Prince Edward Island in Canada.

Representatives of the Turks & Caicos Islands, Britain and Canada have been holding talks during the conference on establishing closer links between the two countries. Attending the conference for the Islands were Speaker of the Legislative Council the Hon. Larry Coalbrooke and Clerk to Council Mrs. Ruth Blackman, who had to leave the conference early to prepare the agenda for next week's budgetary session of the Legislative Council.

Speaking to Radio Turks & Caicos, she said that the proposed association between Canada and the Turks & Caicos was discussed Friday. Representing Canada were the Hon. Dan McKenzie, a member of the Federal Parliament in Ottawa who has visited the Islands on several occasions, and the Hon. H Donahue, Speaker of the Nova Scotia Provincial Legislature.

The two men stressed that they did not want the Islands to become a colony or province of Canada, but would welcome closer trade, economic and tourism ties with the Islands. They also said that the negotiations on the proposed association between the two countries should now be taken over by the Turks & Caicos Government and not be handled by the Turks & Caicos Development Organization (TCDO), which is a private group.

The Canadian representatives also said that response to the proposed association in Canada has been very favourable, and they have come up with a variety of Canadian groups and individuals who wish to invest in the Turks & Caicos Islands. Potential Caribbean investments include the development of a radio station, revitalization of the salt industry which has been proposed by a group of Chinese and Canadians, condominium development projects throughout the islands, solar power, and student exchange programmes. Canadian groups have also expressed interest in the development of a shipping industry, construction of a university catering mainly to the tourism industry, a biological and agricultural research centre, and assistance in the agricultural development of the Islands.

The representatives said that they plan to put a resolution to Canada's House of Commons for negotiations between the Islands and Canada on a government to government basis, and to send a delegation to the Islands. They also said that they hope the Turks & Caicos Government will do the same.

TCDO Acting President Dalton Jones welcomed the positions taken by Canada and the Turks & Caicos Government on the proposed association between the two countries, and said that his group is happy that the Government made a positive speech in Canada on the link. The group will continue to urge the Government to continue with a positive attitude.

British delegate to the conference, the Hon. T. Pendry, a Labour Party MP, said that if the Turks & Caicos Islands agree that it wants to establish closer ties with Canada, the British Government will abide by the wishes of the people of the Turks & Caicos, and would send a delegation to any negotiations.

The Hon. Mr. Coalbrooke said that the proposed association with Canada was not part of the Government's mandate, but that during campaigning, one of the issues canvassed on was that the Government would negotiate with Canada for closer ties.

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PROCÉDÉ P/BSBOX & PROCESS
MONTREAL - TORONTO

FEBRUARY 23 1989

Deserted island gets hotel

BOVIS will start in May on the first phase management contract for a £200 million hotel and villa complex at Parrot Cay one of the Turks and Caicos Islands in the British West Indies.

This phase, for Parrot Cay Development Company, involves the construction of a 50 suite five star hotel plus some villas and infrastructure.

Construction will be of rc floors and rendered blockwork walls with extensive glazing and timber pitched roofs.

The hotel, which will be operated by Swiss firm Les Hautes de Gstaad, will contain a restaurant, lounge, bars, disco terraces and swimming pool.

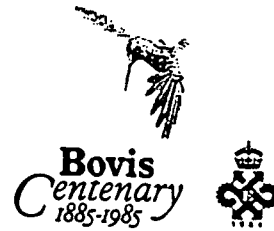
The island is currently uninhabited and infrastructure work includes the provision of roads, a desalination plant, sewage treatment plants, a roll-on/roll-off dock and airfield.

Bovis International Limited

10-13 Heathfield Terrace, Chiswick
London, England W4 4JE
☎ 01-995 8961
☎ 8952107 BOVISIG
Fax: 01-747 3722

Directors Directeurs 董事 المبرورون
M Paris Chairman and Managing
F W Lampl Managing
M D Walker Assistant Managing
C Chevasco (Africa)
B J Holmes Operations
A J Prescott Financial
B M Sanderson (Portugal)

J H Soloway Sales and Marketing
(responsible for overseas marketing)
P J Tiplle Director/Company
Secretary



International experience
Bovis International Limited, the overseas construction and civil engineering division of the Bovis Group, in 1984 won the Queen's Award for Export in recognition of its outstanding performance in an increasingly competitive world market.

Bovis is a wholly owned subsidiary of the Peninsular & Oriental Steam Navigation Company (P&O), an internationally based group operating, principally, in service industries. Its businesses range from land and sea transport, cruising, property, construction and housebuilding to exhibitions, catering, banking, oil and agency services.

Currently involved in 41 projects in nine countries, the company is constantly expanding and extending into new areas. Bovis International Limited was the first British contractor to break into the historically French-dominated territory of the People's Republic of the Congo. Having completed a nine-storey luxury apartment block in Brazzaville, work continues on the £40m Kindamba to Brazzaville road due for completion in 1987.

The prestigious £105m Ramada Renaissance Hotel, San Francisco, is one of seven projects currently in progress in the United States. The company's adaptability enables it to work in a variety of capacities ranging from managing the construction and progress of various projects to acting as construction manager, as in the recently completed £35m Trans Pacific Centre, Oakland, California. Where circumstances and conditions allow, a finance package for the project may also be arranged. Currently underway in the Portuguese Algarve at Quinta do Lago is a new luxury development, Bovis Lakeside Village. Nestling in a golfers' paradise it will comprise 150 villas and apartments.

The largest sporting project that Bovis International is currently involved in is the Riyadh International Stadium in the Kingdom of Saudi Arabia. Due for completion before the end of 1985 this £300m joint venture with Philip Holzmann of West Germany will provide accommodation for up to 65,000 spectators expected to attend the 1986 Gulf Games.

Countries in which Bovis International Limited has worked
Bangladesh, Chile, Congo, Egypt, France, Iran, Iraq, Jordan, Kuwait, Luxembourg, Nigeria, Pakistan, Portugal, Saudi Arabia, Spain, Sri Lanka, South Yemen, United Arab Emirates, United States of America, Venezuela.

Expérience Internationale
Bovis International Limited, c'est-à-dire la division de construction et de génie civil Outre-Mer du Groupe Bovis a reçu en 1984 une récompense

pour ses résultats à l'exportation (Queen's Award for Export) dans un marché international de plus en plus compétitif.

Bovis est une filiale à part entière de Peninsular & Oriental Steam Navigation Company (P&O), groupe international travaillant essentiellement dans l'industrie tertiaire. Ses activités vont du transport terrestre et maritime, aux services d'exposition, de restauration, de banques, de pétrole et de diverses agences en passant par les croisières, l'immobilier, la construction et la réalisation d'habitations.

Cette société participe à l'heure actuelle à 41 projets répartis dans 9 pays et est en train de développer et d'élargir ses activités à de nouveaux secteurs. Bovis International Limited a été le premier entrepreneur britannique à signer des contrats avec la République populaire du Congo dont le marché est traditionnellement dominé par les sociétés françaises. Après avoir terminé un bloc d'appartements de luxe de 9 étages à Brazzaville, les activités se poursuivent sur la route Kindamba-Brazzaville dont l'achèvement est prévu pour 1987 et qui va coûter quelque 40 millions de livres sterling. Le prestigieux hôtel Ramada Renaissance de San Francisco (d'une valeur de 105 millions de livres sterling) est l'un des sept projets en cours de réalisation aux Etats-Unis. Les capacités d'adaptation de la société lui permettent de travailler à différents postes qui vont de la direction de construction et de l'avancement de différents projets à la direction de construction, comme lors de la réalisation du Trans Pacific Center qui vient récemment d'être terminé à Oakland en Californie pour un montant de 35 millions de livres sterling. Lorsque les circonstances et les conditions le permettent, un programme de financement peut également être présenté pour un projet donné.

Le nouveau développement immobilier de luxe de Quinta do Lago dans l'Algarve (Portugal) est un village réalisé par Bovis au bord d'un lac. Imbriqué dans un paradis de golfeurs, il comptera quelque 150 villas et appartements. Le plus gros projet sportif en cours de réalisation par Bovis International est le stade international de Riyadh en Arabie Saoudite. Ce projet réalisé en collaboration avec Philip Holzmann d'Allemagne fédérale doit être terminé d'ici la fin de l'année 1985 et coûtera quelque 300 millions de livres sterling. Il pourra recevoir les 65 000 spectateurs qui sont attendus pour les Jeux du Golfe en 1986.

Pays dans lesquels la société ou ses filiales ou associés ont travaillé
Arabie Saoudite, Bangladesh, Chili, Congo, Egypte, Emirats Arabes Unis, Espagne, Etats-Unis d'Amérique,

France, Irak, Iran, Koweït, Luxembourg, Nigeria, Pakistan, Portugal, Sri Lanka, Sud-Yémen, Venezuela.

國際經驗

博維斯國際有限公司是博維斯集團的海外建築和土木工程部門。在1984年獲得英國女王的出口獎。對它在競爭日益激烈的國際市場上的出色成就，表示賞識。

博維斯是完全為半島和東方航運公司(P&O)所有的附屬公司。它是國際性的集團，主要在服務工業中營業。它的業務從海陸運輸、運取遊藝、房地產、銀行、石油和代理服務。目前在9個國家內參與41種計劃。本公司不斷在擴大並進入新的領域。博維斯是進入在歷史上為法國所控制的剛果人民共和國的第一家承包商。在布拉薩維爾完成9層樓的豪華公寓大廈以後，繼續在4千萬英鎊的金鐘巴-布拉薩維爾公路上工作。這工程預計在1987年完成。

康體、休閒娛樂的綜合設施和運動場所是世界各地日漸發展的市场。博維斯在這方面也參與多項工程。因金山1億5千萬英鎊的高級馬達復興工程是日前在美國進行的7項工程之一。本公司的適應能力使它在多種地位上工作。從安排各種工程進度和進度到擔任施工經理。如在加里福尼亞奧克蘭最近完成的3千5百萬英鎊橫濱太平洋中心。如果環境和條件許可，對工程計劃的資金供應，也可以安排。

現在在葡萄牙Algarve at Quinta do Lago地方進行的是一項新的豪華建築工程。博維斯漸漸興旺。這兩村隱現于高爾夫天堂中。它擁有150棟別墅和公寓。

博維斯國際目前參與建造的最大的運動場所是沙特阿拉伯王國的利雅得國際運動場。預計在1985年年底以前完成。這一項和西部菲利普雷登堂共兩承包的3億英鎊的運動場將可容納1986年海博運動會所期望的65,000名觀眾。博維斯國際有限公司有能力和設備在世界任何地方迅速動員。對當地需要的了和公司內各人的建築經理專長是它的成功的主要因素。

博維斯國際有限公司

曾經在那裏工作過的國家

孟加拉國、智利、剛果、埃及、法國、伊朗、伊拉克、約旦、科威特、盧森堡、尼日利亞、巴基斯坦、葡萄牙、沙特阿拉伯、西班牙、斯里蘭卡、南也門、阿拉伯聯合酋長國、美國、委內瑞拉。

برو الدولية
صحت شركة بوفيس انترناشيونال لهند وهي مع بصيرة بوفيس الخاص بالإنشاءات والمهندسة في الخارج، على جائزة الملكة للتصدير سنة ١٩٨٤ وذلك اعترافاً بأدائها البارز في ظروف تنافس العالم التي تكتنف السوق العالمية.

شركة بوفيس شركة فرعية تفتلكها بالكامل شركة بنسبرولاند أدرنتال قسم نايفينش (هي أند لى) من مجموعة شركات مودلية تتنقل بصفتها خاصة في مال أعمال الهندات وقصد نشاطاتها من النقل بحري والسباحة البحرية والنارات والإنشاءات تنصيب المساكن إلى الأمراض وتزويد الطعام الأفعال الصربية والنظ وكالات الهندات.

بما أن الشركة تشكل حالياً طرفاً نشطاً في ٩١ شروها في تسعة بلدان. فهي في حالة توسع مستمر يند إلى مجالات أخرى جديدة. وكانت شركة بوفيس انترناشيونال لهند أول مقلد بريطاني يحصل على أفعال في جمهورية الكونغو الشعبية التي كانت سابقاً مستعمرة فرنسية. فهد الإنشاء من إنجاز عمارة ذات تسعة طوابق مؤلفة من سقف فاخرة في مدينة برازافيل. فإن العمل الآن متواصل لإنهاء طريق تربط مدينة كيندamba برازافيل. وهو مشروع قيمته ٢٠ مليون جنيه استرليني ومن المقرر إنجاز سنة ١٩٨٧.

بن النطاق وخدمات الترفيه والهادين الرياضية أصبحت سوقاً حرجية التسرع النطاق العالمي. وشركة بوفيس انترناشيونال شبيكة الآن في محبة مشاريع في هذا المجال.

ومشروع تسبق رساماً ونسائس القزم بسان فرنسيسكو. وقته ١٠٥ ملايين جنيه استرليني. أحد المشاريع المهمة المبارية حالياً في الولايات المتحدة. وقابلة الشركة على التكيف وسرورتها بجزولانيا الصل في مجالات متنوعة لتند من إدارة الإنشاءات ونسبر المشاريع التسرع إلى التهام بادارة الإنشاءات كما كان الحال في مركز برازافيل في أوكلاندي بكاليفورنيا. والذي تبلغ قيمته ٣٥ مليون جنيه استرليني والذي تم إنجازها مؤخراً. وكما صحت الظروف والأوضاع يمكن للشركة كذلك تدبير صفقة لتسريع المشروع.

ويجري حالياً في منطقة الغارف بالبرتغال في كوينتادو لاغوسا مجموعة وحدات سكنية فاخرة تدعى قرية بوفيس لاكسا. وتكتنف هذه المدينة منطقة شالية للعبة الترفل. وسوف تختم عند إنجازها على ١٥٠ فيلا ونقطة.

وأضيف مشروع رياضي تقوم شركة بوفيس بإنجازه حالياً هو ملعب الرياض الدولي بالمملكة العربية السعودية. وهذا الملعب المقرر إنجاز قبل نهاية عام ١٩٨٥ هو مشروع مشترك مع شركة فليب هولزمان في ألمانيا الغربية. وقيمته ٣٠٠ مليون جنيه استرليني. وسكبرن قادراً على إجراء ١٥٠٠٠ متفرج من المتوقع أن يجتسروا دورة ألعاب الخليج سنة ١٩٨٦.

وتستطيع شركة بوفيس انترناشيونال نمته سولدها بسرعة وفي أي منطقة بالماء. وتعتبر مراعاة وتقدير الاحتياجات المحلية للزبون مع خبرات المستخفين في مجال إدارة الإنشاءات عوامل حاسمة في نجاح الشركة.

بسان بالدول التي عملت بها شركة بوفيس انترناشيونال بنشلاش وشيل والكثرو مصر وفرنسا وإيران والأردن والكويت ولوكسمبورغ ونيجيريا وباكستان والبرتغال والمملكة العربية السعودية وأسبانيا وسري لاكسا واليمن الجنوبية والإمارات العربية المتحدة والولايات المتحدة الأمريكية وتنزويلا.

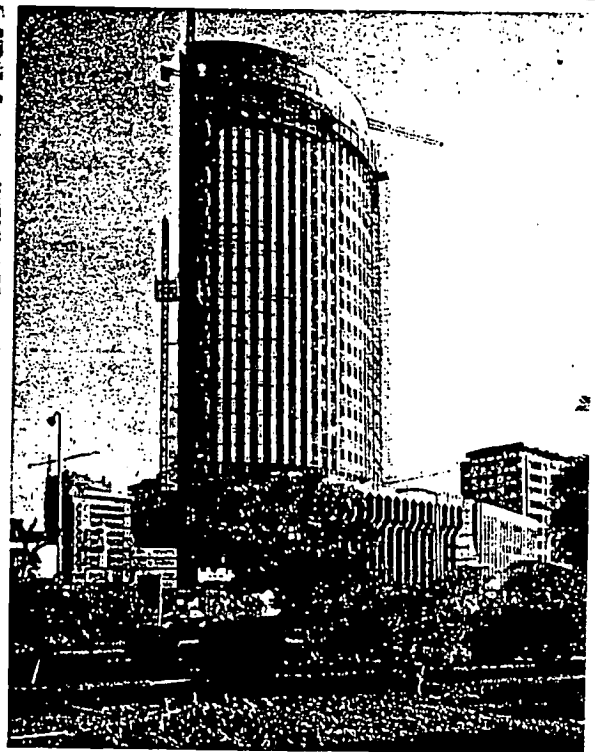
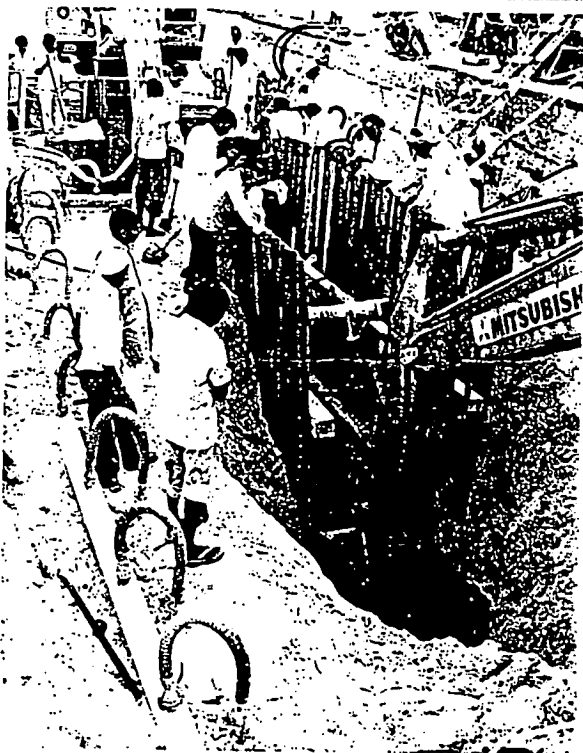
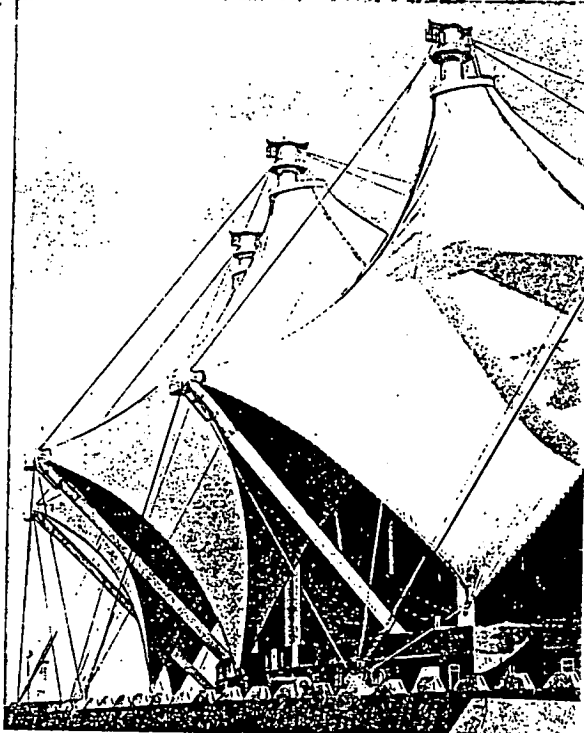
- 1 Kingdom of Saudi Arabia, International Stadium, Riyadh.
- 2 Ife-Ilewara Road, Nigeria.
- 3 United Arab Emirates, Sewers and Pumping Station.
- 4 United Arab Emirates, Abu Dhabi Chamber of Commerce.

- 1 Royaume d'Arabie Saoudite, stade international de Riyadn.
- 2 Route Ife-Ilewara, Nigeria.
- 3 Emirats Arabes Unis, reseaux d'égouts et station de pompage.
- 4 Emirats Arabes Unis, Chambre de commerce d'Abu Dhabi.

- 1 沙特阿拉伯利雅得国际运动场
- 2 尼日利亚艾弗-艾弗瓦拉公路
- 3 阿拉伯联合酋长国下水道和泵站
- 4 阿拉伯联合酋长国阿布扎比商会

Bovis International Limited

- 1- المملكة العربية السعودية ، الملعب الدولي في الرياض .
- 2- طريق ايفو - ايفوارا في نيجيريا .
- 3- الإمارات العربية المتحدة ، سكة مجارير محطة ضخ .
- 4- الإمارات العربية المتحدة ، الغرفة التجارية في أبوظبي .



FORM 675G (15)
PROCÉDE **Plasdex** PROCESS
MONTREAL · TORONTO



GOVERNMENT
OF
THE TURKS and CAICOS ISLANDS
TOURISM POLICY

Approved by the Executive Council June 22, 1988

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III POLICY GUIDELINES

IV INVESTMENT

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GOVERNMENT OF THE TURKS AND CAICOS ISLANDS

TOURISM POLICY

I INTRODUCTION

1.1 In July 1986 a Tourism Development Plan was prepared for the Government by Messrs Coopers and Lybrand, in association with the Halcrow Group. This report examined the tourism plant of the Islands, and its supporting services, and made wide ranging proposals for the development of the tourism sector during the ten years 1987-1997.

1.2 The Plan's findings and recommendations were not wholly acceptable to Government, which considered it somewhat unrealistic, stating minimal achievable targets rather than maximal. However, the Plan did recommend a clear statement of Government's policy towards the tourism sector, in the long term.

1.3 This Statement of Tourism Policy is therefore produced by the Government for the information of the citizens of the Turks and Caicos Islands and other residents of the Islands, and furthermore as a guide to prospective investors in the tourism sector. It specifies the Government's aims and responsibilities in connection with the tourism industry, and summarises the intentions of Government towards the major aspects and problems of tourism.

1.4 More comprehensive information and investment advice is available from:-

The Private Sector Development Office, Hibiscus Square,
Grand Turk - Telephone: (809) 946-2732

OR

Turks and Caicos Tourist Board
Grand Turk, Turks and Caicos Islands
Telephone: (809) 946 - 2321/2
USA : (800) 441-4419
TELEX: 8227 CHIEFSEC TQ
FAX: (809) 946 - 2777 or 2903

II GENERAL POLICY

2.1 Government recognises that a carefully planned and executed tourism development plan is essential to the economic survival of the Islands. Firstly it will generate both foreign exchange and general revenue, and both the public and private sectors will benefit. Secondly it will reduce unemployment and improve the general standard of living. A 5 year National Development Plan, currently in the course of preparation will enlarge upon these matters.

2.2 Government realizes that increased tourism will unquestionably expose the people of the Islands to outside influences, both of an ethnic and sociological nature. The effects of this exposure will be carefully monitored, and where possible controlled or minimised.

2.3 Government intends to encourage hotel and villa development in the middle to luxury class, that is the upper stratum of the world travel market. It will not entertain projects of high density, nor those which it finds aesthetically displeasing. It reserves the right to reject projects which may impinge too heavily upon the natural environment of the Islands.

III POLICY GUIDELINES

3.1 The Role of Government

(i) The Government will monitor and control development and the standards of the tourism industry, and in order to implement this policy will institute as necessary statutory economic, social, ecological, educational and physical planning measures. A physical Development Plan is currently nearing completion;

(ii) Government will assume an active role in the tourism industry and through its Tourist Board will introduce marketing and sales promotional measures in the world travel market place, aimed to improve the image of the Turks and Caicos Islands as a desirable and competitive destination;

(iii) Government will encourage investment in the private sector, and to this end has established a Private Sector Development Office;

(iv) Government will ensure, if necessary with the assistance of International Grant Aid Agencies, that the necessary infrastructural and supporting services are provided as tourism development proceeds;

(v) Government will sponsor the close cooperation of the public and private sectors, and will ensure that both sectors are adequately represented on the Tourist Board.

(vi) Government will take steps to ensure that tourism benefits visitors and Islanders alike, and that tourist facilities are open to use by everyone;

(vii) Government will assume a coordinating role in the education and training of employees in the hotel and catering industry, with particular emphasis on the advancement of Islanders. It will monitor manpower usage, restricting the award of work permits to expatriates in order to ensure that employment opportunities are available for Islanders after the necessary training - for the residual unemployed and school leavers alike; and finally

(viii) Government will endeavour to preserve the natural environment of the islands and cays, and to ensure that all future tourism developments are compatible with their surroundings. Recently Government has invoked the National Parks Ordinance of 1975 and by Regulations has specified those areas within the Islands to be designated National and Marine Parks, thus preserving areas of beauty as a national cultural heritage for the future.

3.2 Fiscal

Tourism will stimulate the earning of foreign exchange. Through indirect taxation

it will improve Government revenues, and contribute substantially towards reducing, and eventually abolishing, the adverse balance on the Recurrent Expenditure Accounts.

3.3 Tariffs

Prices charged within the tourism sector will be monitored and where possible restricted to prevent a disproportionate movement of prices in the Islands, over and above any unavoidable movements produced by inflation in supplier countries.

3.4 Inter-Sectoral Linkage

It is intended that tourism will be utilised increasingly as a catalyst for other industries, particularly transportation, construction, agriculture, fisheries and handicrafts. The parallel development of these industries with tourism is of vital concern to Government.

IV INVESTMENT

4.1 Investment in viable tourism projects is welcome by both Islanders and overseas investors, though quite naturally Government will stimulate and foster ownership and control by Islanders in the industry. Government intends to provide assistance to Islanders in project identification and in the production of project documentation to support funding applications. Where total control by local entrepreneurs is not economically possible Government will encourage joint ventures with overseas investors. In these circumstances it is hoped that Islanders will use their land inheritance and/or local knowledge of trading and other conditions as their investment collateral.

4.2 Local Private Investment

Government will actively encourage Islanders to invest in tourist and tourist related facilities such as hotels, apartment hotels, villas and guest house accommodation, restaurants, bars and entertainment facilities, sports, underwater activities, watersports, game fishing, transportation, communication, tour and travel operations, cruise yacht operations, boutiques, and souvenir and handicraft shops. The Turks and Caicos Development Board is available to give Islanders investment advice and to make small capital loans, and the Caribbean Development Bank, by its Charter, is pledged to support larger viable projects in the tourism sector.

4.3 Foreign Private Investment

Government recognises and acknowledges the fiscal and managerial advantages of foreign investment in the tourism industry. However, it is determined to ensure that Islanders are not relegated to secondary roles in new ventures, and will, therefore, carefully monitor foreign investment in the future, to enable Islanders to be in a position of equal opportunity in this field with foreigners.

4.4 Investment Incentives

No income, corporation, capital gains or inheritance tax exists in the Turks and

Caicos Islands. Companies can be formed in an offshore financial centre in which confidentiality regarding bank accounts is enforced by Statute. In addition Government may consider duty free concessions on an agreed schedule of building materials, plant, furniture and equipment for an approved project. Government does, however, remind investors that it has extensive powers to restrict speculation in real estate and property. A booklet on "Investment Opportunities in the Turks and Caicos Islands" may be obtained by application to either of the authorities listed in Section 1.4 of this document.

V LAND DEVELOPMENT & PHYSICAL PLANNING

5.1 Development Policy

A Physical Development Plan for the Islands is nearing completion, and this will include inter-alia-proposals for the zoning of areas especially reserved for tourism and tourism related facilities. All applications for planning approval are considered by the Department of Planning within the Ministry of Natural Resources, and subsequently placed before the Project Revue Group, an interministerial body, representing all aspects and interests in development. Final decisions are made by the Executive Council.

5.2 Government Land

A large acreage of land within the Islands is held by the Crown. Consideration will be given to the award of long term leases of this land to suitably qualified developers, both Turks and Caicos Islanders and foreigners. Government may well impose time limits as to commencement and completion of construction, penalty clauses, performance bonds and other necessary controlling or restrictive clauses when awarding these leases.

5.3 Infrastructure and Services

When giving approval to a project Government will state its intentions as to the provision of roads and water, and clearly state the obligations of the developer as to infrastructural provision.

5.4 Ports of Entry and Airports

Government will as appropriate ensure that improvements and extensions at all ports of entry and airports are carried out to keep pace with the demands of an expanding tourism industry, and that sea and air services are enlarged and diversified as necessary. New routes and gateways will be explored to make the Islands more readily accessible to tourism markets other than North America.

5.5 Condominium and Time Sharing Projects

Government has already made provision for condominium proposals under the Registered Land (Strata Titles) Ordinance No. 6 of 1971, subsequently amended by Ordinance No. 15 of 1983. Time sharing developments are covered by the Time Sharing Ordinance No. 6 of 1983.

In both condominium and time sharing projects Government will need to be satisfied at the planning application stage as to the experience and competence of the proposed management company.

5.6 Casinos and Gaming Establishments

Applications for casino operations will be considered, provided they are attached to tourist oriented residential developments, such as hotels, apartment hotels, or comprehensive resort projects. The operation of gaming machines operated by coins is permitted by law under clearly stated constraints. Government will from time to time review the total number of machines in operation.

VI GOVERNMENTAL TOURISM ORGANISATION

6.1 The general responsibility for the tourism sector will be borne by the Minister of Tourism, supported by his Permanent Secretary. The Tourist Board, a statutory body appointed by the Governor under the Tourist Board Ordinance No. 10 of 1970, is intended to implement and administer the Government's Tourism Policy, under the general direction of the Governor in Council. By the Statute it is charged with the following responsibilities:

- (a) to develop all aspects of the tourist industry of the Islands and to promote the efficiency of the industry;
- (b) to adopt all such measures as it may deem fit to advertise and publicise the Islands as a tourist resort throughout the year;
- (c) to promote, and subject to the approval of the Governor secure such increased shipping and airline facilities as will tend to increase tourist traffic to the Islands;
- (d) to secure the most favourable arrangements for the entry of tourists to the Islands;
- (e) to encourage by such measures as it may deem fit the development of such amenities in the Islands as may be calculated to enhance the attractiveness of the Islands to tourists;
- (f) to undertake such research experiments and operations as may appear to it to be necessary to improve the basis of the tourist industry, and to control and eliminate any undesirable factors that may affect the industry;
- (g) to foster an understanding within the Islands of the importance and economic benefit of the tourist industry;
- (h) to classify hotels, guest houses and boarding houses according to the standard of amenities provided.
- (i) to arrange training facilities for hotel staff;

(j) to make all such enquiries and to collect all such information as it may think necessary for the purpose of carrying out its duty under this section; and

(k) generally to take all such other lawful measures as it may consider likely to assist it in carrying out most effectively the purposes of this Ordinance."

Government intends to strengthen and support the Tourist Board to carry out its responsibilities, and to foster a close liaison between the Board and the private sector. It will ensure that the Board has an annual budget commensurate with its needs in the fields of marketing, sales promotion, advertising and the production of the necessary collateral material.

6.2 Training of Hotel Staff

As the tourism industry expands Government will adjust its educational and training programmes to Provide the necessary technical and "on the job" training for Islanders in the industry. It will ensure that tourism related subjects are introduced into the curricula of primary and secondary schools, and that "tourism awareness" becomes an island philosophy. It will seek assistance from International Grant Aid Agencies in the fields of instructor and student training. Developers will also be required, as part of their project proposals, to introduce on an on-going basis a programme of "in house" training and pre-opening training for their staffs. Applications for work permits for expatriates will not be entertained in cases where suitably qualified Islanders are available to fill the vacant positions, and will, in any case, be limited to the periods of time required for the training of Islander counterparts. The ultimate aim, through training and careful manpower planning, is to provide full and continuous employment for all Islanders.

VII CONCLUSION

7.1 Government recognises that tourism is a fragile and sensitive industry, influenced by economic recessions in source countries, by the fluctuations in international currency values, by the changing fashions in international tourist demands, and by the sense of security and personal safety created in destination countries.

7.2 The Turks and Caicos Islands have much to offer in the fields of serenity, security and sensational underwater beauty.

7.3 Tourism can, if carefully planned, regulated and marketed, become the lifeblood of the Islands, and it behoves all Islanders to realise that they could become favoured hosts to the world. The hospitality industry affects and embraces people in all walks of life, and the increasing economic benefits which it can bring will touch everyone.

7.4 Above all, a warm welcome and a "hasten back" to visitors will lead to repeat business, on which the future of the tourism industry so largely depends.

June 1988

Form 0/5 G (S)
PHOTO BY **Plasdex** - PHOTO S.S.
MONTREAL - TORONTO

TURKS AND CAICOS ISLANDS

LAND

- 1.1. There is ample private land available for purchase on the open market which is suitable for development. There are a number of real estate agents in the Islands who can assist developers in locating sites.
- 1.2. It is Government policy not to dispose of the freehold title to Crown Land to expatriate developers. However, for suitable projects Crown Land is available on long lease. Leasehold title is commonly used in the UK and throughout the Commonwealth. It should not be confused with a mere tenancy arrangement as it offers security similar to freehold. Rental payments are generally tied to the land value and are set at ordinary commercial rates. However, Government will consider variations in approach, particularly on the less developed Islands.
- 1.3. All title in the Islands is registered and the applicable law is the Registered Land Ordinance.
- 1.4. Stamp Duty is payable on the transfer documents but otherwise there is no real property tax and there are no restrictions on expatriates holding property in the Islands.
- 1.5. More detailed information is available if required.

Form 675 G (5)
Proc. of *Plasidex* PROCESS
MONTREAL - TORONTO

ORDINANCE NO. 2 OF 1972.*

I assent, L.S.
A. G. MITCHELL,
Administrator.

[8th September 1972.] G.N. 188/1972.

AN ORDINANCE TO ENCOURAGE THE ESTABLISHMENT
CONDUCT AND EXPANSION OF DEVELOPMENT ENTER-
PRISES IN THE ISLANDS BY THE GRANTING OF RELIEF
FROM CUSTOMS DUTIES AND TAXES TO PERSONS
ENGAGING IN SUCH ENTERPRISES INCIDENTAL TO AND
CONNECTED WITH ANY OF THE FOREGOING PURPOSES.

ENACTED by the Legislature of the Turks and Caicos
Islands as follows—

1. This Ordinance may be cited as The Encour- Short title.
agement of Development Ordinance 1972 and shall
commence on a day to be appointed by the Adminis-
trator by notice in the *Gazette*.

2. In this Ordinance— Interpretation.

“construction date” means the day specified in a
Development Order pursuant to paragraph (c)
of section 5 of the Ordinance or in any amend-
ment thereof pursuant to section 12 of this
Ordinance;

“production date” means the date specified in a
Development Order pursuant to paragraph (d)
of section 5 of the Ordinance, or in any amend-
ment thereof pursuant to section 12 of this
Ordinance;

“Developer” means a person so declared by a
Development Order, and shall include a body
corporate registered under the Companies
Ordinance 1971 or any other Ordinance
amending or replacing the same;

*Note.—This Ordinance is amended by No. 3 of 1973. See page 29.

“Development Order” means an Order made under section 4 of this Ordinance;

“development premises” means the premises specified in a Development Order pursuant to paragraph (b) of section 5 of this Ordinance or any amendment thereof pursuant to section 12 of this Ordinance;

“tax exemption period” means a period commencing from the date specified in the Development Order and terminating not more than ten years after the date thereof pursuant to section 14 of this Ordinance, and

“declared benefit” means the benefits specified in section 6 of this Ordinance;

Application for
Development
Order and
information
required.

3. Any person or body corporate who is desirous of conducting or expanding an enterprise in these Islands may apply to the Administrator for a Development Order in relation to such enterprise and in support of the application shall furnish to the Administrator the following information—

(1) particulars as to the nature of such enterprise, the premises where it will be conducted, managed and otherwise operated, and the contribution which it is expected to make to the economy;

(2) the estimated minimum amount and utilisation of the capital to be expended annually thereon during the tax exemption period;

(3) where applicable, the numbers of persons to be employed, source of recruitment and the conditions under which workers will be employed, including where required provisions for the housing of workers;

(4) the date on or before which:—

(a) the construction, expansion or preparation as the case may be, of the premises of the enterprise will commence;

(b) having regard to the nature of the enterprise, it is anticipated that the applicant shall begin producing or supplying, on a reasonably extensive or marketable basis, the result arising from the conduct of the enterprise;

(c) facilities will be available where the enterprise relates to the provisions of residential or recreational amenities for tourists;

(5) satisfactory evidence that the enterprise is adequately financed and managed, and

(6) such other information which may include a feasibility report as the Administrator may require.

4. Subject to the provisions of section 3 of this Ordinance the Administrator may by Order—

Development
Order.

(1) declare any enterprise to be a development enterprise in respect of which an application has been made if he is satisfied that:—

(a) it is either a new enterprise or the substantial expansion of an existing enterprise;

(b) it will have a beneficial effect on employment and the economy of the Islands, and

(c) it is expedient in the public interest so to do.

(2) declare any person or body corporate to be a Developer for the purpose of conducting or expanding a development enterprise if he is satisfied that—

(a) it is adequately financed and is effectively managed for such period as may be specified in the Development Order;

(b) it has adequately qualified or trained personnel in its employ or is able to obtain the services of such personnel;

(c) it is able to obtain adequate raw materials (where applicable);

(d) it possesses or will possess the necessary premises.

5. A Development Order shall declare—

Contents of
Development
Order.

(a) the Developer in whose favour the Development Order is made;

(b) the premises where the development enterprise shall be conducted, managed and otherwise operated;

(c) the date on or before which the construction, expansion or preparation of the development premises will commence;

(d) the date on or before which, having regard to the nature of the development enterprise, it is anticipated that the Developer shall begin producing or supplying, on a reasonably extensive or marketable basis, the result arising from the conduct of the development enterprise;

(e) the date of commencement and the date of the termination of the tax exemption period in relation to the development enterprise;

(f) such other conditions relating to the manner in which the affairs of the development enterprise shall be conducted, managed and operated as the Administrator may deem fit, which may include a requirement that the Developer shall in every year during the tax exemption period submit to the Administrator accounts as provided by section 11 of this Ordinance.

Declared
Benefits.

6. Any developer to whom the Administrator grants a development Order shall receive the following relief—

(1) Exemption from any taxes on profits or gains attributable to the trading activities proper to the enterprise for such period not exceeding ten years as shall be stated in the Development Order, and

(2) Exemption from—

(a) All import duties upon the articles and commodities listed in the Schedule hereto to the extent and to the quantities thereof stated in the Development Order for the period (not exceeding ten years) as shall be stated in the Development Order:

Provided that no article imported into these Islands by a Developer with any declared benefit in respect of Customs duty under the provisions of this Ordinance shall be used for a purpose other than the purpose for which it was imported unless disposed of under section 9 of this Ordinance.

(b) All export duties upon all articles or substances manufactured, produced or processed by the Developer in the exercise of the proper function of the trade or business of the Developer or upon such articles or substances as may be specified in the Development Order, for the period (not exceeding ten years) from the date stated in the Development Order.

7. Every Developer who imports into these Islands any articles free of customs duty under the provisions of section 6 of this Ordinance shall—

(a) keep a record in such form and containing such particulars as shall be specified by the Collector of Customs of the articles so imported;

(b) cause such articles to be marked with a mark and in such manner as may be required by the Collector of Customs; and

(c) permit the Collector of Customs or any person authorised by him at any reasonable time to inspect such record and to examine any such articles for the purpose of satisfying himself of the accuracy of the particulars in relation to such article contained in such record.

Special provisions relating to articles imported free of customs and entry tax.

8. At least seven days before the date of importation by the Developer of any article deemed by the Developer to come within the provisions of the Development Order, and agreed by the Collector of Customs, the Developer shall deposit with the Collector of Customs two certified copies of the list of the quantities and articles being imported as soon as these shall become available:

Deposit of bills of quantities, specifications and alterations thereto.

Provided that an alteration amendment or addition thereto of a minor nature may be authorised by the Administrator in his discretion.

9.—(1) No articles imported under the provisions of a Development Order shall be given away or sold within five years of the date of importation except—

Restriction on imported goods.

(a) with the written permission of the Administrator, or

(b) on payment of all import duties of Customs leviable on the market value of such

article or articles at the date of gift or sale or revocation of the Development Order.

(2) In the event that any Developer to whom a Development Order has been granted shall knowingly fail to comply with the provisions of this section the Development Order may be revoked by the Administrator.

Provisions relating to revocation of order

10.—(1) The Administrator, if he is satisfied that a Developer has contravened any of the provisions of this Ordinance, and in particular, any terms of the Development Order but without prejudice to the generality of the following—

(a) that there has been a failure or neglect to commence the construction, expansion or preparation, as the case may be, of the development enterprise on or before the construction date; or

(b) that the result contemplated by paragraph (d) of section 5 of this Ordinance is not attained on or before the production date; or

(c) that a development enterprise is not being conducted in accordance with the terms of the Development Order of the application for a Development Order relating to it; or

(d) that the information furnished by the applicant in its application for a Development Order is false in a material particular; or

(e) that conditions relating to the employment of labour or the housing of workers are unsatisfactory or;

(f) the conditions referred to in paragraph (f) of section 5 of this Ordinance have not been complied with;

may revoke the Development Order and thereupon the provisions of section 6 of this Ordinance shall cease to apply to such enterprise:

Provided that the Administrator may at his discretion give to the Developer 14 days notice of his intention to revoke the Development Order to enable the Developer to comply with the terms of the Development Order.

(2) When any Order made under section 4 of this Ordinance has been revoked the Administrator shall

cause a notice to that effect to be published in the *Gazette* and shall state the date on which the enterprise shall cease or shall have ceased to be a development enterprise.

(3) The person declared to be a Developer under section 4 (2) of this Ordinance or the person conducting the development enterprise as the case may be shall pay to the Collector of Customs the customs duty which shall be calculated as if the articles have been disposed of under paragraph (b) of section 9 (1) of this Ordinance.

(4) Any sum which may be payable to the Collector of Customs under the provisions of subsection (3) of this section may be recovered at the suit of the Collector of Customs in the Magistrate's Court notwithstanding the provisions of any law to the contrary limiting the jurisdiction of such Court. The value of the goods for the purpose of paragraph (b) of section 9 (1) shall be assessed by the Collector of Customs; and in the event of a dispute as to the value, the Court may order the said goods to be sold by public auction, or offered for sale on such terms as the Court may direct.

11. A Developer shall in every year during the tax exemption period, on a date to be specified by the Administrator, submit to the Administrator a report in writing on the conduct and the progress of the development enterprise together with a statement giving full particulars of all capital expended on the development enterprise and showing how this capital has been depreciated during the year or part thereof covered and if so required, such statement shall be duly certified and authenticated.

Report.

12. On the application of a Developer the Administrator may, by Order, upon such conditions as he may think fit, amend a Development Order made with respect to the Developer in regard to any matters specified in paragraphs (b) (c) (d) and (f) of section 5 of this Ordinance.

Amendment of development Order.

13. The Administrator may by order extend the period of declared benefits for a further period not exceeding five years from the expiration of the original period granted under section 6 of this Ordinance provided he is satisfied that the development enterprise:

Extension of tax exemption period.

- (a) will continue to have a beneficial effect on employment and the economy of these islands; and
(b) it is in the public interest that an extension of the tax exemption period is desirable.

Amendment of
Schedule.

14. The Administrator may from time to time by Order add to, vary or amend the Schedule to this Ordinance.

Offences.

15. Any Developer or his agent who contravenes any of the provisions of sections 5 (f) 7, 9, or 11 of this Ordinance who with intent to deceive knowingly makes a statement false in a material particular in any report or account submitted under any provision of this Ordinance and every officer or agent of any Developer being a body corporate who is knowingly a party to such contravention shall in addition to any liability incurred under any other Ordinance be guilty of an offence and on summary conviction thereof shall be liable to a fine not exceeding one thousand dollars and in default of payment to imprisonment for a period not exceeding six months.

Repeal of
Hotels
Aid Ordinance
1961.
Cap. 67.

16. The Hotels Aid Ordinance 1961 is hereby repealed, save insofar as regards any person currently holding a licence under section 3 thereof.

THE SCHEDULE.

Construction Material: All materials whether in a natural, improved, processed, manufactured or pre-fabricated state that shall be used in the construction of any building or structure, but exclusive of fixtures, fittings and appliances except as below.

Plant and Machinery: All plant, machinery, equipment, or tools that shall have an invoiced first cost ex works or supplier of more than J\$100.00 for each unit or component.

Fixtures, Appliances, Fittings: All fixtures, appliances or fittings whether plumbing, electrical, mechanical, gas or oil operated that shall have an invoiced first cost ex works or supplier of more than J\$50.00 for each unit or component.

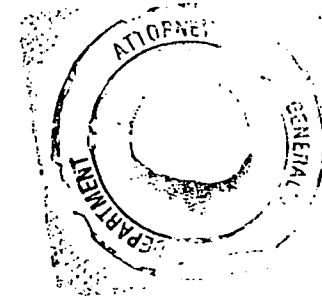
Furniture and Furnishings: All furniture and furnishings and items of interior decoration that shall have an invoiced first cost ex works or supplier of more than J\$100.00 for each unit or component.

All other materials, equipment or machinery that shall be specifically mentioned in a Development Order issued to a specific Developer for a particular project.

Passed by the State Council (Legislative) this 27th day of July, 1972.

G. E. M. EWING,
Deputy Speaker.

R. N. ROBINSON,
Clerk.



ORDINANCE NO. 3 OF 1973.

I assent, *L.S.*
A. G. MITCHELL,
Governor.
[6th July, 1973.] *G.N. 128/1973.*

AN ORDINANCE TO AMEND THE ENCOURAGEMENT OF DEVELOPMENT ORDINANCE, 1972.

ENACTED by the Legislature of the Turks and Caicos Islands as follows—

1. This Ordinance may be cited as the Encouragement of Development (Amendment) Ordinance and shall be read as one with the Encouragement of Development Ordinance 1972 (hereinafter referred to as the Principal Ordinance).

*Short title.
2 of 1972.*

2. Section 6 (2) (a) of the Principal Ordinance is hereby amended by the deletion of the word "hereto" and the substitution therefore of the words "to the".

*Amends section
6 of 2 of 1972.*

3. The schedule to the Principal Ordinance is hereby repealed.

*Repeals
Schedule to 2 of
1972.*

Passed by the State Council (Legislative) this 5th day of July, 1973.

G. E. M. EWING,
Speaker.

R. N. ROBINSON,
Clerk.

FORM 675G (S)
PROCEDE **Plasdax** PROCESS
MONTREAL · TORONTO

THE ENCOURAGEMENT OF DEVELOPMENT
(AMENDMENT) ORDINANCE 1980

(No. 8 of 1980.)

AN ORDINANCE TO AMEND THE ENCOURAGEMENT
OF DEVELOPMENT ORDINANCE, 1972 (NO. 2 OF
1972).

[11th August, 1980] *Assent.*
[22nd August, 1980] *Commencement.*
L.N. 31/1980

1. This Ordinance may be cited as the En-
couragement of Development (Amendment) Ordi-
nance, 1980.

Short title.

2. Section 6 of the Encouragement of Develop-
ment Ordinance, 1972, (hereinafter called the principal
Ordinance) is hereby repealed and replaced as fol-
lows—

*Repeal and
replacement of
section 6 of No. 2
of 1972.*

*Declared
benefits.*

6. Any Developer in whose
favour a Development Order is
made shall receive such of the fol-
lowing benefits and reliefs as may be
specified in the Order—

(a) exemption, for such
period, not exceeding thirty-five
years, as may be specified in the
said Order, from any taxes on
profits, gains or turn-over attri-
butable to the enterprise to
which the said Order relates;

(b) exemption, for such
period, not exceeding thirty-five
years, as may be specified in the
said Order, from any real prop-
erty tax, capital levy or other tax
on capital invested in the enter-
prise to which the said Order
relates;

(c) exemption, for such period, not exceeding thirty-five years, as may be specified in the said Order, from all customs import duties upon the articles, in respect of the quantities (if any) stated, specified in the said Order which are imported into the Islands for such purposes of the enterprise to which the Order relates as may be specified therein:

Provided that no article imported into the Islands with a benefit or relief in respect of customs duty under the provisions of any Development Order shall be used for a purpose other than that for which it was so imported except in accordance with the provisions of section 9;

(d) exemption from all customs import duties upon any construction equipment imported into the Islands, either by the Developer or a contractor operating on his instructions, for the purpose of the construction of any premises required for the purposes of the enterprise to which the said Order relates:

Provided that such construction equipment shall not be used for the purpose of any other project or enterprise without the prior consent in writing of the Governor and shall be removed from the Islands, after the work for which it is required has been completed, within such time as shall be specified by the Governor at the time of importation, unless the full

amount of customs duty ordinarily payable on the importation thereof has been paid; and the Governor may require the importer to enter into a bond for the payment of any such duty if such equipment is not so removed by such date;

(e) exemption, for such period, not exceeding thirty-five years, as may be specified in the said Order, from all export duties upon all articles or substances manufactured, produced or processed by the Developer in the exercise of the proper functions of the trade or business involved in the enterprise to which the said Order relates, or upon such articles or substances as may be specified therein."

3. Section 6 is amended, in subparagraph (a) of paragraph (1), by the deletion of the words "Schedule to the extent" and the substitution therefor of the words "Schedule to the Development Order to the extent".

Amendment of section 6 of the principal Ordinance.

4. Section 9 of the principal Ordinance is amended—

Amendment of section 9 of the principal Ordinance.

(a) in subsection (1)(b), by the deletion of the words "or revocation of the Development Order";

(b) by the insertion, immediately following subsection (2), of the following new subsections—

"(3) Where any article is disposed of contrary to the provisions of subsection (1), the person to whom such article has been given or sold shall be liable, jointly and severally, with the Developer, for the payment of the import duties on the value of the article at the date of the gift or sale unless he proves that he did not know or have reason to suspect, and could not upon reasonable in-

quiry have ascertained, that the article had been imported in pursuance of a Development Order and was being disposed of contrary to the provisions of subsection (1).

(4) the provisions of section 10(4) shall apply *mutatis mutandis* to the recovery of sums due in respect of import duty payable under the provisions of this section as they apply to sums payable under the provisions of that section."

Saving for
existing
Development
Orders.

5. Nothing in section 2 of this Ordinance shall affect the terms of any Development Order made prior to the date of commencement of this Ordinance, and any such Order shall continue in force for the period for which it was expressed to run, or any extension thereof, granted under section 13 of the principal Ordinance as if section 2 of this Ordinance had not been enacted.

Form 675 G (5)
PROCI of **Plasdex** PROCESS
MONTREAL - TORONTO

IMMIGRATION DEPARTMENT - TURKS AND CAICOS ISLANDS

The information in this leaflet is for guidance only. Each application is considered on its merits under the provisions of the Immigration Ordinance.

It is the policy of the Government of the Turks and Caicos Islands to promote the interests of the people who belong to the Islands and who are hereinafter called 'Belongers'. In pursuit of this policy all persons who wish to set up in business or self-employment must apply to the Business Licencing Committee for a licence to carry on the business proposed.

Once a business licence or conditional licence has been issued by the Business Licencing Committee, an application for a permit may be made to the Immigration Department. There is a special form on which such applications should be made and which can be obtained from the Immigration Department on request.

The application for a business permit should be accompanied by the application form and -

- a. two passport size photographs of the applicant;
- b. a recent medical certificate;
- c. a valid business licence or conditional licence;
- d. a letter authorising details of the applicant's financial standing to be given to the Immigration Department by the applicant's bank;
- e. the prescribed fee;
- f. the applicant's passport.

If a permit is issued it will normally be for twelve months in the first instance, renewable annually thereafter.

Extensions and Renewals

An extension or renewal of a business permit will be granted by the Immigration Department provided the Chief Immigration Officer is satisfied that there are no grounds for doing otherwise. Applications for renewals should be made before the expiry date of the current permit and should be made on a form which can be obtained from the Immigration Department. The application should be accompanied by -

- a. a letter authorising details of the applicant's financial standing to be given to the Immigration Department by the applicant's bank;
- b. the passport and permit;
- c. a recent set of accounts of the business;
- d. the prescribed fee.

A leaflet showing the current permit fees may be obtained from the Immigration Department on request.

IMPORTANT NOTES.

Persons should be in possession of valid passports and - where they are nationals of countries who require visas to enter these Islands - valid visas.

Persons found carrying on a business in the Islands without the permission of the Immigration Department are liable to heavy fines or imprisonment or both. Persons who knowingly harbour such offenders may themselves be liable to similar penalties.

Any further information on immigration matters in the Turks and Caicos Islands should be addressed to:

The Chief Immigration Officer
Immigration Department
GRAND TURK.

Form 675 G (5)
PROCÉDÉ *Plasdex* * PROCESS
MONTREAL - TORONTO

CHECKLIST OF PRELIMINARY INFORMATION
REQUIRED IN SUPPORT OF INVESTMENT PROPOSALS.

1. Name and Address (including telephone and fax numbers) of Sponsor.
2. Date and Place of Birth, Nationality and Country of Residence
3. Description of the Project including physical and operational aspects (concept drawings should be submitted) Management and Marketing arrangements.
4. Details of Land required and indication of legal tenure expected.
5. Estimates of Project costs and revenues
6. Source(s) of Financing
7. Estimate of Employment Levels:-
 - (a) during construction
 - (b) during the operational phase
8. Bankers and other Financial and Business References (Names, addresses, fax numbers etc only).
9. Background information on Existing Operations (Incorporation, Ownership, Annual Reports, Audited Financial Statements)
10. Indication of Government Assistance required (infrastructure, fiscal concessions Work permits, etc.)

NOTE

The above information is required to facilitate preliminary assessment of proposals. Additional details including building plans, marketing, engineering and environmental studies may be requested before final approval

Form 675 G (5)
PROCEDE *Plasdex* PROCESS
MONTREAL - TORONTO

THE BUSINESS LICENSING ORDINANCE 1983

(Section 22)

APPLICATION FOR GRANT OF BUSINESS LICENCE

TO: The Secretary of the Business Licensing Committee.
(Note: Where the application is in respect of a business the controlling interest in which is owned by one or more Belongers, the application must be made by a Belonger).

I/WE.....of.....
(Name of applicant)

HEREBY MAKE APPLICATION for the grant of a Business Licence to carry on the business of at

ALL Applicants should answer all the following questions.

(a) What is the nature of the business which is to be licensed?

.....

- (b) Is the business the only one (i) carried on by the applicant?
(ii) licensed in the name of the applicant?

If the answer to either (i) of (ii) is "No" - please give details.

.....
.....

(c) From how many places does the business to be licensed operate?

.....

(d) (i) Is the controlling interest in the business to be licensed owned by one or more belongers?
(see Section 2(1) of the Business Licensing Ordinance).

(ii) If the answer to (i) is "Yes" is it intended that the controlling interest in the business to be licensed will at all times be owned by one or more Belongers?...

The appropriate fee of \$..... is enclosed herewith.

I.....declare that the information
(Name of applicant)

contained in this application is true to the best of my knowledge and belief.

TURKS AND CAICOS ISLANDS

THE EMPLOYMENT ORDINANCE 1988
(No.17 OF 1988)

ARRANGEMENT OF SECTIONS

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2. Interpretation.

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PARTICULARS OF TERMS OF EMPLOYMENT

Written particulars of terms of employment

3. Written particular of terms of employment.
4. Supplementary provisions relating to statements under section 3.
5. Changes in terms of employment.
6. Exclusion of certain contracts in writing.
7. Employees becoming or ceasing to be excluded from sections 3 and 5.
8. Power of Minister to require further particulars.

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9. Right to itemised pay statement.

Enforcement of rights under Part II

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Manner and time of payment of wages or salary,
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12. Payment of wages or salary by post.
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15. Stipulations as to spending of wages or salary prohibited.
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61. Abolition of doctrine of common employment.

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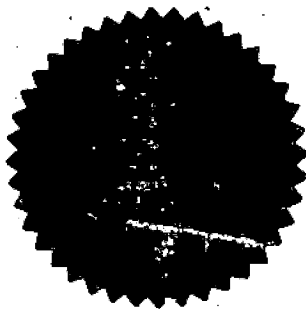
63. Transitional Provisions.

SCHEDULE: RIGHTS OF EMPLOYEE IN PERIOD OF NOTICE

TURKS AND CAICOS ISLANDS

THE EMPLOYMENT ORDINANCE 1988

(No.17 of 1988)



[Signature]
I assent

Michael J. Bradley Q.C.
Governor.

Dated 15th January 1989.

An Ordinance to require employers to give written particulars of terms of employment; to regulate the manner and time of the payment of wages and salaries and deductions from wages and salaries; to provide for the fixing of minimum wages and salaries and for the payment of holiday remuneration, maternity pay and severance pay; to require minimum periods of notice to terminate the employment of employees; to protect employees against unfair dismissal; to provide for the fair and expeditious resolution of disputes relating to employment; to abolish the doctrine of common employment; and to make provision for matters connected with those purposes.

Enacted by the Legislature of the Turks and Caicos Islands.

PART I
PRELIMINARY

Short title and commencement.

1. (1) This Ordinance may be cited as the Employment Ordinance 1988.

(2) This Ordinance shall come into force on such day as the Governor may appoint by notice in the Gazette.

Interpretation.

2. (1) In this Ordinance -

"act" and "action" each includes omission and references to doing an act or taking action shall be construed accordingly;

"the Commissioner" means the person appointed as the Commissioner of Labour under Section 26;

"confinement" means the birth of a living child or the birth of a child whether living or dead after twenty-eight weeks of pregnancy;

"contract of employment" means a contract of service or apprenticeship, whether express or implied, and, if it is express or implied, and, if it is express, whether it is oral or in writing;

"effective date of termination" has the meaning given by subsections (4) to (6) of section 34;

"employee" means an individual who has entered into or works under (or, where the employment has ceased, worked under) a contract of employment;

"employer", in relation to an employee, means the person by whom the employee is (or in a case where the employment has ceased, was) employed;

"employment" means employment under a contract of employment;

"homeworker" means an individual who contracts with a person, for the purposes of that person's business, for the execution of work to be done in a place not under the control or management of that person, and who does not normally make use of the services of more than two persons in the carrying out of contracts for the execution of work with statutory minimum remuneration;

"independent trade union" means a trade union which -

- (a) is not under the domination or control of an employer or any group or association of employers; or
- (b) is not liable to interference by an employer or any group or association of employers (arising out of the provision of financial or material support or by any other means) tending towards such control;

"inspector" means an inspector appointed under section 26;

"maternity leave" means absence from work for the purposes of confinement and recovery of health after confinement;

"statutory minimum remuneration" means remuneration (including holiday remuneration, maternity pay and severance pay) fixed by an order under section 18;

"superannuation scheme" means any Ordinance, rules, deed or other instrument, providing for the payment of annuities or lump sums to the persons with respect to whom the instrument has effect on their retirement at a specified age or on becoming incapacitated at some earlier age, or to the personal representative or the widows, relatives or dependants of such persons on their death or otherwise, whether with or without any further or other benefits;

"thrift scheme" means any arrangement for savings, for providing money for holidays or for other purposes, under which an employee is entitled to receive in cash sums equal to or greater than the aggregate of any sums deducted for his remuneration or paid by him for the purposes of the scheme;

Cap.63.

"trade dispute" has the meaning given by section 2 of the Trade Union Ordinance;

Cap.63.

"trade union" has the meaning given by section 2 of the Trade Union Ordinance;

"week" means, in relation to an employee whose remuneration is calculated weekly, the week ending with the day on which the employee is contractually entitled to be paid.

(2) References in this Ordinance to dismissal by reason of redundancy, and to cognate expressions, shall be construed in accordance with section 37.

(3) For the purposes of this Ordinance any two employers are to be treated as associated if one is a company of which the other (directly or indirectly) has control, or if both are companies of which a third person (directly or indirectly) has control; and the expression "associated employer" shall be construed accordingly;

(4) For the purposes of this Ordinance it is immaterial whether the law which (apart from this Ordinance) governs any person's employment is the law of the Islands or not.

PART II

PARTICULARS OF TERMS OF EMPLOYMENT

Written particulars of terms of employment

Written particulars of terms of employment.

3. (1) Not later than four weeks after the beginning of an employee's employment with an employer, the employer shall give to the employee a written statement in accordance with the following provisions of this section.

(2) An employer shall in a statement under this section -

- (a) identify the parties;
- (b) specify the date when the employment began; and
- (c) specify the date on which the employee's period of continuous employment began (taking into account any employment with a previous employer which counts towards that period).

(3) A statement under this section shall contain the following particulars of the terms of employment as at a specified date not more than one week before the statement is given -

- (a) the scale or rate of remuneration, or the method of calculating remuneration;
- (b) the intervals at which remuneration is paid (that is, whether weekly or monthly or by some other period);
- (c) any terms and conditions relating to hours of work (including any terms and conditions relating to normal working hours);
- (d) any terms and conditions relating to -
 - (i) entitlement to holidays, including public holidays, and holiday pay (the particulars given being sufficient to enable the employee's entitlement, including any entitlement to accrued holiday pay on

the termination of employment, to be precisely calculated);

(ii) incapacity for work due to sickness or injury, including any provisions for sick pay; and for the provision by the employee of a certificate to justify absence from work, signed by a doctor approved by the Health Practitioner's Board, and established under section 3 of the Health Practitioners Ordinance, No.12 of 1978.

No.12 of 1978.

(iii) pensions and pension schemes; and

(e) the length of notice which the employee is obliged to give and entitled to receive to determine his contract of employment.

(4) Every statement given to an employee under this section shall include a note -

(a) specifying any disciplinary rules applicable to the employee, or referring to a document which is reasonably accessible to the employee which specifies such rules;

(b) specifying, by description or otherwise -

(i) a person to whom the employee can apply if he is dissatisfied with any disciplinary decision relating to him; and

- (ii) a person to whom the employee can apply for the purpose of seeking redress of any grievance relating to his employment;

and the manner in which any such application should be made; and

- (c) where there are further steps consequent upon any such application, explaining those steps or referring to a document which is reasonably accessible to the employee and which explains them.

(5) The definition of "week" given by section 2 shall not apply for the purposes of this section.

Supplementary provisions relating to statements under section 3.

4. (1) If there are no particulars to be entered under any of the heads of paragraph (d) of subsection (3) of section 3, or under any of the other provisions of subsection (2) or (3) or that section, that fact shall be stated.

(2) If the contract is for a fixed term, the statement given under section 3 shall state the date when the contract expires.

(3) A statement given under section 3 may, for all or any of the particulars to be given by the statement, refer the employee to some document which the employee has reasonable opportunities of reading in the course of his employment or which is made reasonably accessible to him in some other way..

(4) No statement need be given under section 3 where -

- (a) the employee's terms of employment are the same as those of earlier employment with the same employer in respect of which a statement under that section and any

information subsequently required under section 5 was duly given; and

- (b) the earlier employment ended not more than six months before the beginning of the employment in question;

but without prejudice to the operation of subsection (1) of section 5 if there is subsequently a change in the terms of employment.

Changes in terms of employment.

5. (1) If, after the date to which a statement given under section 3 relates, there is a change in the terms of employment to be included, or referred to, in that statement the employer shall, not more than one month after the change, inform the employee of the nature of the change by a written statement; and, if he does not leave a copy of the statement with the employee, shall preserve the statement and ensure that the employee has reasonable opportunities of reading it in the course of his employment, or that it is made reasonably accessible to him in some other way.

(2) A statement given under subsection (1) may, for all or any of the particulars to be given by the statement, refer the employee to some document which the employee has reasonable opportunities of reading in the course of his employment, or which is made reasonably accessible to him in some other way.

(3) Where, after an employer has given to an employee a written statement in accordance with section 3 -

- (a) the name of the employer (whether an individual or a body corporate or partnership) is changed, without any change in the identity of the employer; or

- (b) the identity of the employer is changed, in such circumstances that the continuity of the employee's period of employment is not broken;

and (in either case) the change does not involve any change in the terms (other than the names of parties) included or referred or referred to in the statement, then the person who, immediately after the change, is the employer shall not be required to give to the employee a statement in accordance with section 3 but the change shall be treated as a change falling within subsection (1).

(4) A written statement under this section which informs an employee of such a change in his terms of employment as is referred to in paragraph (b) of subsection (4) shall specify the date on which the employee's period of continuous employment began.

(5) For the avoidance of doubt, it is declared that variations of the terms of the contract of employment shall only be binding in law when agreed or accepted by both parties thereto.

Exclusion
of certain
contracts in
writing.

6. Sections 3 and 5 shall not apply to an employee if and so long as the following conditions are fulfilled in relation to him -

- (a) the employee's contract of employment is a contract which has been reduced to writing in one or more documents and which contains express terms affording the particulars to be given under each of the paragraphs in subsection (3) of section 3 and under each head of paragraph (d) of that subsection;
- (b) there has been given to the employee a copy of the contract (with any variations made from time to time), or he has reasonable opportunities

of reading such a copy in the course of his employment, or such a copy is made reasonably accessible to him in some other way; and

- (c) such a note as is mentioned in subsection (4) of section 3 has been given to the employee or he has reasonable opportunities of reading such a note in the course of his employment or such a note is made reasonably accessible to him in some other way.

Employees becoming or ceasing to be excluded from sections 3 and 5.

7. (1) Sections 3 to 5 shall apply to an employee who at any time comes or ceases to come within the exceptions from those sections provided for by section 6, section 57 or subsections (2) to (4) of section 59 as if his employment with his employer terminated or began at that time.

(2) Subsection (1) of section 3 shall apply to an employee who ceases to come within the exception provided by section 6.

(3) The fact that section 3 is directed to apply to an employee as if his employment began on his ceasing to come within one of the exceptions referred to in subsection (1) shall not affect the obligation under paragraph (b) of subsection (2) of that section to specify the date on which his employment actually began.

Power of Minister to require further particulars.

8. The Minister may, by order, provide that section 3 shall have effect as if such further particulars as may be specified in the Order were included in the particulars to be included in a statement under that section.

Itemised pay statements

Right to
itemised
pay
statement.

9. Every employee shall have the right, to be given by his employer at or before the time at which any payment of wages or salary is made to him, an itemised pay statement, in writing, containing the following particulars -

- (a) the gross amount of the wages or salary;
- (b) the amounts of any variable and, subject to section 10, any fixed deductions from that gross amount and the purposes for which they are made;
- (c) the net amount of wages or salary payable; and
- (d) where different parts of the net amount are paid in different ways, the amount and method of payment of each part-payment.

Enforcement of rights under Part II

References
to Magistrate.

10. (1) Where an employer does not give an employee a statement as required by section 3 or by subsection (1) of section 5 or by section 9, the employee may require a reference to be made to the Magistrate's Court to determine what particulars ought to be included or referred to in a statement so as to comply with the requirements of the relevant section.

(2) Where -

- (a) a statement purporting to be a statement under section 3 or subsection (1) of section 5; or
- (b) a pay statement, or a standing statement of fixed deductions, purporting to comply with section 9,

has been given to an employee, and a question is raised as to the particulars which ought to have been included or referred to in the statement so as to comply with the requirements of this Part, the employer or the employee may require that question to be referred to and determined by the Magistrate's Court.

(3) Where a statement under section 3 or subsection (1) of section 5 by an employer to an employee contains such an indication as is mentioned in subsection (3) of section 5 -

(a) any particulars purporting to be particulars of a change to which that indication relates are entered up or recorded in accordance with that indication; and

(b) a question arises as to the particulars which ought to have been so entered up or recorded,

either the employer or the employee may require that question to be referred to the Magistrate's Court.

(4) In this section, a question as to the particulars which ought to have been included in a pay statement, or in a standing statement of fixed deductions, does not include a question solely as to the accuracy of an amount stated in any such particulars.

(5) Where, on reference under subsection (1), the Magistrate's Court determines particulars as being those which ought to have been included or referred to in a statement, the employer shall be deemed to have given to the employee a statement in which those particulars were included, or referred to, as specified in the decision of the Magistrate's Court.

(6) On determining a reference under paragraph (a) of subsection (2), the Magistrate's Court may confirm the particulars as included or referred to in the statement

given by the employer, may amend those particulars, or may substitute other particulars for them, as the Court may determine to be appropriate; and the statement shall be deemed to have been given by the employer to the employee in accordance with the decision of the Court.

(7) On determining a reference under subsection (3), the Court may confirm the particulars to which the reference relates, may amend those particulars or may substitute other particulars for them, as the Court may determine to be appropriate; and particulars of the change to which the reference relates shall be deemed to have been entered up or recorded in accordance with the decision of the Court.

(8) Where, on a reference under this section, the Magistrate's Court finds an employer has failed to give an employee any pay statement in accordance with section 9 or that a fixed pay statement or standing statement of fixed deductions does not, in relation to a deduction, contain the particulars required to be included in that statement by that section:

- (a) the Court shall make a declaration to that effect; and
- (b) where the Court finds that any unnotified deductions have been made from the pay of an employee during the period of four weeks immediately preceding the date of the application for the reference (whether or not the deductions were made in breach of the contract of employment), the Court may order the employer to pay the employee a sum not exceeding the aggregate of the unnotified deductions so made.

(9) In subsection (8) "unnotified deduction" means a deduction made without the employer giving the employee, in any pay

statement or standing statement of fixed deductions, the particulars of that deduction as required by section 9.

(10) The Magistrate's Court shall not entertain a reference under this section in a case where the employment to which the reference relates has ceased, unless an application requiring the reference to be made was made before the end of the period of three months beginning with the date on which the employment ceased.

PART III

REMUNERATION OF EMPLOYEES, ETC.

Manner and time of payment of wages or salary, authorised deductions, etc.

Payment of wages or salary in cash or in other authorised ways.

No.2 of 1973.

11. (1) Subject to the provisions of this Ordinance, in contracts of employment made before or after the commencement of this Ordinance, the wages or salary of an employee shall be payable only -

- (a) in currency which is legal tender under the Currency Ordinance 1973; or
- (b) with the consent of the employee, in any of the following ways -
 - (i) by payment into an account at a bank, being an account standing in the name of the person to whom the payment is due, or an account standing in the name of that person jointly with one or more other persons;
 - (ii) by payment by postal order;

(iii) by payment by money order;

(iv) by payment by cheque.

(2) Subject to the provisions of this Ordinance, any contract of employment which provides that the wages or salary of the employee shall be payable in whole or in part otherwise than in accordance with subsection (1) shall be illegal, null and void; and any payment of wages or salary made otherwise than in accordance with that subsection shall be illegal, null and void.

(3) The consent of an employee under paragraph (b) of subsection (1) shall be given by way of a notice in writing to his employer by the employee or by any person authorised by the employee in that behalf.

(4) Such consent shall cease to have effect if it is withdrawn by the employee by notice in writing given to the employer.

(5) Such consent may be given, with the agreement of the employer, in respect of part of the wages or salary of the employee.

(6) A notice in writing signifying the consent of an employee under paragraph (b) of subsection (1) to the payment of his wages or salary (or any part of his wages or salary) into an account at a bank shall specify the bank, and the branch of the bank, at which the account is kept and the person or persons in whose name or names the account stands; and a payment of wages or salary in accordance with such a request does not fulfill the requirements of this section unless it is made into the account so specified.

(7) A payment of wages or salary by cheque does not fulfill the requirements of this section unless the cheque is made payable to, or to the order of, the person to whom the wages are due.

(8) A payment of wages or salary in any of the ways authorised by this section does not fulfill the requirements of this section

if, in calculating the payment, any deduction from the gross amount of the wages or salary is made by reason that the payment is so made.

payment
wages
salary
post.

12. (1) The following provisions shall have effect with respect to payment by post -

- (a) the consent of an employee under paragraph (b) of subsection (1) of section 11 to the payment of his wages or salary by cheque shall not, unless the notice signifying such consent expressly so provides, be taken to imply consent to cheques in payment of wages or salary being sent to him by post;
- (b) consent to the payment of wages or salary by money or postal order shall not, unless the notice signifying such consent otherwise expressly provides, be taken to imply consent to money or postal orders being sent to him by post;
- (c) in determining for the purposes of section 11 whether a payment is made in the way specified in such consent, it is immaterial whether the payment is or is not sent by post.

(2) Any reference in subsection (1) to the payment of wages or salary includes a reference to the payment of any part of any wages or salary.

deductions
authorised
to be made
from payments
of wages
or salary.

13. (1) Subject to subsections (2) and (3), an employer shall not make any deductions from the wages or salary of an employee except -

- (a) a deduction required or authorised to be made by any other Ordinance; or

(b) a deduction made, with the consent in writing of the employee or any person acting on his behalf, in respect of -

- (i) money paid by the employer to the employee by way of advance of wages or salary;
- (ii) the payment by the employer of any expenses incurred by the employee in connection with any medical examination or treatment, drugs, medicines, artificial limbs or other artificial appliance; or
- (iii) any superannuation scheme or thrift scheme;
- (iv) payments agreed to be paid by the employee to any third party unconnected with the employer,

where the employer is not under any obligation to make any such payments under any other Ordinance.

(2) Any deductions authorised to be made by paragraph (b) of subsection (1) shall not exceed, in the aggregate, one-half of the gross amount of the wages or salary payable to an employee in respect of the period in which the deductions are made.

(3) Paragraph (b) of subsection (1) shall not be taken to authorise the deduction of any poundage, discount, interest or other charge on account of any advance as is mentioned in that paragraph.

Time and place of payment of wages or salary.

Stipulations as to spending of wages or salary prohibited.

Recovery of wages or salary free of set-off and with interest.

Penalties against employers.

14. Wages or salary shall be paid at regular intervals of not more than one month, and, in the case of wages or salary payable in cash, shall be paid during normal working hours at or near the employee's usual place of work.

15. Subject to the provisions of this Ordinance, any provision contained in any contract of employment respecting the place where or the manner in which, or the person with whom, the whole or any part of wages or salary due or payable to an employer under contract shall be expended shall be illegal, null and void.

16. In any proceedings instituted by an employee against his employer for the recovery of any wages or salary due and payable to him -

- (a) the employer shall not be allowed to make any set-off, whether in respect of goods supplied by him to the employee or otherwise;
- (b) the Magistrates Court may order the employer to pay the amount due and payable to the employee together with interest at the rate of ten per centum per annum calculated from the date on which that amount became due and payable.

17. (1) An employer who -

- (a) pays any wages or salary otherwise than in accordance with subsection (1) of section 11 or section 14; or
- (b) makes any deductions from any wages or salary which are not authorised to be made under section 13;

shall be guilty of an offence and liable on summary conviction to a fine of five hundred dollars and, in the case of a second or subsequent offence, to a fine of one thousand dollars.

Minimum wages and salary, holiday remuneration, severance pay, etc.

Power of Governor to make orders fixing remuneration, etc.

18. (1) The Governor in council may make an order, subject to the and in accordance with the provisions of this section -

- (a) fixing the minimum remuneration of any employees;
- (b) requiring holidays to be allowed to any employees;
- (c) entitling any employee who is absent from work because of ill health -
 - (i) to be paid remuneration, at the rate prescribed by the order and during such period as may be prescribed; by the order; and
 - (ii) to return to work at the end of such period as may be prescribed by the order;
- (d) requiring an employer to pay to any employee of his who has been employed by the employer for such period of continuous employment as may be prescribed by the order and who has been -
 - (i) dismissed by the employer by reason of redundancy; or

(ii) laid-off or kept on short-time by the employer to the prescribed extent,

a sum, to be known as severance pay, calculated in the manner prescribed by the order;

(e) fixing the maximum number of hours which any employee may be required to work on any day and in any week; and

(f) fixing any other terms and conditions of employment of any employee.

(2) An order under this section may make different provisions for different classes or descriptions of employees.

(3) An order under this section fixing holiday remuneration or severance pay may contain provisions as to the times at which, and conditions subject to which, that remuneration or pay shall accrue and shall become payable.

(4) An order under this section fixing holiday remuneration may contain provisions for securing that any such remuneration which has accrued due to an employee during his employment by any employer shall, in the event of his ceasing to be employed by that employer before he becomes entitled to be allowed a holiday by him, nevertheless become payable by the employer to the employee.

(5) Before making an order under this section the Governor shall make such investigations as he thinks fit and shall publish in the Gazette a notice stating -

(a) that he intends to make the order; and

(b) the place where copies of his proposals with respect to the proposed order may be obtained and the period (which shall not be less than twenty-eight days from the date of publication of the notice) within which written representations with respect to the proposals may be sent to the Governor.

(6) After considering any written representations made with respect to any such proposals within the said period and making such further inquiries as he considers necessary, or if no such representations are made within that period, after the expiration of that period, the Governor may make an order-

(a) giving effect to the proposals;

(b) giving effect to them with such modifications as he thinks fit having regard to any such representations;

but if it appears to him that, having regard to the nature of any proposed modifications, an opportunity should be given to persons concerned to consider the modifications, he shall again publish the proposals and give notice under subsection (5), and that subsection and this subsection shall apply accordingly.

(7) An order under this section shall have effect as regards any terms as to remuneration as from a date specified in the order, which may be a date earlier than the date of the order but not earlier than the date on which the Governor agreed on those terms prior to publishing the original proposals to which effect is given, with or without modifications, by the order; but where any such order fixing employees' remuneration applies to any employee who is paid wages or a salary at intervals not exceeding seven days and the date so specified does not correspond with the beginning of the period for which the

wages or salary are paid (hereafter in this section referred to as a period of remuneration), the order shall, as respects that employee, have effect from the beginning of the period of remuneration following the date specified in the order.

(8) Any increase in remuneration payable by virtue of an order under this section in respect of any time before the date of the order shall be paid by the employer within a period specified in the order, being -

- (a) in the case of an employee who is in the employment of the employer on the date of the order, a period beginning with that date; or
- (b) in the case of an employee who is no longer in the employment of the employer on that date, a period beginning with the date on which the employer receives from the employee or a person acting on his behalf a request in writing for the remuneration,

but if, in the case of an employee falling within paragraph (a) who is paid wages or a salary at intervals not exceeding seven days, pay day (the day on which his wages or salary are normally paid to him) for any period of remuneration falls wholly or partly within seven days from the end of that specified period, any such remuneration shall be paid not later than pay day.

(9) An order under this section shall not prejudice any rights conferred on an employee by or under any other Ordinance.

Effect and enforcement of orders under section 18.

19. (1) If a contract between an employee to whom an order under section 18 applies and his employer provides for the payment of less remuneration than the statutory minimum remuneration, it shall have effect as if the statutory minimum remuneration were substituted for the remuneration provided for in the contract, and if any such contract

provides for the payment of any holiday remuneration or severance pay at times or subject to conditions other than those specified in the order, it shall have effect as if the times or conditions specified in the order were substituted for those provided for in the contract.

(2) If any such contract fixes terms and conditions other than those relating to remuneration which are less favourable than the corresponding terms and conditions specified in an order under section 18 it shall have effect as if the corresponding terms and conditions were substituted for those fixed by the contract.

(3) If an employer fails -

- (a) to pay an employee to whom an order under section 18 applies remuneration not less than the statutory minimum remuneration;
- (b) to pay such an employee arrears of remuneration before the expiration of the period specified in the order;
- (c) to pay such an employee holiday remuneration, or severance pay at the times and subject to the conditions specified in the order; or
- (d) to allow to any such employee the holidays fixed by the order,

he shall, for each offence, be liable on summary conviction to a fine of five hundred dollars.

(4) Where proceedings are brought under subsection (3) in respect of an offence consisting of a failure to pay remuneration not less than the statutory minimum remuneration, or to pay arrears of remuneration, and the employer or any other

person charged as a person to whose act or default the offence was due is found guilty of the offence, then, subject to subsection (5)-

(a) evidence may be given of any failure on the part of the employer to pay any such remuneration or arrears during the two years ending with the date of the offence to any employee employed by him; and

(b) on proof of the failure, the court may order the employer to pay such sum as is found by the court to represent the difference between the amount of any such remuneration or arrears which ought to have been paid during that period to any such employees, if the provisions of this Part had been complied with, and the amount actually so paid.

(5) Evidence of any failure to pay any such remuneration or arrears may be given under subsection (4) only if -

(a) the employer or any other person charged as mentioned in that subsection has been convicted of the offence consisting of the failure; and

(b) notice of intention to adduce such evidence has been served with the summons or warrant.

(6) The powers given by this section for the recovery of sums due from an employer to an employee shall not be in derogation of any right to recover such sums by civil proceedings.

imits to
firm and
capaciated
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20. (1) If, as respects any employee employed or desiring to be employed in such circumstances that an order under section 18 applies or will apply to him, the Commissioner

is satisfied, on application being made to him for a permit under this section either by the employee or the the employer or a prospective employer, that the employee is affected by infirmity or physical incapacity which renders him incapable of earning the statutory minimum remuneration or makes it inappropriate for other terms and conditions fixed by the order to apply to him, the Commissioner may, if he thinks fit, grant, subject to any conditions he may determine, a permit authorising the employee to take an employment at less than the statutory minimum remuneration or dispensing with a term or condition specified in the permit; and while the permit is in force the remuneration authorised by the permit shall, if the conditions specified in the permit are complied with, be deemed to be the statutory minimum remuneration or, as the case may be, the terms and conditions fixed by the order shall be deemed to be observed.

(2) Where an employer employs any employee in reliance on any document purporting to be a permit granted under subsection (1) above authorising the employment of that employee at less than statutory minimum remuneration, or dispensing with a term or condition specified in the permit, then, if the employer has notified the Commissioner that relying on that document, he is employing or proposing to employ that employee at a specified remuneration or without compliance with any such term or condition, the document shall, notwithstanding that it is not or is no longer a valid permit relating to that employee, be deemed, subject to the terms of the permit and as respects only any period after the notification, to be such a permit until notice to the contrary is received by the employer from the Commissioner.

Computation
of
remuneration.

21. (1) Subject to the provisions of this Part, any reference in this Part to remuneration shall be construed as a reference to the amount obtained or to be obtained by the employee from his employer after allowing for the employee's necessary expenditure, if any, in connection with his employment, and

clear of all deductions in respect of any matter whatsoever except any deduction authorised to be made under section 13.

(2) Notwithstanding subsection (1), orders under section 18 may contain provisions authorising specified benefits or advantages, being benefits or advantages provided, in pursuance of the terms and conditions of the employment of employees, by the employer or by some other person under arrangements with the employer and not being benefits or advantages the provision of which is illegal by virtue of this or any other Ordinance, to be reckoned as payment of wages or salary by the employer in lieu of payment in cash, and defining the value at which any such benefits or advantages are to be reckoned.

(3) If any payment is made by an employee in respect of any benefit or advantage provided as mentioned in subsection (2), then-

- (a) if the benefit or advantage is authorised by virtue of that subsection to be reckoned as mentioned in that subsection, the amount of the payment shall be deducted from the defined value for the purposes of the reckoning;
- (b) if the benefit or advantage is authorised by virtue of that subsection to be reckoned as mentioned in that subsection, any excess of the amount of the payment over the defined value shall be treated for the purposes of subsection (1) as if it had been a deduction not being an excepted deduction referred to in subsection (1);
- (c) if the benefit or advantage is specified in an order under section 18 as one which has been taken into account in fixing the statutory minimum remuneration, the whole of the payment shall be treated for

the purposes of subsection (1) as if it had been a deduction, not being an excepted deduction referred to in that subsection.

(4) Nothing in this section shall be construed as authorising the making of any deduction, or the giving of remuneration in any manner, which is illegal by virtue of this or any other Ordinance.

Apportionment
of
remuneration.

22. Where for any period an employee receives remuneration for work part of which he is entitled to statutory minimum remuneration at one or more time rates and for the remainder of which no statutory minimum remuneration is fixed, the amount of the remuneration which is to be attributed to the work for which he is entitled to statutory minimum remuneration shall, if not apparent from the terms of the contract between the employer and the employee, be deemed for the purposes of this Part to be the amount which bears to the total amount of the remuneration the same proportion as the time spent on the part of the work for which he is entitled to statutory minimum remuneration bears to the time spent on the whole of the work.

Employers
not to
receive
premiums.

23. (1) Where an employee to whom an order under section 18 applies is an apprentice or learner, it shall not be lawful for his employer to receive directly or indirectly from him, or on his behalf or on his account, any payment by way of premium.

(2) If an employer acts in contravention of this section, he shall be liable on summary conviction, in respect of each offence, to a fine of five hundred dollars; and the court may, in addition to imposing a fine, order him to repay to the employee or other person by whom the payment was made the sum improperly received by way of premium.

Records and
notices.

24. (1) The employer of any employees to whom an order under section 18 applies shall

keep such records as are necessary to show whether or not the provisions of this Part are being complied with as respects them, and the records shall be retained by the employer for three years.

(2) If an employer fails to comply with subsection (1) he shall be liable on summary conviction to a fine of five hundred dollars, and in the case of a second or subsequent offence, a fine of one thousand dollars.

Offences and enforcement

Criminal liability of agent and superior employer, and special defence open to employer.

25. (1) Where the immediate employer of any employee is himself in the employment of some other person, that other person shall for the purposes of this Part be deemed to be the employer of that employee jointly with the immediate employer.

(2) Where an employer is charged with an offence under this Part, he shall be entitled, on giving, to the prosecution not less than three days' notice in writing of his intention, to have any other person to whose act or default he alleges that the offence in question was due brought before the court at the time appointed for the hearing of the charge; and if, after the commission of the offence has been proved, the employer proves that the offence was due to the act or the default of that other person, that other person may be convicted of the offence, and, if the employer further proves that he has used all due diligence to secure that the provisions of this Part and any relevant regulations or orders made under this Ordinance are complied with, he shall be acquitted of the offence.

(3) Where a defendant seeks to avail himself of the provisions of subsection (2) -

(a) the prosecution, as well as

the person whom the defendant charges with the offence, shall have the right to cross-examine him, if he gives evidence, and any witnesses called by him in support of his pleas, and to call rebutting evidence;

(b) the court may make such order as it thinks fit for the payment of costs by any party to the proceedings to any other party thereto.

(4) Where it appears to the Commissioner that an offence has been committed in respect of which proceedings might be taken under this Ordinance against an employer, and the Commissioner is reasonably satisfied that the offence of which complaint is made was due to an act or default of some other person and that the employer could establish a defence under subsection (2) above, proceedings may, with the consent of the Attorney General, be taken against that other person without first causing proceedings to be taken against the employer; and in that event the defendant may be charged with and, on proof that the offence was due to his act or default, be convicted of, the offence with which the employer might have been charged.

**Appointment of
Commissioner
and inspectors.**

26. (1) The Governor may appoint a Commissioner of Labour whose duties and powers shall be those set out in this Ordinance and in Orders and Regulations made thereunder.

(2) The Governor may appoint persons to act as assistants or deputies to the Commissioner, and any reference in this Ordinance to the Commissioner shall be construed as a reference to such assistant or deputy unless the context otherwise requires.

(3) The Governor may appoint public officers to act as inspectors for the purposes of this Part and shall furnish the Commissioner and any officer appointed under this subsection with a certificate of his appointment; and, when acting for the purposes

of this Part, the Commissioner or such officer shall, if so required by any person affected, produce the certificate to him.

(4) The Commissioner or an inspector acting for the purposes of this Part shall have power for the performance of his duties -

- (a) to require the production of records of wages or salaries kept by an employer, and records of payment made to homeworkers by persons giving out work, and any other such records as are required by this Ordinance to be kept by employers, and to inspect and examine those records and copy any material part thereof;
- (b) to require any person giving out work and any homeworker to give any information which it is in his power to give with respect to the names and addresses of the persons to whom the work is given out or from whom work is received, as the case may be, and with respect to the payments to be made for work;
- (c) at all reasonable times to enter any premises at which any employer to whom an order under section 18 applies carries on his business, (including any place used, in connection with that business, for giving out work, to homeworkers and any premises which the inspector has reasonable cause to believe to be used by, or by arrangement with, the employer to provide living accommodation for workers);

- (d) to inspect and copy any material part of any list of homeworkers kept by an employer or person giving out work to homeworkers; and
- (e) subject to subsection (5), to examine, either alone or in the presence of any other person, as he thinks fit, with respect to any matters under this Part, any person whom he has reasonable cause to believe to be or to have been an employee to whom an order under section 18 applies or applied, the employer of any such person or a servant or agent of the employer employed in the employer's business, and to require every such person to be so examined and to sign a declaration of the truth of the matters in respect of which he is so examined.

(5) No person shall be required under paragraph (e) of subsection (4) to give any information tending to incriminate himself or, in the case of a person who is married, his or her wife or husband.

(6) The Commissioner or an inspector acting for the purposes of this Part who is authorised in that behalf by general or special directions of the Governor may, if it appears to him that a sum is due from an employer to an employee on account of the payment to him of remuneration less than the statutory minimum remuneration, institute on behalf of and in the name of that employee civil proceedings for the recovery of that sum; and in any such proceedings the court may make an order for the payment of costs by the inspector as if he were a party to the proceedings.

(7) The power given by subsection (6) for the recovery of sums due from an employer to an employee shall not be in derogation of any right of the employee to recover such sums by civil proceedings.

(8) Subject to subsection (9), any person who obstructs the Commissioner or an inspector acting for the purposes of this Part in the exercise of any power conferred by this section, or fails to comply with any requirement of such a person made in the exercise of any such power, shall be liable on summary conviction to a fine of five hundred dollars.

(9) It shall be a defence for a person charged under subsection (8) with failing to comply with a requirement to prove that it was not reasonably practicable to comply therewith.

Penalties for false entries in records, producing false records or giving false information.

27. If any person makes, causes to be made or knowingly allows to be made, any entry in a record required by this Part to be kept by employers, which he knows to be false in a material particular, or for purposes connected with this Part produces or furnishes or causes or knowingly allows to be produced or furnished, any record, list or information which he knows to be false in a material particular, he shall be liable on summary conviction to a fine of two thousand dollars or to imprisonment for a term of six months, or to both such fine and imprisonment.

Power to obtain information.

28. (1) The Commissioner may, for the purpose of, or in connection with the enforcement of an order under section 18, by notice in writing require an employer to whom the order applies to furnish such information as may be specified or described in the notice.

(2) A notice under this section may specify the way in which, and the time within which, it is to be complied with, and may be varied or revoked by a subsequent notice so given.

(3) If a person refuses or wilfully neglects to furnish any information he has been required to furnish by a notice under subsection (1), he shall be liable on summary conviction to a fine of five hundred dollars.

(4) If a person, in purporting to comply with a requirement of a notice under subsection (1) knowingly or recklessly make any false statement he shall be liable on summary conviction to a fine of two thousand dollars.

(5) If a person wilfully removes or destroys any record or source of information with intent to avoid or obstruct the exercise of the powers conferred by this Part, he shall be liable on summary conviction to a fine of ten thousand dollars or to imprisonment for a term of six months or to both; and in the case of a second or subsequent offence, to a fine of ten thousand dollars or to imprisonment for term of two years or to both such fine and imprisonment.

(6) Section 25 shall not apply in relation to an offence under this section.

(7) Where an offence under this section committed by a body corporate is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of, any director, manager, secretary or other similar officer of the body corporate, or any person who was purporting to act in any capacity, he as well as the body corporate shall be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

(8) Where the affairs of the body corporate are managed by its member, subsection (7) shall apply in relation to the acts and defaults of a member in connection with his functions of management as if he were a director of the body corporate.

PART IV

TERMINATION OF EMPLOYMENT .

Rights of
employer
and
employee
to a
minimum
period of
notice.

29. (1) Subject to subsection (5), the notice required to be given by an employer to terminate the contract of employment of a person who has been continuously employed for one month or more -

- (a) shall be not less than one week's notice if his period of continuous employment is less than two years;
- (b) shall be not less than one week's notice for each year of continuous employment if his period of continuous employment is two years or more but less than twelve years; and
- (c) shall be not less than twelve week's notice if his period of continuous employment is twelve years or more.

(2) Subject to subsection (5), the notice required to be given by an employee who has been continuously employed for one month or more to terminate his contract of employment shall be not less than that required of an employer under subsection (1).

(3) Any provision for shorter notice in any contract of employment with a person who has been continuously employed for one month or more shall have effect subject to the foregoing subsections, but this section shall not be taken to prevent either party from waiving his right to notice on any occasion, or from accepting a payment in lieu of notice.

(4) Any contract of employment of a person who has been continuously employed for three months or more which is a contract for a term certain of one month or less shall have

effect as if it were for an indefinite period and, accordingly subsections (1) and (2) shall apply to the contract.

(5) Subsections (1) and (2) shall not apply to a contract made in contemplation of the performance of a specific task which is not expected to last for more than three months unless the employee has been continuously employed for a period of more than three months.

(6) It is declared that this section does not affect any right of either party to treat the contract as terminable without notice by reason of such conduct by the other party as would have enabled him so to treat it before the passing of this Ordinance.

(7) The definition of week given by section 2 does not apply for the purposes of this section.

Rights of
employee
in period
of notice.
Schedule.

30. (1) If an employer gives notice to terminate the contract of employment of a person who has been continuously employed for one month or more, the provisions of the Schedule shall have effect as respects the liability of the employer for the period of notice required by subsection (1) of section 29.

(2) If an employee who has been continuously employed for one month or more gives notice to terminate his contract of employment, the provisions of the Schedule shall have effect as respects the liability of the employer for the period of notice required by subsection (2) of section 29.

Measure of
damages in
proceedings
against
employers.

31. If an employer fails to give the notice required by section 29 the rights conferred by section 30 (with the Schedule) shall be taken into account in assessing his liability for breach of contract.

Written
statement
of reasons
for
dismissal.

32. (1) Subject to subsection (2), an employee shall be entitled -

- (a) if he is given by his employer notice of termination of his contract of employment;

- (b) if his contract of employment is terminated by his employer without notice; or
- (c) if, where he is employed under a contract for a fixed term, that term expires without being renewed under the same contract;

to be provided by his employer, on request in writing, with a written statement giving particulars of the reasons for his dismissal; and the statement shall be provided within fourteen days of the receipt of the request.

(2) An employee shall not be entitled to a written statement under subsection (1) unless on the effective date of termination he has been, or will have been continuously employed for a period of six months ending with that date.

(3) A written statement provided under this section shall be admissible in evidence in any proceedings.

(4) A complaint may be presented to the Magistrate's Court by an employee against his employer on the ground that the employer unreasonably refused to provide a written statement under subsection (1) or that the particulars of reasons given in purported compliance with that subsection are inadequate or untrue, and if the Court finds the complaint well-founded -

- (a) it may make a declaration as to what it finds the employer's reasons were for dismissing the employee; and
- (b) it shall make an award that the employer pay to the employee a sum equal to the amount of two week's pay.

(5) The Court shall not entertain a complaint under this section relating to the reasons for a dismissal unless it is presented at such time that the Court would, in

accordance with subsections (2) or (4) of section 43 entertain a complaint of unfair dismissal in respect of that dismissal presented at the same time.

PART V

UNFAIR DISMISSAL

Right not to be unfairly dismissed

Right of employee not to be unfairly dismissed.

33. (1) In every employment to which this section applies every employee shall have the right not to be unfairly dismissed by his employer.

(2) This section applies to every employment except in so far as its application is excluded by or under the provisions of this Part or sections 57 to 59.

Meaning of unfair dismissal

Meaning of "dismissal".

34. (1) In this Part, "dismissal" and "dismiss" shall be construed in accordance with the following provisions of this section.

(2) Subject to subsection (3), an employee shall be treated as dismissed by the employer if, but only if -

- (a) the contract under which he is employed by the employer is terminated by the employer, whether it is so terminated by notice or without notice;
- (b) where under that contract he is employed for a fixed term, that term expires without being renewed under the same contract; or
- (c) the employee terminates that contract, with or without notice, in circumstances such that he is entitled to

terminate it without notice by reason of the employer's conduct.

(3) Where an employer gives notice to an employee to terminate his contract of employment and, at a time within the period of that notice, the employee gives notice to the employer to terminate the contract of employment on a date earlier than the date on which the employer's notice is due to expire, the employee shall for the purposes of this Part be taken to be dismissed by his employer, and the reasons for the dismissal shall be taken to be the reasons for which the employer's notice is given.

(4) Where the contract of employment is terminated by the employer and the notice required by section 29 to be given by an employer would, if duly given on the material date expire on a date later than the effective date of termination, then for the purposes of subsection (2) of section 32, section 41 and subsection (2) of section 49, the later date shall be treated as the effective date of termination in relation to the dismissal.

(5) Where the contract of employment is terminated by the employee and -

- (a) the material date does not fall during a period of notice given by the employer to terminate that contract; and
- (b) had the contract been terminated not by the employee but by notice given on the material date by the employer, that notice would have been required by section 29 to expire on a date later than the effective date of termination,

then, for the purposes of subsection (2) of section 32, section 41 and subsection (2) of section 49, the later date shall be treated as the effective date of termination in relation to the dismissal.

(6) In this Part "the effective date of termination" means -

- (a) in relation to an employee whose contract of employment is terminated by notice, whether given by his employer or by the employee, means the date on which that notice expires;
- (b) in relation to an employee whose contract of employment is terminated without notice, means the date on which the termination takes effect; and
- (c) in relation to an employee who is employed under a contract for a fixed term, where that term expires without being renewed under the same contract, means the date on which that term expires.

(7) "Material date" means -

- (a) in subsection (4), the date when notice of termination was given by the employer or (where no notice was given) the date when the contract of employment was terminated by the employer; and
- (b) in subsection (5), the date when notice of termination was given by the employee or (where no notice was given) the date when the contract of employment was terminated by the employee.

General provisions relating to fairness of dismissal.

35. (1) In determining for the purposes of this Part whether the dismissal of an employee was fair or unfair, it shall be for the employer to show -

- (a) what was the reason (or, if there was more than one, the principal reason) for the dismissal; and
- (b) that it was a reason falling within subsection (2) or some other substantial reason of a kind such as to justify the dismissal of an employee holding the position which that employee held.

(2) In paragraph (b) of subsection (1) the reference to a reason falling within this subsection is a reference to a reason which -

- (a) related to the capability or qualifications of the employee for performing work of the kind which he was employed by the employer to do;
- (b) related to conduct of the employee;
- (c) was that the employee was redundant; or
- (d) was that the employee could not continue to work in the position which he held without contravention (either on his part or on that of his employers) of a duty or restriction imposed by or under any Ordinance.

(3) Where the employer has fulfilled the requirements of subsection (1), then, subject to sections 36 to 39 and 42 the determination of the question, whether the dismissal was fair or unfair, having regard to the reasons shown by the employer, shall depend on whether in the circumstances (including the size and administrative resources of the employer's undertaking) the employer acted reasonably or unreasonably in treating it as a sufficient reason for dismissing the employee; and that question shall be determined in accordance with equity and the substantial merits of the case.

(4) In this section, in relation to an employee -

- (a) "capability" means capability assessed by reference to skill, aptitude, health or any other physical or mental quality;
- (b) "qualifications" means any degree, diploma or other academic, technical or professional qualification relevant to the position which the employee held.

Dismissal relating to trade union membership.

36. (1) For the purposes of this Part, the dismissal of an employee by an employer shall be regarded as having been unfair if the reason for it or, if more than one, the principal reason) was that the employee -

- (a) was, or proposed to become a member of an independent trade union;
- (b) had taken, or proposed to take, part at any appropriate time in the activities of an independent trade union; or
- (c) was not a member of any trade union, or of a particular trade union, or of one of a number of particular trade unions, or had refused to become or remain a member of a trade union.

(2) In subsection (1), "appropriate time" in relation to an employee taking part in the activities of a trade union, means time which either -

- (a) is outside his working hours; or
- (b) is a time within his working hours at which in accordance with arrangements agreed with or consent given by his

employer, it is permissible for him to take part in those activities,

and in this subsection "working hours", in relation to an employee, means any time when, in accordance with his contract of employment, he is required to be at work.

(3) In this section references to a trade union includes references to a branch or section of a trade union.

Dismissal on grounds of redundancy.

37. (1) Where the reason or principal reason for the dismissal of an employee was that he was redundant, but it is shown that the circumstances constituting the redundancy applied equally to one or more other employees in the same undertaking who held positions similar to that held by him and who have not been dismissed by the employer, and either -

- (a) that the reason (or, if more than one the principal reasons) for which he was selected for dismissal was one of those specified in subsection (1) of section 36; or
- (b) that he was selected for dismissal in contravention of a customary arrangement or agreed procedure relating to redundancy and there were special reasons justifying a departure from that arrangement or procedure in his case,

then, for the purposes of this Part, the dismissal shall be regarded as unfair.

(2) For the purposes of this Ordinance an employee who is dismissed shall be taken to be dismissed by reason of redundancy if the dismissal is attributable wholly or mainly to-

- (a) the fact that his employer has ceased, or intends to cease to carry on the business for the purposes of which the employee

was employed by him, or has ceased, or intends to cease, to carry on that business in the place where the employee was so employed; or

- (b) the fact that the requirements of that business for employees to carry out work of a particular kind, or for employees to carry out work of a particular kind in the place where he was so employed, have ceased or diminished or are expected to cease or diminish.

(3) For the purposes of subsection (2) the business of the employer, together with the business or businesses of his associated employers, shall be treated as one unless either of the conditions specified in this subsection would be satisfied without so treating those businesses.

(4) In subsection (2) "cease" means cease either permanently or temporarily and from whatsoever cause, and "diminish" has a corresponding meaning.

Dismissal of replacement.

38. (1) Where an employer -

- (a) on engaging an employee informs the employee in writing that his employment will be terminated on the return to work of another employee who is, or will be, absent wholly or partly because of pregnancy or confinement; and
- (b) dismisses the first-mentioned employee in order to make it possible to give work to the other employee;

then, for the purposes of paragraph (b) of subsection (1) of section 35, but without prejudice to the application of subsection (3) of that section, the dismissal shall be regarded as having been for a substantial

reason of a kind such as to justify the dismissal of an employee holding the position which that employee held.

(2) Where an employer -

- (a) on engaging an employee informs the employee in writing that his employment will be terminated on the end of a suspension of another employee on medical grounds;
- (b) dismisses the first-mentioned employee to make it possible to allow the other employee to resume his original work;

then, for the purposes of paragraph (b) of subsection (1) of section 35, but without prejudice to the application of subsection (3) of that section, the dismissal shall be regarded as having been for a substantial reason of a kind such to justify the dismissal of an employee holding the position which that employee held.

Dismissal in connection with a lock-out, strike or other industrial action.

39. (1) The provisions of this section shall have effect in relation to an employee who claims that he has been unfairly dismissed by his employer where at the date of dismissal -

- (a) the employer was conducting or instituting a lock-out; or
- (b) the employee was taking part in a strike or other industrial action.

(2) In such a case the Court shall not determine whether the dismissal was fair or unfair unless it is shown -

- (a) that one or more relevant employees of the same employer have not been dismissed; or
- (b) that any such employee has, before the expiry of the period of three months beginning with that employee's

date of dismissal, been offered re-engagement and that the complainant has not been offered re-engagement.

(3) Where it is shown that the condition referred to in paragraph (b) of subsection (2) is fulfilled, the provisions of sections 35 to 37 and 43 shall have effect as if in those sections for any reference to the reason or principal reason for which the employee was dismissed there were substituted a reference to the reason or principal reason for which he has not been offered re-engagement.

(4) In this section -

(a) "date of dismissal" means -

- (i) where the employee's contract of employment was terminated by notice, the date on which the employer's notice was given; and
- (ii) in any other case the effective date of termination.

(b) "relevant employees" means -

- (i) in relation to a lock-out, employees who were directly interested in the trade dispute in contemplation or furtherance of which the lock-out occurred; and
- (ii) in relation to a strike or other industrial action, those employees at the establishment of the employer (being the establishment of the employer at or from which the complainant

works) who were taking part in the action at the complainant's date of dismissal; and

- (c) any reference to an offer of re-engagement is a reference to an offer (made either by the original employer or by a successor of that employer or an associated employer) to re-engage an employee, either in the job which he held immediately before the date of dismissal or in a different job which would be reasonably suitable in his case.

Pressure on employer to dismiss unfairly.

40. In determining, for the purposes of this Part any question as to the reason, or principal reason, for which an employee was dismissed or any question whether the reason or principal reason for which an employee was dismissed was a reason fulfilling the requirements of paragraph (b) of subsection (1) of section 35 or whether the employer acted reasonably in treating it as a sufficient reason for dismissing him, -

- (a) no account shall be taken of any pressure which, by calling, organising, procuring or financing a strike or other industrial action, or threatening to do so, was exercised on the employer to dismiss the employee; and
- (b) any such question shall be determined as if no such pressure had been exercised.

Qualifying period.

41. (1) Subject to subsection (2), section 33 does not apply to the dismissal of an employee from any employment if the employee was not continuously employed for a period of not less than one year ending with the effective date of termination;

(2) Subsection (1) shall not apply to the dismissal of an employee if it is shown that the reason (or, if more than one, the principal reason) for the dismissal was one of those specified in subsection (1) of section 36.

MATERNITY LEAVE

Maternity
leave.

42. (1) A woman employee who has been continuously employed for two years shall be entitled to maternity leave of eight weeks commencing on a date not earlier than the completion of such period of two years.

(2) The employee shall be entitled during such maternity leave to be paid half the total remuneration to which she would have been entitled during the same period if she had been working normally.

(3) The employee shall be entitled to elect whether she will be absent on maternity leave for a continuous period of eight weeks, or for any number of shorter periods amounting in total to eight weeks, but excluding payments for overtime working, whether or not she normally receives them.

(4) The employee shall be entitled to holiday leave in addition to maternity leave.

(5) The employer shall be entitled to refuse to allow an employee to return to work at the end of maternity leave unless she first produces a certificate from a doctor approved by the Health Practitioners' Board established under section 3 of the Health Practitioners Ordinance, No.12 of 1978 showing that she is fit to return to work; provided that any additional period of absence caused by a delay in producing such certificate shall be treated as sickness absence.

(6) The employee shall be entitled to maternity leave in respect of each confinement up to a limit of four confinements during her employment, and her employment shall be deemed to be continuous notwithstanding such periods of leave.

(7) An employee shall be treated as unfairly dismissed if she is dismissed wholly or mainly by reason of her absence during maternity leave.

(8) In subsection (5), "fit to return to work" means fit to return to work of the nature and extent defined by the contract of the employee.

Remedies for unfair dismissal

Complaint to
the Magistrate's
Court.

43. (1) A complaint may be presented to the Magistrates Court against an employer by any person (in this Part referred to as the complainant) that he was unfairly dismissed by the employer.

(2) Subject to subsections (3) and (4), the Magistrate's Court shall not consider a complaint under this section unless it is presented to it before the end of the period of three months beginning with the effective date of termination or within such further period as it considers reasonable in a case where it is satisfied that it was not reasonably practicable for the complaint to be presented before the end of the period of three months.

(3) Subsection (2) shall apply in relation to a complaint to which subsection (3) of section 39 applies as if -

- (a) for the references to three months there were substituted references to six months; and
- (b) for the reference to the effective date of termination there were substituted a reference to the complainant's date of dismissal (within the meaning of subsection (4) of section 39).

(4) The Magistrate's Court shall consider a complaint under this section, if, where the dismissal is with notice, the complaint is presented after the notice is given

notwithstanding that it is presented before the effective date of termination; and in relation to such a complaint the provisions of this Ordinance, so far as they relate to unfair dismissal, shall have effect -

- (a) as if references to a complaint by a person that he was unfairly dismissed by his employer included references to a complaint by a person that his employer has given him notice in such circumstances that he will be unfairly dismissed when the notice expires;
- (b) as if references to reinstatement included references to the withdrawal of the notice by the employer;
- (c) as if references to the effective date of termination included references to the date which would be the effective date of termination on the expiry of the notice; and
- (d) as if references to an employee ceasing to be employed included references to an employee having been given notice of dismissal.

Remedies
for
unfair
dismissal.

44. (1) Where on a complaint under section 43 the Court finds that the grounds of the complaint are well-founded, it shall explain to the complainant what orders for reinstatement or re-engagement may be made under section 45 and in what circumstances they may be made, and shall ask the complainant whether he wishes the Court to make such an order, and if the complainant does express such a wish the court may make an order under section 45.

(2) If on a complaint under section 43, the Court finds that the grounds of the complaint are well-founded and no order is made under section 45, the Court shall make an award of compensation for unfair dismissal, calculated in accordance with sections 49 to 51, to be paid by the employer to the employee.

Order for
reinstatement
or
re-engagement.

45. (1) An order under this section may be an order for reinstatement (in accordance with subsections (2) and (3)) or an order for re-engagement (in accordance with subsection (4)), as the Court may decide, and in the latter case may be on such terms as the Court may decide.

(2) An order for reinstatement is an order that the employer shall treat the complainant in all respects as if he had not been dismissed, and on making such an order the Court shall specify -

- (a) any amount payable by the employer in respect of any benefit which the complainant might reasonably be expected to have had but for the dismissal, including arrears of pay, for the period between the date of termination of employment and the date of reinstatement;
- (b) any rights and privileges, including seniority and pension rights, which must be restored to the employee; and
- (c) the date by which the order must be complied with.

(3) Without prejudice to the generality of subsection (2), if the complainant would have benefited from an improvement in his terms and conditions or employment had he not been dismissed, an order for reinstatement shall require him to be treated as if he had

benefited from that improvement from the date on which he would have done so but for being dismissed.

(4) An order for re-engagement is an order that the complainant be engaged by the employer, or by a successor or the employer or by an associated employer, in employment comparable to that from which he was dismissed or other suitable employment, and on making such an order the Court shall specify the terms on which re-engagement is to take place including -

- (a) the identity of the employer;
- (b) the nature of the employment;
- (c) the remuneration for the employment;
- (d) any amount payable by the employer in respect of any benefit which the complainant might reasonably be expected to have had but for the dismissal, including arrears of pay, for the period between the date of termination of employment and the date of re-engagement;
- (e) any rights and privileges, including seniority and pension rights, which must be restored to the employee; and
- (f) the date by which the order must be complied with.

(5) In exercising its discretion under this section the Court shall first consider whether to make an order for reinstatement and in so doing shall take into account the following considerations -

- (a) whether the complainant wishes to be reinstated;
- (b) whether it is practicable for the employer to comply with an order for reinstatement;

- (c) where the complainant caused or contributed to some extent to the dismissal, whether it would be just to order his reinstatement.

(6) If the Court decides not to make an order for reinstatement, it shall then consider whether to make an order for re-engagement and if so on what terms; and in so doing the Court shall take into account the following considerations -

- (a) any wish expressed by the complainant as to the nature of the order to be made;
- (b) whether it is practicable for the employer or, as the case may be, a successor or associated employer to comply with an order for re-engagement;
- (c) where the complainant caused or contributed to some extent to the dismissal, whether it would be just to order his re-engagement and if so on what terms;

and except in a case where the Court takes into account contributory fault under paragraph (c) it shall, if it orders re-engagement, do so on terms which are, so far as is reasonably practicable, as favourable as an order for reinstatement.

Supplementary provisions relating to section 45.

46. (1) Where in any case an employer has engaged a permanent replacement for a dismissed employee, the Court shall not take that into account in determining, for the purposes of paragraph (b) of subsection (5) or paragraph (b) of subsection (6) of section 45, whether it is practicable to comply with an order for reinstatement or re-engagement unless the employer shows -

- (a) that it was not practicable for him to arrange for the dismissed employee's work to be done without engaging a permanent replacement; or
- (b) that he engaged the replacement after the lapse of a reasonable period without having heard from the dismissed employee that he wished to be reinstated or re-engaged, and that when the employer engaged the replacement it was no longer reasonable for him to arrange for the dismissed employee's work to be done except by a permanent replacement.

(2) In calculating for the purpose of paragraph (a) of subsection (2) or paragraph (d) of subsection (4) of section 45 any amount payable by the employer, the Court shall take into account, so as to reduce the employer's liability, any sums received by the complainant in respect of the period between the date of termination of employment and the date of reinstatement or re-engagement by way of -

- (a) wages in lieu of notice or ex gratia payments paid by the employer;
- (b) remuneration paid in respect of employment with another employer;

and such other benefits as the Court thinks appropriate in the circumstances.

Enforcement
of orders for
reinstatement
or
re-engagement
and
compensation.

47. (1) If an order under section 45 is made and the complainant is reinstated or, as the case may be, re-engaged but the terms of the order are not fully complied with, then, subject to section 51 the Court shall make an award of compensation, to be paid by the employer to the employee, of such amount

as the Court thinks fit having regard to the loss sustained by the complainant in consequence of the failure to comply fully with the terms of the order.

(2) Subject to subsection (1), if an order under section 45 is made but the complainant is not reinstated or, as the case may be, re-engaged in accordance with the order -

- (a) the Court shall make an award of compensation for unfair dismissal, calculated in accordance with sections 49 to 51 to be paid by the employer to the employee; and
- (b) except in a case in which the employer satisfies the Court that it is not practicable to comply with the order, the Court shall make an additional award of compensation to be paid by the employer to the employee of an amount not less than thirteen nor more than twenty-six week's pay.

(3) Where in any case an employer has engaged a permanent replacement for a dismissed employee, the Court shall not take that into account in determining, for the purposes of paragraph (b) of subsection (2) whether it was practicable to comply with the order for reinstatement or re-engagement unless the employer shows that it was not practicable for him to arrange for the dismissed employee's work to be done without engaging a permanent replacement.

(4) Where in any case the Court makes an award of compensation for unfair dismissal, calculated in accordance with sections 49 to 51 and the Court finds the complainant has unreasonably prevented an order under section 45 from being complied with, it shall, without prejudice to the generality of subsection (4) of section 50, take that conduct into account as a failure on the part of the complainant to mitigate his loss.

Amount of compensation

Compensation
for unfair
dismissal.

48. Where the Court makes an award of compensation for unfair dismissal under subsection (2) of section 44 or paragraph (a) of subsection (2) of section 47, the award shall consist of -

- (a) a basic award calculated in accordance with section 49; and
- (b) a compensatory award calculated in accordance with section 50.

Calculation
of basic
award.

49. (1) Subject to subsections (4), (5) and (6), the amount of the basic award shall be calculated in accordance with subsections (2) and (3).

(2) The amount of the basic award shall be calculated by reference to the period, ending with the effective date of termination, during which the employee has been continuously employed by starting at the end of that period and reckoning backwards the number of years of employment falling within that period, and allowing -

- (a) one and a half week's pay for each such year of employment in which the employee was not below the age of forty-one;
- (b) one week's pay for each such year of employment not falling within paragraph (a) in which the employee was not below the age of twenty-one; and
- (c) half week's pay for each such year of employment not falling within paragraph (b) or (c).

(3) Where, in reckoning the number of years of employment in accordance with subsection (2), twenty years of employment

have been reckoned, no account shall be taken of any years of employment earlier than those twenty years.

(4) Where the Court finds that the complainant has unreasonably refused an offer by the employer which if accepted would have the effect of reinstating the complainant in his employment in all respects as if he had not been dismissed, the Court shall reduce or further reduce the amount of the basic award to such extent as it considers just and equitable having regard to that finding.

(5) Where the Court considers that the conduct of the complainant before the dismissal (or, where the dismissal was with notice, before the notice was given) was such that it would be just and equitable to reduce or further reduce the amount of basic award to any extent, the Court shall reduce or further reduce that amount accordingly.

(6) The amount of the basic award shall be reduced or further reduced by the amount of any payment made by the employer to the complainant on the ground that the dismissal was by reason of redundancy.

Calculation
of
compensatory
award.

50. (1) Subject to section 51, the amount of the compensatory award shall be such amount as the Court considers just and equitable in all the circumstances having regard to the loss sustained by the complainant in consequence of the dismissal in so far as that loss is attributable to action by the employer.

(2) The said loss shall be taken to include -

- (a) any expenses reasonably incurred by the complainant in consequence of the dismissal; and
- (b) subject to subsection (3), loss of any benefit which he might reasonably be expected to have had but for the dismissal.

(3) Such loss, in respect of any loss of any entitlement or potential entitlement to, or expectation of, a payment on account of dismissal by reason of redundancy shall include only the loss referable to the amount, if any, by which the amount of that payment would have exceeded the amount of a basic award (apart from any reduction under subsections (4) to (6) of section 49) in respect to the same dismissal.

(4) In ascertaining the said loss the Court shall apply the same rule concerning the duty of a person to mitigate his loss as applies to damages recoverable under the common law.

(5) In determining, for the purposes of subsection (1), how far any loss sustained by the complainant was attributable to action taken by the employer no account shall be taken of any pressure which, by calling, organising, procuring or financing a strike or other industrial action, or threatening to do so, was exercised on the employer to dismiss the employee, and that question shall be determined as if no such pressure had been exercised.

(6) Where the Court finds that the dismissal was to any extent caused or contributed to by any action of the complainant it shall reduce the amount of the compensatory award by such proportion as it considers just and equitable having regard to that finding.

(7) If the amount of any payment made by the employer to the employee on the ground that the dismissal was by reason of redundancy exceeds the amount of the basic award which would be payable but for subsection (6) of section 49 that excess shall go to reduce the amount of the compensatory award.

Limit on
compensation.

51. (1) The amount of compensation awarded to a person under subsection (1) of section 47 or of a compensatory award to a person calculated in accordance with section 50 shall not exceed five thousand dollars.

(2) It is declared for the avoidance of doubt that the limit imposed by this section applies to the amount which the Court would, apart from this section, otherwise award in respect of the subject matter of the complaint after taking into account any payment made by the respondent to the complainant in respect of that matter and any reduction in the amount of award required by any Ordinance or rule of law.

PART VI

RESOLUTION OF DISPUTES RELATING TO EMPLOYMENT

Remedy for infringement of certain rights under this Ordinance.

52. (1) The remedy of an employee for infringement of any rights conferred on him by section 32 or Part II or Part V shall, if provision is made for a complaint or for a reference to the Magistrate's Court, be by way of such complaint or reference and not otherwise.

(2) Subject to the provisions of this section and to any rules of court, the Court shall, on a complaint or reference made to it under this Ordinance, have all the powers and jurisdiction exercisable by the Court in, or in connection with, civil action (notwithstanding any limitation imposed on its jurisdiction by the Magistrates Ordinance) and may make such orders or awards as it thinks fit.

Cap.4.

(3) The Court may, if it thinks fit, refer any question of law for decision to the Supreme Court.

(4) An appeal shall lie to the Supreme Court on a question of law arising from any decision of, or in proceedings before, the Magistrate's Court under this Ordinance; and an appeal shall lie on any question of law from any decision or order of the Supreme Court to the Court of Appeal.

Cap.4.

(5) The power of the Magistrate to frame rules under section 169 of the Magistrates

Ordinance shall include the power to frame rules, subject to subsection (2) of that section, for regulating proceedings before the Magistrate under this Ordinance and for prescribing the fees payable in respect of those proceedings.

(6) If, on a complaint under section 43, it is shown that the action complained of was taken for the purpose of safeguarding national security, the Court shall dismiss the complaint; and a certificate purporting to be signed by or on behalf of the Governor certifying that the action specified in the certificate was taken for the purpose of safeguarding national security shall, for the purposes of this subsection, be conclusive evidence of the fact.

(7) The Court may sit in private for the purpose of hearing evidence which, in its opinion, relates to matters of such a nature that it would be against the interest of national security to allow the evidence to be given in public or for the purpose of hearing evidence from any person which, in the opinion of the Court, is likely to consist of -

- (a) information which that person could not disclose without contravening a prohibition imposed by or under any enactment; or
- (b) any information which has been communicated to a person in confidence, or which he has otherwise obtained in consequence of the confidence reposed in him by another person;

(8) In relation to proceedings on complaints under section 43, the Court shall -

- (a) cause a copy of any such complaint, and a copy of any such notice relating to it which is lodged by or on

behalf of the employer against whom the complaint is made, to be sent to the Commissioner;

(b) secure that the complainant and the employer against whom such complaint is made are notified that the services of the Commissioner are available to them with a view to the complaint being settled by conciliation and withdrawn;

(c) postpone the hearing of any complaint for such period as he may think fit for the purpose of giving an opportunity for the complaint to be settled by way of conciliation and withdrawn.

(9) In relation to proceedings on complaints under section 43 -

(a) where the employee has expressed a wish to be reinstated or re-engaged which has been communicated to the employer at least seven days before the hearing of the complaint; or

(b) where the proceedings arise out of the employer's failure to permit the employee to return to work after an absence due to pregnancy or confinement,

the Court may require the employer to pay the costs or expenses of any postponement or adjournment of the hearing caused by the employer's failure, without special reasons, to adduce reasonable evidence as to the availability of the job from which the complainant was dismissed, or, as the case may be, which she held before her absence, or of comparable or suitable employment.

General provisions as to

53. (1) The provisions of subsections (2) to (6) shall have effect in relation to proceedings before the Court, or claims

conciliation.

which could be the subject of proceedings before the Court arising out of a contravention, or alleged contravention, of sections 9 or 32.

(2) Where a complaint has been presented to the Court, and a copy of it has been sent to the Commissioner, it shall be the duty of the Commissioner -

- (a) if he is requested to do so by the complainant and by the person against whom the complaint is presented; or
- (b) if, in the absence of any such request, the Commissioner considers that he could act under this subsection with a reasonable prospect of success;

to endeavour to promote a settlement of the complaint without it being determined by the Court.

(3) Where at any time -

- (a) a person claims that action has been taken in respect of which a complaint could be presented by him to the Court; but
- (b) before any complaint relating to that action has been presented by him,

a request is made to the Commissioner (whether by that person or by the person against whom the complaint could be made) to make his services available to them, the Commissioner shall act in accordance with subsection (2) as if a complaint has been presented to the Court.

(4) Subsections (2) and (3) shall apply, with appropriate modifications, to the presentation of a claim and the reference of a question to the Court as they apply to the presentation of a complaint.

(5) In proceeding under subsections (2) or (3), the Commissioner shall, where appropriate, have regard to the desirability of encouraging the use of other procedures available for the settlement of grievances.

(6) Anything communicated to the Commissioner in connection with the performance of his functions under this section shall not be admissible in evidence in any proceedings before the Court, except with the consent of the person who communicated it to the Commissioner.

(7) In this section any reference to the Commissioner includes a reference to any person authorised by the Governor, generally or in any particular case, to perform the functions of the Commissioner under this section.

Functions of
Commissioner
on complaint
under
section 43.

54. (1) Where a complaint has been presented to the Court under section 43 by a person (in this section referred to as the complainant) and a copy of it has been sent to the Commissioner, it shall be the duty of the Commissioner -

- (a) if he is requested to do so by the complainant and by the employer against whom it was presented; or
- (b) if, in the absence of any such request, the Commissioner considers that he could act under this section with a reasonable prospect of success;

to endeavour to promote a settlement, of the complaint without its being determined by the Court.

(2) For the purposes of promoting such a settlement, in a case where the complainant has ceased to be employed by the employer against whom the complaint was made -

(a) the Commissioner shall in particular seek to promote the reinstatement or re-engagement of the complainant by the employer, or by a successor of the employer or by an associated employer, on terms appearing to the Commissioner to be equitable; but

(b) where the complainant does not wish to be reinstated or re-engaged, or where reinstatement or re-engagement is not practicable, and the parties desire the Commissioner to act under this section, he shall seek to promote agreement between them as to a sum by way of compensation to be paid by the employer to the complainant.

(3) Where -

(a) a person claims that action has been taken in respect of which a complaint could be presented by him under section 43; and

(b) before any complaint relating to that action has been so presented, a request is made to the Commissioner (whether by that person or by the employer) to make his services available to them;

the Commissioner shall act in accordance with subsections (1) and (2) above as if a complaint had been presented.

(4) If proceeding under subsections (1) to (3), the Commissioner shall, where appropriate, have regard to the desirability of encouraging the use of other procedures available for the settlement of grievances.

(5) Anything communicated to the Commissioner in connection with the performance of his functions under this

section shall not be admissible in evidence in any proceedings before the Court, except with the consent of the person who communicated it to the Commissioner.

(6) In this section any reference to the Commissioner includes a reference to any person authorised by the Governor, generally or in any particular case, to perform the functions of the Commissioner under this section.

PART VII

MISCELLANEOUS

Ordinance
not to apply
to employees
of the Crown.

55. This Ordinance shall not apply to employees employed by or under the Crown.

Restrictions
on contracting
out.

56. (1) Except as provided by the following provisions of this section any provision in any agreement (whether a contract of employment or not) shall be void in so far as it purports either expressly or by necessary implication -

- (a) to exclude limit or avoid the operation of any provision of this Ordinance; or
- (b) to preclude any person from presenting a complaint to, or bringing any proceedings under, this Ordinance before the Magistrate' Court.

(2) Subsection (1) shall not apply -

- (a) to any agreement to refrain from presenting a complaint under section 43 where, in compliance with a request under subsection (3) of section 54 the Commissioner has taken action in accordance with that subsection;

(b) to any agreement to refrain from proceeding with a complaint presented under section 43 where the Commissioner has taken action in accordance with that subsection;

(c) to any agreement to refrain from instituting or continuing any proceedings before the Magistrate where the Commissioner has taken action in accordance with subsections (2) or (3) of section 53;

(d) to any provision in an agreement relating to dismissal from employment such as is mentioned in subsection (1) of section 58.

Employment
outside the
Islands.

57. (1) Sections 3 to 5 and 29 to 32 do not apply in relation to employment during any period when the employee is engaged in work wholly or mainly outside the Islands unless the employee ordinarily works in the Islands and the work outside the Islands is for the same employer.

(2) Sections 9 and 33 and Parts III and IV do not apply to employment where under his contract of employment the employee ordinarily works outside the Islands.

(3) For the purposes of subsection (2), a person employed to work on board a ship registered in the Islands shall, unless -

(a) the employment is wholly outside the Islands; or

(b) he is not ordinarily resident in the Islands;

be regarded as a person who under his contract ordinarily works in the Islands.

Contracts
for a
fixed term.

58. Section 33 does not apply to dismissal from employment under a contract for a fixed term of two years or more, where the dismissal

consists only of the expiry of the term without its being renewed, if before the term so expires the employee has agreed in writing (whether in the contract itself or in a separate agreement) to exclude any claim in respect of rights under that section in relation to that contract.

Miscellaneous
classes of
employment.

59. (1) The provisions of this Ordinance shall not apply to employment where the employer is the wife or husband of the employee.

(2) Subject to subsections (3) and (4), sections 3, 5 and 9 shall not apply to employment under a contract of service which normally involves employment for less than sixteen hours weekly.

(3) If the employee's relations with his employer cease to be governed by a contract which normally involves work for sixteen hours or more weekly and become governed by a contract which normally involves employment for eight hours or more, but less than sixteen hours weekly, the employee shall nevertheless for a period of twenty-six weeks, computed in accordance with subsection (4), be treated for the purposes of subsection (2) as if his contract normally involved employment for sixteen hours or more weekly.

(4) In computing the said period of twenty-six weeks no account shall be taken of any week during which the employee is in fact employed for sixteen hours or more.

Posting of
copy Ordinance
and Regulations.

60. (1) Subject to subsection (2) of this section, there shall be kept posted at the principal entrances of a work place at which employees enter -

- (a) a copy of this Ordinance and Regulations made thereunder; and
- (b) a notice of the address of the Commissioner and the inspector for that workplace.

(2) The Commissioner may direct that all or any of the document mentioned in subsection (1) of this section shall be available for inspection or posted in such parts of the workplace, either in addition to or in substitution for the principal entrances, as he may direct. Where the number of employees employed at a workplace is three or less, the Commissioner may waive or vary the requirements of paragraph (a) of subsection (1), and, where they are waived, the employer shall display a notice stating that a copy of this Ordinance and Regulations may be inspected at the office of the Commissioner.

(3) All such documents shall be posted in such positions as to be conveniently read by the persons employed in the workplace and if a form has been prescribed for any document, it shall be posted in that form.

(4) If any person pulls down, injures or defaces any copy Ordinance, Regulations or other document posted in pursuance of this Ordinance he shall be guilty of an offence and liable to a fine of twenty dollars.

Abolition of
doctrine of
common
employment.

61. (1) Subject to subsection (3), it shall not be a defence to an employer, who is sued in respect of any injuries caused by the negligence of one of his employees, that the employee was, at the time the injury was caused, in common employment with the person injured.

(2) Subject to subsection (3), a provision contained in any agreement (whether a contract of employment or not and whether made before or after the commencement of this Ordinance) shall be void in so far as it would have the effect of excluding or limiting any liability of the employer in respect of personal injuries caused to one of his employees by the negligence of a person in common employment with that employee.

(3) Subsections (1) and (2) shall not have effect in relation to a cause of action accruing before the commencement of this Ordinance.

Repeals and saving.

Cap.64
Cap.65
No.19 of 1980.

62. (1) The following Ordinances are repealed-

- (a) The Minimum Wages Ordinance;
- (b) The Truck Ordinance; and
- (c) The Fair Labour Standards Ordinance 1980.

(2) Notwithstanding the repeal of the Minimum Wages Ordinance by subsection (1), any order made under that Ordinance in force immediately before the commencement of this Ordinance shall continue to have effect until revoked as if it were an order made under section 18.

Transitional provisions.

63. (1) In this section "the relevant date" means the date of commencement provided by section 1(2).

(2) In respect of contracts of employment subsisting at the relevant date, the provisions hereinafter set out shall apply.

(3) Within thirteen weeks from the relevant date, every employer shall provide his employees with the particulars required by section 3, or fulfill the requirements of section 6, and the provisions of sections 5 and 8 shall apply thereafter.

(4) The provisions of sections 9 to 16 shall have effect thirteen weeks from the relevant date.

(5) Any duty to keep records which arises under Part III of this Ordinance shall have effect as from thirteen weeks from the relevant date.

(6) Subject to subsections (3), (4) and (5), all other provisions of this Ordinance shall have effect immediately on the relevant date.

SCHEDULE

(Section 30)

RIGHTS OF EMPLOYEE IN PERIOD OF NOTICE

Preliminary

1. In this Schedule the "period of notice" means the period of notice required by subsection (1) of section 29 or, as the case may be, subsection (2) of that section.

Employment for which there are normal working hours

2. (1) If an employee has normal working hours under the contract of employment in force during the period of notice, and if during any part of those normal working hours -
 - (a) the employee is ready and willing to work but no work is provided for him by his employer;
 - (b) the employee is incapable of work because of sickness or injury; or
 - (c) the employee is absent from work in accordance the terms of his employment relating to holidays;

then the employer shall be liable to pay the employee for the part of normal hours covered by paragraphs (a), (b) and (c) a sum not less than the amount of remuneration for that part of normal working hours calculated at the average hourly rate of remuneration produced by dividing a weeks' pay by the number of normal working hours.

(2) Any payments made to the employee by his employer in respect of the relevant part of the period of notice whether by way of sick pay, holiday pay or otherwise, shall go towards meeting the employer's liability under this paragraph.

(3) Where notice was given by the employee, the employer's liability under this paragraph shall not arise unless and until the employee leaves the service of the employer in pursuance of the notice.

Employment for which there are no normal working hours

3. (1) If an employee does not have normal working hours under the contract of employment in force in the period of notice the employer shall be liable to pay the employee for each week of the period of notice a sum not less than a week's pay.

(2) Subject to subparagraph (3), the employer's obligation under this paragraph shall be conditional on the employee being ready and willing to do work of a reasonable nature and amount to earn a week's pay.

(3) Sub-paragraph (2) shall not apply -

(a) in respect of any period during which the employee is incapable of work because of sickness or injury; or

(b) in respect of any period during which the employee is absent from work in accordance with the terms of his employment relating to holidays;

and any payment made to an employee by his employer in respect of such a period, whether by way of sick pay, holiday pay or otherwise, shall be taken into account for the purposes of this paragraph as if it were remuneration paid by the employer in respect of that period.

(4) Where the notice was given by the employee, the employer's liability under this paragraph shall not arise unless and until the employee leaves the service of the employer in pursuance of the notice.

Absence on leave granted at request of employee

4. The employer shall not be liable under the foregoing provisions of this Schedule to make any payment in respect of a period during which the employee is absent from work with the leave of the employer granted at the request of the employee.

Notice given before a strike

5. (1) No payment shall be due under this Schedule in consequence of a notice to terminate a contract given by an employee if, after the notice is given and on or before the termination of the contract, the employee takes part in a strike of employees of the employer.

(2) In sub-paragraph (1) "strike" means cessation of work by a body of persons employed acting in combination, or a concerted refusal or a refusal under a common understanding of any number of persons employed to continue to work for an employer in consequence of a dispute, done as a means of compelling their employer or any person or body of persons employed, or to aid other employees in compelling their employer or any person or body of persons employed, to accept or not accept terms or conditions of or affecting employment.


Termination of employment during period of notice

6. (1) If, during the period of notice, the employer breaks the contract of employment, payments received under this Schedule in respect of the part of the period after the breach shall go towards mitigating the damages recoverable by the employee for loss of earnings in the part of the period of notice.

(2) If, during the period of notice, the employee breaks the contract and the employer rightfully treats the breach as terminating the contract, no payment shall be due to the employee under this Schedule in respect of the part of the period of notice falling after the termination of the contract.

Passed by the Legislative Council this 20th day of December 1988.

R. Blackman
Ruth Blackman
Clerk


L.A. Coalbrooke
Speaker.

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XX COMPANY NEWS XX

***Bottling*plant*planned for B.C. spring water **

Canadian Natural Spring Waters plans to begin Monday on a \$3.5-million plant to bottle water for export to California and Japan, president Peter Tatham says.

The project is expected to provide up to 22 full-time jobs after three years of operation, Mr. Tatham said. The source for the bottled water is a natural spring near CP Rail's Illecillewaet station 35 kilometres east of Revelstoke.

Mr. Tatham said the company expects to begin shipments to California in September. He would not reveal first-year production goals.

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HEADLINE Ontario okays legislation to restrict water exports
BYLINE By William Walker, Toronto Star
LENGTH OF STORY 500 words

--- Ontario okays legislation to restrict water exports ---

The Legislature has approved a bill designed to protect some of Ontario's water supplies from export to the United States.

But the Liberal government doesn't seem to know just what the Water Transfer Control Act really protects.

And opposition MPPs call it a political 'smokescreen' that will not save water supplies from thirsty Americans.

The legislation, passed yesterday by a vote of 59-24, with both opposition parties voting against it, would ban all water exports from within Ontario's borders to the United States, except for bottled water for human use.

Bill 175's sponsor, Natural Resources Minister Vince Kerrio, said that includes water from the four Great Lakes that fall under Canada-U.S. jurisdiction. Attorney-General Ian Scott says it does not.

The bill is to get royal assent today along with several other bills as the Legislature's session ends.

The new session will begin April 25 with a Throne Speech. Treasurer Robert Nixon says he expects to deliver a budget in mid-May.

Free trade

Ottawa and Queen's Park have long argued over whether the free

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trade agreement allows water exports and, if it does, which level of government has jurisdiction.

Critics have warned that free trade would give the Americans access to large-scale water exports but the federal government denies any risk.

Kerrio told The Star "it is my understanding that the waters within the boundaries of the province of Ontario certainly come under our jurisdiction.

"They would include up to the international boundary on the Great Lakes and up into the watershed . . . all the water contained within the province."

But Scott's legal opinion contradicted Kerrio.

"(Ontario's legislation) would have the right to restrict and prohibit the exportation of inland waters," Scott told reporters.

"Navigable waters are a federal responsibility. Navigable waters are the Great Lakes and they're probably a federal responsibility. That leaves us with rivers, wells, fully surrounded lakes that one cannot navigate into and out of," Scott said. "The other authority is federal."

Bills on trade

The Liberals introduced Bill 175 last year prior to the federal election campaign. At the time, Premier David Peterson was under heavy criticism for not living up to his pre-election promise to veto the free trade deal.

Two other free-trade oriented bills, one concerning electrical exports and the other ownership of private medical clinics, were introduced at the same time but have not yet passed.

"In our view, it was nothing more than a smokescreen brought in by the government at the time we were debating free trade," said interim Progressive Conservative leader Andy Brandt.

"It was done with the specific intent, as were the other two bills, to shed some doubt on the whole free trade matter and pretend that water was a matter of concern when it isn't."

Brandt said the bill actually regulates water transfers because it allows the government to approve and tax exports to other provinces.

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--- B.C.'s natural water floats \$3.5m plant ---

REVELSTOKE - Canadian Natural Spring Waters will begin construction of a \$3.5-million plant to bottle water for export to California and Japan, president Peter Tatham said yesterday.

The project is expected to provide up to 22 full-time jobs after three years of operation, Tatham said. The source for the bottled water is a natural spring near CP Rail's Illecillewaet station 35 kilometres east of here.

Tatham said the company expects to begin shipments to California in September.

"It (the bottled water market) is expanding and growing faster than the industry has been able to project. If the trend continues, the opportunity for our operation in Revelstoke could be amplified significantly."

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--- DUNHILL INDUSTRIES INC. - NOMINATE TWO NEW DIRECTORS ---

YELLOWKNIFE - Fred Richinger, president of Dunhill Industries Inc. is pleased to announce that the Board of Directors has nominated two new directors, Mr. David Jepson and Mr. Stephen Hurst, both of Yellowknife. Dunhill Industries Inc. presently owns 40% of Artic Ice Water Ltd., with the remainder of shares being distributed equally between Fred Richinger and Dick Robinson.

Mr. Richinger, a 30 year resident of Yellowknife, was a founding partner of Artic Ice Water Ltd. He is highly respected in the business community and has interests in a number of business ventures in Yellowknife and British Columbia.

Mr. Robinson, owner of Robinson and Robfam Trucking Companies, in both Yellowknife and Edmonton, was Mr. Richinger's original partner in Artic Ice Water Ltd. He has spent many years in the north providing essential services through his trucking company and has recently taken up residence in Edmonton.

David Jepson, age 32, also a Yellowknife businessman, has a strong background in accounting and business management. Mr. Jepson seves on a number of voluntary boards and is an active member in the community.

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Stephen Hurst, age 35 has spent the past four years in Yellowknife. He has a solid background in banking after working for the CIBC for 14 years. He is presently the general manager of Great Northern Lumber Company Ltd. where he was able to take a losing proposition and return it to a strong, profitable company with sustained growth.

The balance of the Board of Directors is comprised of John F.T. Scott, president of Scott & Fenrich Consultants Incorporated in Edmonton and George May, Chief Executive Officer of United Cooperatives of Ontario.

A private placement in the minimum amount of \$300,000. and a maximum of \$550,000. is currently being marketed and expected to close by April 17, 1989. The successful completion of the private placement will allow Dunhill Industries Inc. to acquire 100% of Arctic Ice Water Ltd. and complete its major transaction. Dunhill Industries Inc. presently trades on the Alberta Stock Exchange.

Arctic Ice Water Ltd. has retained Mr. Doug Snodgrass as general manager. Mr. Snodgrass has a strong background in the food and beverage industry and in financial management. Previous to his acceptance of this position, he spent 10 years with the CIBC and most recently as general manager of a local restaurant which also provides catering to Canadian Airlines International, Northwest Territorial Airways, and First Air Ltd.

Mr. Ralph Davis of Edmonton has been secured as sales manager for western Canada and western United States. Mr. Davis has been active in the beverage industry for the past 30 years. He has a thorough knowledge of the bottled water industry.


Ernest Goldstein, president of ERN-TEX Inc. in Montreal, who deals in import and export markets, has been negotiating with Arctic Ice Water Ltd. for the rights to market Arctic Ice Water Ltd. in eastern Canada, eastern United States, Europe and South America. With Mr. Goldstein's knowledge of the import and export trade and established contacts in the Middle East and the Pacific Rim, solid and steady growth in these markets is anticipated. The Pacific Rim will be dealt with as a joint venture between Arctic Ice Water Ltd. and Mr. Goldstein's company.

Arctic Ice Water Ltd. has redesigned its label to distinguish its water as a premium Canadian product. Negotiations are proceeding to obtain permission to carry vignettes from communities of the Northwest Territories on the reverse of the label to add further interest to the product and Canada's North. The product line will be expanded from the existing two sizes to six. The Company will begin production of a 1.5 litre and a 4 litre still water package. All other sizes are carbonated. All products, excluding the still water will continue to be sold in natural and a lemon lime flavour.

It is anticipated that the above noted changes will move the product to the forefront of both wholesale and retail water markets.

The Alberta Stock Exchange has neither approved nor disapproved the contents of this release.

From: Dunhill Industries Inc.



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Form 675 G (S)
PROCÉDÉ PISADEX & PROCESS
MONTREAL - TORONTO



**Governing Council
of the
United Nations
Development Programme**

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February 1987, New York
Item 4 (a) of the provisional agenda

PROGRAMME PLANNING

COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

SECOND COUNTRY PROGRAMME FOR THE TURKS AND CAICOS ISLANDS*

<u>Programme period</u>	<u>Actual resources programmed</u>	\$
January 1987-December 1991	IPF for 1987-1991	822 000
	Balance from third cycle	9 515
	Other resources programmed	<u>165 500</u>
	Total	997 015

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* Detailed listings of projects and other related data prepared as part of the country programming exercise are available on request. These listings include: (a) ongoing projects; (b) proposed projects; (c) distribution of resources by objective; (d) planned activities of operational funds and programmes under the authority of the Administrator; and (e) distribution of new country programme by sector.

Marine resources policy and programmes

Ongoing project

24. Given a weak resource base and the vulnerability of the economy, the island's marine resource potential must be assessed urgently so that clear indicators emerge concerning environmental protection issues and potential contributions to economic development. In addition, there is need for increasing public awareness of the fragility of the marine environment and the absolute necessity for good management practices. The ongoing project with an estimated fourth cycle budget of \$US 25,000 will be closely linked with another export promotion initiative in fisheries development.

25. The project's objective is to extend the marine inventory now being developed by the Fisheries Department, as well as by other non-governmental institutions such as PRIDE (Protection of Reefs and Islands from Degradation and Exploitation) and the Smithsonian Institute. In addition to addressing policy concerns such as marine pollution and coastal erosion, the project will examine concrete issues such as the rational exploitation of fish and other marine organisms as a means of increasing foreign exchange earnings; development of new resources in the extended areas of national jurisdiction; rational management of the coastal zone in support of the tourist industry; formulation of marine policy in accordance with national goals and capacities in marine affairs and the cost and benefit of the actions recommended. This project will develop linkages with the regional initiatives in marine resource development foreseen for support under UNDP's science and technology project for the Caribbean. Further training and other research activities will also be undertaken with the Bermuda Biological Research Station and the University of the West Indies Marine Sciences Unit.

Water resources development

New project

26. The Turks and Caicos Islands are composed mainly of limestone with an average rainfall of between 25 and 27 inches annually. There are no surface rivers. Water supplies have been derived mainly from the collection of rainwater from roofs. There appear to be limited fresh water lenses in three islands, while in three others only catchments are possible. Since 1984, the Government has taken over the water system previously operated by the United States Government, comprising three large storage tanks of 1.2 million gallons capacity, as well as a desalination plant of 20,000 gallons per day. Faced with limited manpower, the Water Department will be assisted during the fourth cycle by training and upgrading skills of national staff; rationalizing various components of the existing system; undertaking exploratory hydrological work; quantifying the extent of existing brackish water resources, recommending cost-effective methods of introducing dual water supply systems and salt water flushing; assisting the physical planning project in the drafting of appropriate water legislation and continuing the preparation of water projects for local and external financing.

27. The proposed project, budgeted at \$US 100,000, will be further assisted through the provision of technical expertise and advice under the regional project, Water Resources Development in the Caribbean (RLA/82/023); intra-regional collaboration using more sophisticated systems as locations for training and attachments; participation in the International Hydrological Programme of UNESCO and making fuller use of TCDC opportunities. The project will also assist in the preparation of a Water Development Plan to the year 2000 and beyond.

Establishment of statistics department

New project

28. As the work of the physical planning project progresses, there is an increasing need for statistics to assist economic and physical planners as well as to serve the needs of private developers and potential investors. There is first the requirement to improve the present collection of data, its storage, retrieval and dissemination. Resources will be made available to assess the current state and availability of statistics and recommend short-term cost-effective improvements. This initial work will pave the way for the establishment of a Statistical Office; the legal requirements; the ranking of the various surveys to be undertaken and their precise purposes and costs, as well as the institutional arrangements for the systematic collection of data.

29. This project, with an allocation of \$US 91,000, will make recommendations as to the technological options available, assess capacities and implement training programmes to upgrade existing skills. It will also work closely with the Caribbean Development Bank, the Economic Commission for Latin America and the Caribbean (ECLAC) and other regional institutions and international organizations. Linkages will also be strengthened with UNFPA in order to utilize opportunities for conducting demographic training in the Caribbean.

II. Export promotion

Fisheries development

New project

30. The colony's fishing industry, based mainly on lobster and conch, is unique in the Caribbean. Its great strength is that the industry is centred around a sophisticated and well-organized processing sector which is privately owned. Its weakness is that all recent indications show that deficient management practices and overharvesting have led to the depletion of the resource. The industry provides about \$US 3 million in direct economic benefits from the sale of the catch, processing salaries, licence fees and export duties. An additional \$US 3.8 million worth of product is exported annually and indirectly contributes to the economy.

31. The industry provides 100 per cent of the colony's visible exports and is the major source of employment outside of the Government, employing over 300 fishermen. Distribution of seafood for local consumption is informal and poorly organized, and the growing tourist industry is served by a network of individual

Reporting organization	Activity Identifier	Title	Funding source (1)	Activity type (2)	Executing agencies	Reported years	Amounts for reported years (US dollars)			
							Before 1987	1987	After 1987	Total (3)
Agriculture, Forestry and Fisheries										
FAO	TC183002E01	FISHERIES DEVELOPMENT	UNDP	T	FAO	1985-1987	46 229	11 771	--	58 000
Education										
UNESCO	TC183003	FELLOWSHIPS FOR TEACHING OF AUTOMECHANICS, COMMERCIAL SUBJECTS AND PERFORMING ARTS	UNDP	T	UNESCO	1983-1988	57 802	8 396	3 754	69 952
UNESCO	TC183004	STRENGTHENING THE EDUCATION SYSTEM	UNDP	T	UNESCO	1984-1988	108 158	3 693	8 357	120 208
Employment										
ILO	K07030260001	TECHNICAL TRAINING IN PUBLIC WORKS SECTOR	UNDP	T	ILO	1985-1988	38 191	2 774	--	40 965
ILO	K07030260002	VOCATIONAL TRAINING FOR THE TURKS AND CAICOS ISLANDS	UNDP	T	ILO	1985-1988	20 027	--	--	20 027
UNDP	TC1840030135	POOLED VOCATIONAL TRAINING (TO POOL IFF RESOURCES BETWEEN TURKS AND CHICOS ISLANDS AND BERMUDA; SEE BER/84/003)	UNDP	R	UNDP	1985-1988	18 030	41 286	--	59 316
Human Settlements										
UNCHS	TC1/84/001	PHYSICAL DEVELOPMENT PLANNING - PHASE I	COFIN	T	UNCHS	1984-1988	114 998	134 836	5 029	254 863
UNCHS	TC1840010156	PHYSICAL DEVELOPMENT PLANNING - PHASE I	UNDP	T	UNCHS	1984-1989	114 998	134 836	1 225	251 059
UNDP	TC1840010135	ADJUSTMENT FOR TC1840010156 (CHARGEABLE TO BER840020135 UNDER POOLING ARRANGEMENTS)	UNDP	R	UNDP	1984-1988	114 998	27 407	--	142 405
Humanitarian Aid and Relief										
UNCHS	TC1860021356	HURRICANE REHABILITATION	UNDP	T	UNCHS	1986-1988	--	78 964	86 538	165 502
Natural Resources										
UN	TCA86004	WATER RESOURCES DEVELOPMENT AND MANAGEMENT	UNDP	T	DTCD	1987-1990	--	95 767	5 140	100 907
Population										
UNFPA	TC185P01	FIELD APPROVAL FOR POPULATION-RELATED ACTIVITIES	UNFPA	R	UNFPA	1985-1988	1 167	1 700	500	3 367
Transport and Communications										
ICAO	TC186003	AIR TRAFFIC CONTROL, PERFORMANCE AND QUALITY (CONTINUING PROGRAMME)	UNDP	T	ICAO	1986-1988	--	96 850	41 250	138 100

Footnotes are on the layout of the back cover.

* Financial data for activity type F are to be found in Annex I.

Form 615-G
PROCEDE **Plasdex** * PROCI 55
MONTREAL TORONTO

AGRICULTURE

THE DEVELOPMENT OF AGRICULTURAL LINKS BETWEEN THE TURKS AND CAICOS ISLANDS AND CANADA

PROPOSAL FOR QUEEN BEE REARING OPERATION NORTH CAICOS, TURKS AND CAICOS ISLANDS, INTEGRATED WITH COMPATIBLE AGRICULTURAL PROGRAMS

PROPOSAL A:

To establish a Honeybee Queen Rearing Operation on the Experimental Farm near Kew, North Caicos.

FEASABILITY:

Excellent. The Canadian market is now being supplied from Australia and New Zealand, and the closer site on the Turks and Caicos with the same Time Zones, the same hemisphere, and available air links with Canada, U.S., the E.E.C. and the rest of Europe makes it extremely attractive. The market is also on the verge of erupting into a major supply problem because of the infection of Tracheal and Varroa mites and the African Honey Bee invasion in Central America and the U.S.

COSTS:

Estimate five year program costing \$600,000.00. The yearly budgets would be \$150,000.00, \$150,000.00, \$100,000.00, \$100,000.00, and \$100,000.00 for the five years.

BENEFITS:

The project would supply Honeybee Queens to the Canadian Market and eventually to the U.S., and be in place as a supplier before the lack of availability of competitive-priced Queens becomes a crisis for all Beekeepers in Canada and the U.S.

It would establish an industry which would provide training and the opportunity of continuing year-round employment for the people of North Caicos who are needed to run the project.

It would make the Experimental Farm the community focus for spin-offs from the bee project in related agricultural endeavors and involve and train the people needed to supply the manpower for these projects from the Island communities.

**AGRICULTURAL PROGRAMS BENEFICIAL TO THE
TURKS AND CAICOS ISLANDS WITH POTENTIAL BENEFIT TO CANADA**

PROPOSAL B:

To utilize the Experimental Farm in agricultural projects in conjunction with the Honeybee Queen rearing project. The land would be involved in projects which could benefit from the presence of a large supply of bees for pollination of blossoms for produce for consumption or market on Island or for export.

There is a wide variety of seeds, flowers and fruits which are potential candidates for the project.

FEASABILITY:

The land is under-utilized and should be available for growing agricultural produce for domestic and export markets. The tourist trade is an obvious available captive market to such a project. There is manpower available from the resident population. Markets and shipping are accessible through Provo into the domestic or Canadian, U.S. or E.E.C.

1) LANDSCAPE NURSERY

The endeavour would be the most immediate generator of cash to help carry the overall program. The rapid development of villas, hotels, and commercial centres on neighbouring Islands provides a ready market for landscape plants. North Caicos is central, and has superior water and soil resources.

2) MARKET GARDENS

Commercial production of produce and tropical fruit for the local market. (Residents and tourists). Presently supplied by air from Florida.

3) "ORGANIC PRODUCE"

There is a dynamic and growing North American market for "organically grown" fruit and produce which is expanding so rapidly that producers cannot supply the demand. These products could be developed into an attractive and acceptable "Trade Mark" export to this market.

4) SEED PRODUCTION

Flowers, herbs and spices. Subtropical specialty products command high seed costs. Example: The only American nursery supplying Turks Head Cactus seed is out of stock.

5) OIL SEED PRODUCTION

Jojoba; cereals-amaranth. As with the specialty market for organically-grown produce and fruit, we are looking at high-priced products capable of withstanding high shipping costs and hard-to-assess production costs.

6) CUT FLOWER AND BULB INDUSTRY

Although there is a ready export market (carnations from Columbia travel much farther), the local Hotel industry provides a growing market. Historical note: Easter lilies have, in the past, been exported from North Caicos.

7) LAUNDRY FACILITIES

A laundry-facility could be established to serve the hotel-tourist trade on North Caicos and use the grey-water to irrigate and fertilize the gardens and landscape nursery.

8) FISH MEAL PLANT

A low-cost fish meal plant for supplying fertilizer from sea-product wastes could be developed to supply the need for organic fertilizers. This technology is simple and available now.

COSTS:

It is projected that there would be a one-time \$100,000.00 capital cost for start-up and mobilization to get the plantings established and to pay labor costs during the start-up period.

All further funds would be derived from the products raised and sold. The only other cost would be the availability of and the use of the Experimental Farm acreage not being utilized or required for the Queen bee rearing operation. These projects are not competitive but rather mutually benefit each other.

BENEFITS:

These projects would dove-tail with the Queen Bee rearing project and provide employment and training for the Island residents on the under-utilized Experimental Farm. It would make the Experimental Farm the employment, training and community centre and make good use of the facilities available. It could provide produce for the Islands, the tourist trade and export.

RESOURCE PERSONS:

Mr. Bradley Thorarinson,
Box 265, Riverton, Manitoba.
R0C 2R0
Phone; 1-204-378-2318
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Turks and Caicos Link Limited
34 Corkstown Road,
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K2H 5B4.
Ralph Idema, President.
1-613-828-8976.

HONEYBEE QUEEN REARING OPERATION
IN
NORTH CAICOS, TURKS AND CAICOS ISLANDS

BACKGROUND

A Brief Overview of Honeybee Biology

A normal honeybee colony consists of WORKERS, DRONES, and a QUEEN. The WORKERS are female, but are undeveloped and cannot mate or lay eggs. As their name suggests, they do the work, collecting nectar, building the comb, feeding young bees, defending the colony, etc. A worker lives only several weeks to a few months. The DRONES are male bees; they do no work and their only purpose is to mate with young queens. They also have short lives.

The QUEEN is the only bee in the colony which lays eggs; the workers and the drones are her offspring. A queen starts out as a normal worker egg, but the workers feed her more and this allows her to develop into a fully mature adult. Within a few weeks of emerging as an adult, the queen flies from the hive, mates with several drones, and returns. Only then will she start laying eggs. The queen will not mate again; she stays in the hive and lays eggs - that is her role. A queens lifespan is a few years.

SWARMING is the natural way colonies increase in number. If conditions are right, the colony begins raising a new queen, and then the old queen and a portion of the workers leave to establish the new hive. The new queen then heads the old colony. For the commercial beekeeper, swarming is bad: it reduces the size of his colony, it happens at the time of year when most of his honey crop is produced, and it is a few weeks until the new queen starts laying eggs. These factors all reduce the size of his honey crop.

SUPERSEDURE occurs if a queen is unsatisfactory due to age, injury, etc. The workers raise a new queen, and when she is mature, the old queen is killed. Bees will also raise a new queen from an egg or young larva if the queen is removed or dies.

BEEKEEPING IN CANADA

The major product of beekeeping in Canada is honey, and the beekeeper's aim is to maximize his honey crop while keeping expenses low. In Western Canada where winters are severe, it was the practice to kill off colonies in the fall and start in the spring with PACKAGES. PACKAGES contain about two pounds of bees and a queen. These are placed in a hive in early spring, fed with sugar syrup if required, and the colony population increases. Packages were imported from areas such as the southern U.S. which have an earlier spring than Canada. In areas with milder winters, and increasingly in Western Canada, beekeepers OVERWINTER their bees. After the honey is removed in late summer, the bees are given sugar syrup to store as provisions for the winter, and the colonies are placed in protected locations (or indoors). The cost of overwintering is substantial, but so is the cost of Packages.

If a beekeeper wishes to increase the number of colonies, or he has wintering losses (20% of colonies is not uncommon), he may make SPLITS. Bees and brood are taken from a healthy populous colony and hived with a queen. Thus, one colony becomes two.

The population of a colony fluctuates wildly during the year, lowest in late winter and highest in summer. The beekeeper's aim is to have the population at a maximum during HONEY FLOW, when bees are gathering nectar and making more honey than they consume. This period is surprisingly short, usually 6-8 weeks. If canola is the main nectar source, 80% of the honey crop can be gathered in a two week period!

PACKAGE AND QUEEN PRODUCTION; SPECIALIZED BEEKEEPING

The need for Packages and Queens is greatest in early spring - late April and early May. Raising queens requires warm temperatures so the queens can fly and mate. Producing bees for packages is also more economical in a warm climate because the colony needs less feeding if flowering plants are available. For these reasons, Packages and Queen production was centred in the southern U.S. - Florida, California, Georgia, Alabama, etc. Queen rearing is easy enough - put the bees in the conditions under which they naturally raise queens: queenlessness or the crowding which precedes swarming. But raising thousands of queens for sale requires management, skill and experience, and will not be detailed here. It is a labor-intensive activity, as is beekeeping for honey production.

PROBLEMS FOR NORTH AMERICAN BEEKEEPERS

1) Tracheal mites (Acarapis woodi) : The tracheal mite is a parasite of honeybees and lives inside the bees breathing system. It pierces the trachea and feeds on the bee's body fluids. Infection with the mite reduces the bee's lifespan, and reduces colony honey production and the rate of spring buildup in population. It also increase overwintering losses. Present in Europe and Asia, it was thought to be absent from North America until it was discovered in the U.S. in July 1984. In 1985, Ontario and eastern Canada was closed to imports of bees from the U.S. Western Canada, which was more dependant on imports, was allowed to import from beekeepers whose apiaries were inspected and found apparently mite-free. Similar restrictions applied in 1986. Testing of colonies from imported Packages showed some were infected. The infected colonies were destroyed, and in 1987 the border was closed to all bee imports from the U.S. Since then the only bee imports allowed have been from Australia and New Zealand, which are mite-free and themselves have strict import quarantines. Eastern Canada is apparantly mite-free; mites have been reported in British Columbia, Alberta, Saskatchewan, Manitoba and Ontario. Tracheal mites are rampant in the U.S.

2) Varroa mite (Varroa jacobsonii): This mite is a more serious threat to beekeeping. It is primarily a brood parasite, killing or crippling the bee during its development. With the reduced rate of replacement of adult bees, the colony is at serious risk. While Varroa has not been found in Canada, it is present in 45 of 65 Florida counties, and has been found in many other states. Varrhoa is devastating - some U.S. beekeepers have been buying Canadian bees to ensure they have enough bees to fulfill pollination contracts!

3) Africanized Honey Bee (AHB): This is the most serious problem, since it is not limited to just beekeepers. The bees that beekeepers use are of European origin, where winters are severe and flowering is concentrated in a short season. The hoarding during the season of surplus to survive the long winter allows the beekeeper to remove substantial crops of honey. The African bee, although of the same species, evolved in a different climate: no winter, sporadic honey flow, and severe colony predation by both humans and animals. Because of this the African bee is much more aggressive in its colony defense, swarms readily, and does not store as much honey as European bees. While all three characteristics are undesirable to beekeepers, the greater aggression of the AHB is of concern to all. In 1956, African bees were imported into Brazil for use in a breeding program, on the reasoning that they were better adapted to the tropical climate than the European bees. Some escaped, and because they were better adapted, displaced the European bees. Their range has been increasing ever since; they are now in southern Mexico, and are expected to reach Texas by 1990 or 1991. It was hoped that their undesirable characteristics would be diluted by crossing with gentler European bees, but this has not happened. The AHB is responsible for between ten and a hundred deaths per year in Central and South America.

POTENTIAL FOR A QUEEN REARING OPERATION IN THE TURKS AND CAICOS ISLANDS

It appears that there is great potential.

The Package and Queen market is there, and is presently supplied only by Australia and New Zealand. One New Zealand operation shipped 30,000 Packages and 70,000 Queens to Canada last year. (Present prices are \$8.00 to \$12.00 per Queen and \$40.00 + per Package.)

Although beekeepers in British Columbia and Ontario are raising queens for sale, climate prevents them from being available until late May - a bit on the late side. Also the spread of Tracheal mites makes their continued operation questionable. Australia and New Zealand are in the Southern Hemisphere, and can supply queens early in the season, but have high freight costs. Many beekeepers have reported quality problems.

When AHB hits the southern U.S., it will cause havoc. Queen breeders supplying the U.S. market may be put out of business, because they will be unable to prevent queens from mating with African drones. Many commercial beekeepers who raise their own queens will have the same problem. Where the AHB is established, the only way to keep colonies European is to requeen with European queens raised somewhere else. So the U.S. could, in ten years, be an ENORMOUS MARKET for queens.

The U.S. and Central America are potential year-round markets. The prospects are developing with time and are better now than a year or two ago. Varroa is rampant and creating problems in the U.S., the situation will develop rapidly and deteriorate rapidly when AHB arrives - only 1 or 2 years, this project can be the opportunity to establish a solution to a seriously developing problem, to the advantage of the Canadian and Island people.

Islands are ideal for queen rearing. The geographical isolation means that there will be no problems with mites or AHB unless you bring it in or it's already there. This is an advantage that the Caribbean shares with Australia and New Zealand. The Caribbean, however is much closer to the market - just a few hours by air, and in the same Time Zones and in the Northern Hemisphere. The Queens are not disoriented by being raised on the opposite side of Earth.

PROPOSAL FOR A QUEEN REARING OPERATION ON NORTH CAICOS

From the word "go" it should be possible to start shipping queens in two to three years. In a telephone conversation with Dr. Cameron Jay, who is on the import certification committee, he indicated that there is no serious obstacles to certification. It would be necessary to show the origin of all bees used. Also, on-site inspection and sampling for mites and AHB would be necessary. Legislation would be necessary to prevent contaminated bees from being introduced. Introduction of adapted strains from North America would be possible either by instrumental insemination or the shipment of eggs, but would have to be carefully controlled and monitored.

Much of the work involved could be done by local labour. The work involved in beekeeping is physically demanding, but easily learned. Managing a beekeeping operation, on the other hand, demands skill and experience. Coordinating the production of queens to the market demand in the face of weather and other production problems is not trivial.

It is suggested that the under-utilized Experimental Farm on North Caicos near the village of Kew would be a suitable site for this operation. Unused buildings, water supply, etc. are basic amenities required and their availability would lower the upfront capital costs required to start such a venture and decrease the time delay associated with building and start-up programs.

After the initial start-up importations it is believed that all the hives, frames, shipping cases, etc. could be made on-site during slow seasons. Termites could be a problem as they are in the southern U.S. and all tropical climates. Pressure-treated wood is available, but not desirable because of possible contamination of honey and beeswax. Canadian red cedar, however, is an attractive alternative because it is naturally termite-resistant and Canadian.

While package production would be possible, it would likely be only a small part of the operation. Since the shipping season is so short, a typical colony can only produce a few packages of bees. Shipping 10,000 Packages would require 3,000 or more colonies! Pastures for this large an operation is not likely available, although the Islands are near abundant low cost cane sugar and syrup for food. Shipping the same number of queens would require less than a tenth as many colonies.

Even with an experienced manager, it would be desirable to have one or more of the local employees receive training either by working with a mainland bee breeder or preferably by taking a course such as the one offered by Fairview College in Alberta. This is an excellent course and has students from as far away as South Africa. The Canadian and Turks and Caicos governments could arrange a scholarship or training program to interested and capable Islanders.

If the Turks and Caicos has no honeybees now, it would not be difficult to establish a mite-free, non-Africanized stock for queen rearing. The presence of bees on the Islands now would not likely be a problem; they would likely not be mite infested or African, and testing could prove this. It would also eliminate the need to bring in stock to establish the operation.

Once the operation is under way, there will still be the possibility of introduction of AHB. The most likely way would be a swarm flying off a ship. This happened in 1985 in California, likely in oilfield equipment from Venezuela. An all-out effort was made and the AHB was eliminated, but it involved the testing of 22,000 colonies and a lot of effort. This is another advantage of siting on North Caicos which is not the trade shipping route or port. Most shipping is to South Dock on Provo, and it is there that accidental introduction is most likely to occur but could be isolated and controlled.

ESTIMATED COSTS

The project would have to be viewed as a five year project involving both the Canadian and Turks and Caicos governments. The Turks and Caicos government would be asked to provide the availability of the Experimental Farm site on North Caicos. A search for native persons interested and capable of working and maintaining the operation would require setting up an informational and assessment group to satisfy these recruitment needs.

The financial requirements for the project would be estimated at \$150,000.00 for each of the first two years and \$100,000.00 a year for the remaining three years. The later years may not be necessary if the operation can be successfully established by that time. A total cost of \$600,000.00 over five years is projected.

The Experimental Farm could then be dove-tailed into being used as the site for related enterprises to provide flowers or blossoms for bee food as a by-product while supplying flowers, seeds, fruits and other agricultural products from the site for Island consumption or export and providing work to nearby residents of Kew.

Form 615-C
PRODUIT DE **Plasdex** - PHOENIX INC.
MONTREAL - TORONTO

Around the Islands

CONCH FARM OPENS VISITORS' CENTRE

The Caicos Conch Farm, said to be the World's first commercial conch farm, now has a new Visitors' Centre which is open from 8:00 am to 4:30 pm, seven days a week.



The Conch Farm, under Director Chuck Hesse, is not only concerned with conserving conch here in the Turks and Caicos Islands. In February 1988, it shipped some 10,000 immature conch to the Florida Keys as part of an attempt by the Florida Department of Natural Resources to restore the conch population in the waters around the Keys.

It is also selling immature conch to the owners of salt water aquariums. Conch are very effective cleaners, constantly searching through the substrate for algae and diatoms with their long proboscis (snout).

The Queen Conch has long been the symbol of the Caribbean and Southern Florida. To the early inhabitants of the Caribbean, the Arawak Indians, the Queen Conch was a symbol of fertility and played a large part in both their spiritual and physical lives. Most of their cutting and digging tools were made from shell. It represents a major source of protein and can be easily harvested without expensive equipment. It was the earliest form of national product in the Turks and Caicos but in recent years, natural stocks have diminished at an alarming rate both here and around the region.

It was to meet the increasing demand for conch meat in the face of a diminishing natural supply, and to help in conservation efforts, that the Conch Farm was established. In a recent press release, the farm stated: "Conch farming is now a fact at the Caicos Conch Farm. We want to show the World that we are the leaders in this new technology.



H.R.H. Princess Alexandra was one of the first visitors to the Centre, which is housed in a spacious, geodesic dome. Tours run daily at 2:30 and 3:30 pm and slide shows are presented in the air-conditioned theatre.

The Conch Farm, which was featured in the last issue of Times of the Islands, was established in 1984. It raises Queen Conch from microscopic eggs, through the larval stage and finally to the five pound giant sea snail we all know as delicious conch fritters and steaks.

The farm raises conch by feeding conch larvae on natu-

rally grown algae in 6,000-gallon vats, using the latest scientific techniques. When the conch are one to two inches long, some are shipped to countries such as the US, Haiti, the Bahamas and Martinique for scientific studies, and to replenish wild stocks in over-fished areas.

The farm has large undersea pastures where the animals are grown to maturity, protected by the laws of the Turks and Caicos Islands. These sea ranches are patrolled by what the Farm calls Conch Cowboys, who care for the "herd" and protect them from sea-going predators including Man.

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PROCE DE *Plasdex* * PROCE SIS
MONTREAL TORONTO

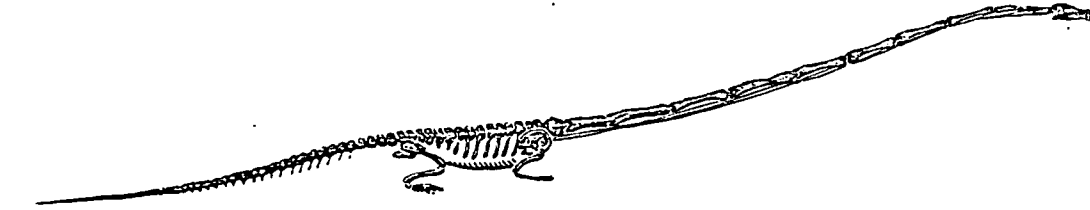
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Tanystropheus longobardicus, of the order Araucoscelidia, after a specimen 4.3 m (14.1 ft) long from the Triassic of Switzerland. (After Bernhard Peyer, *Neujahrsblatt, Naturforsch. Ges., Zurich*, 1944)

smaller than the hindlimbs, and both hand and foot is of primitive construction. The terminal phalanges were covered with horny claws. SEE *EURYAPSIDA; REPTILIA*.

Rainer Zangerl

Bibliography. J. Piveteau (ed.), *Traité de Paléontologie*, vol. 5, 1955; A. S. Romer, *Vertebrate Paleontology*, 3d ed., 1966.

Aragonite

A mineral species of calcium carbonate with a crystal structure different from those of vaterite and calcite, the other naturally occurring species (polymorphs) of CaCO_3 . Other cations such as strontium and lead may substitute for some of the calcium. Aragonite is much less common than calcite, to which it is frequently or partially transformed. Much effort has been devoted to determining the thermodynamic and kinetic functions controlling the reaction $\text{calcite} \rightleftharpoons \text{aragonite}$. It seems clear that when aragonite forms or persists at pressures below 3 kilobars (300 megapascals) it is not stable.

The transformation of aragonite to calcite increases rapidly with rising temperature, so that even where



(a) |----- 5 cm -----|

Aragonite. (a) Specimen from Grgenti, Sicily (American Museum of Natural History specimens). (b) Pseudo-hexagonal twinned crystal (after C. S. Hurlbut, Jr., *Dana's Manual of Mineralogy*, 17th ed., John Wiley & Sons, Inc., 1959).

(b)

aragonite forms in its stability field at high pressure one would not expect to find it surviving in a rock that has passed into the calcite stability field above 390°F (200°C). In a dry environment the rate of transformation of older and coarser aragonite is slower than for younger and finer-grained material.

Aragonite frequently grows metastably in near-surface secondary deposits in cavities, such as in limestone caverns. It also occurs in precipitates from hot springs, and it forms biogenically in pearls and in the hard parts (shells) of some fossils, pelecypods, and gastropods.

It has been shown that up to 190°F (90°C) the metastable precipitation of aragonite is influenced by the temperature and concentration of the precipitating solutions as well as by pH and impurities in solution. Most inorganic impurities suppress the formation of ion clusters leading to the formation of aragonite nuclei, but magnesium, strontium, lead, and sulfate have the opposite effect. It has also been repeatedly shown that aragonite can be formed by grinding calcite, and it is likely that aragonite has grown in some metamorphic rocks as a stress (relieving) mineral from calcite.

When pure, aragonite is white, but with impurities may assume gray, blue, green, or pink tints. The hardness on Mohs scale is 3.5–4. Specific gravity is 2.947.

Aragonite has orthorhombic symmetry. The calcium atoms are arranged in distorted, hexagonally close-packed layers. Each calcium is surrounded by nine oxygens from six neighboring CO_3 groups. Single crystals are often prismatic, short or elongated, and frequently twinned with a hexagonal outline (see *illus.*).

Aragonite is found in many localities throughout the world. In the United States fine crystals associated with calcite and cerussite are found in the Magdalena district, Socorro County, New Mexico. SEE *CARDONATE MINERALS*.

Robert I. Harker

Bibliography. N. S. Brar and H. H. Schloessin, Effects of pressure, temperature and grain size on the kinetics of the calcite \rightarrow aragonite transformation. *Can. J. Earth Sci.*, 16(7):1402–1418, 1979; J. D. Helfner, Precipitation of metastable aragonite from aqueous solution. Ph.D. thesis, University of Pennsylvania, 1976.

Arales

An order of flowering plants, division Magnoliophyta (Angiospermae), in the subclass Areoidae of the class Liliopsida (monocotyledons). It consists of two families, the Araceae, with only 1800 species, and the Lemnaceae, with only about 30.

The Araceae are herbs (seldom woody climbers)

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MONTREAL TORONTO

TURKS AND CAICOS ISLANDS
TELECOMMUNICATIONS LICENCE

AGREEMENT

BETWEEN

The Government of the Turks and Caicos Islands

AND

Cable and Wireless (West Indies) Limited

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TURKS AND CAICOS ISLANDS

TELECOMMUNICATIONS LICENCE

THIS LICENCE is made the day of 1989
BETWEEN THE GOVERNMENT OF TURKS AND CAICOS ISLANDS
(hereinafter referred to as "the Government") of the
one part and CABLE AND WIRELESS (WEST INDIES) LIMITED
whose registered office is situate at Mercury House,
110/124 Theobalds Road, London, WC1X 8RX, England
(hereinafter referred to as "the Company", which
expression shall include its successors and permitted
assigns) of the other part.

Recitals

WHEREAS by an Agreement made the 17th day of July
1973 between William West Hutton Acting Governor for
and on behalf of the Government of the Turks and
Caicos Islands and the Company, the Company was
authorised to provide, install, maintain and operate
the national telephone system of the Turks and Caicos
Islands for a period of twenty (20) years to expire
on the 22nd day of August 1992.

AND WHEREAS by a Licence (Agreement) made the 18th
day of December 1973 between William West Hutton
Acting Governor for and on behalf of the Government
of the Turks and Caicos Islands and the Company, the
Company was authorised to provide and operate the
external telecommunication services of the Turks and
Caicos Islands for a period of twenty (20) years to
expire on the 31st day of December 1992.

AND WHEREAS the Company has applied to the Government
for the renewal and consolidation of the Agreement
and the Licence (Agreement) into a single Licence and
the Government has agreed to grant such a renewed and
consolidated Licence upon the terms and conditions
hereinafter set out:

NOW THIS DEED WITNESSETH

PART I : INTRODUCTION

Definitions

1. In this Licence, unless the context otherwise requires:-

(1) External

shall mean places outside the Turks and Caicos Islands (as hereinafter defined).

(2) Licence

shall mean the authority and powers granted to the Company by the Government hereunder to operate National and International Telecommunications Systems and Services.

(3) Licensed Apparatus

shall mean any telecommunications apparatus the subject of this Licence.

(4) International Telecommunications Systems and Services

shall mean any telecommunications systems and services between the Turks and Caicos Islands and any one or more points beyond the Turks and Caicos Islands or which pass in transit through the Turks and Caicos Islands. Such services shall include the transmission and reception of voice, record, data, facsimile or any other services or facilities of a similar nature as may be developed and become available from time to time but shall exclude the broadcasting of radio and television programmes by any means for reception by the general public of any other Territory.

(5) I.T.U. Convention

shall mean the International Telecommunication Convention of Nairobi 1982 and the General and Administrative Regulations thereof and includes any Convention and/or Regulations which may from time to time be in force in revision thereof or in addition thereto.

(6) Message

shall mean any telegram, phototelegram, telephone or telex call, data, facsimile or text transmission, electronic mail or voicegrams.

(7) The Minister

of the Government

having responsibility for Telecommunications Systems and Services in the Turks and Caicos Islands.

(8) National Telecommunications Systems and Services

shall mean the telecommunications systems and services provided within the Turks and Caicos Islands. Such services shall include the transmission and reception of voice, record, data, facsimile or other services or facilities of a similar nature as may be developed and become available from time to time but shall exclude the broadcasting of radio and television programmes by any means for reception by the general public of the Turks and Caicos Islands.

(9) Net Revenue

shall mean the total of all billings and monies due to the Company for services provided under this Licence less all outpayments from the Company to other Foreign Administrations and National Bodies for traffic originating in the Turks and Caicos Islands which terminates in or transits their territory plus all payments received from other Foreign Administrations and National Bodies for traffic originating in their territory which terminates in or transits the Turks and Caicos Islands.

(10) Profit

shall mean the total revenue received from the provision of telecommunications services authorised by this Licence less all expenses incurred in the provision of these services as shown in the accounts prepared on a historic cost basis in accordance with generally accepted accounting principles in the Turks and Caicos Islands and as certified by an independent firm of Chartered Accountants; the Company levying no interest charge on the capital employed in the business. For the purpose of calculating profits depreciation will be provided on the historic cost of fixed assets of the Company in the Turks and Caicos Islands in equal annual instalments over the estimated useful lives of these assets and the following asset lives will apply over the period of this Licence unless a variation is agreed between the Government and the Company:

- (a) Freehold Buildings forty (40) years;

(b) Telephone Cables and Repeaters (including Submarine Cables) twenty (20) years;

(c) Landlines twenty (20) years;

(d) Radio Equipment ten (10) years;

(e) Earth Station Antennae fifteen (15) years;

(f) Processor-Controlled Exchanges ten (10) years;

(g) Computers and DP Equipment five (5) years;

(h) Vehicles three (3) years;

(i) Other Plant ten to twenty (10-20) years;

(j) Freehold Land no depreciation.

(11) Telecommunications

shall mean any transmission, emission or reception of signs, signals, writing, images and sounds or intelligence of any nature by wire, radio, optical or other electromagnetic systems.

(12) Turks and Caicos Islands

shall mean the Turks and Caicos Islands and shall include the territorial waters and airspace.

(13) Any expression or word not specifically herein defined shall if defined in the Interpretation Ordinance (CAP 1) have such meaning, otherwise it shall have the meaning assigned to it by the I.T.U. Convention.

(14) Words importing the singular only shall also include the plural and vice versa.

Margin
notes

2. The notes inserted in the margin of this Licence are for convenience of reference only and shall not in any way affect or control the construction of this Licence or of any provision herein contained.

Laws

3. Unless expressly stated otherwise this Licence shall be construed and interpreted in accordance

with the laws of the Turks and Caicos Islands.

Existing
Licences

4. Upon the coming into force of the Licence hereby granted the Agreement and the Licence (Agreement) referred to in the first and second recitals hereof shall terminate but without prejudice to any rights or liabilities subsisting immediately before that date.

Force
Majeure

5. (1) The Company shall not be held liable or deemed to be in default under this Licence for any failure to perform its obligations hereunder if and to the extent that such failure results directly or indirectly from force majeure which shall include but not be limited to any law, order, regulation or direction of the Government of the Turks and Caicos Islands; major strikes or any significant or protracted industrial action; major insurrection; riots; national emergencies; war; fire; floods or other catastrophes; acts of God or any causes beyond the control of the Company.

(2) The Government shall not be held liable or deemed to be in default under this Licence for any failure to perform its obligations hereunder if and to the extent that such failure results directly or indirectly from force majeure which shall include but not be limited to major strikes or any significant or protracted industrial action; major insurrection; riots; national emergencies; war; fire; floods or other catastrophes; acts of God or any causes beyond the control of the Government.

Arbitration

6. Any matter which in pursuance of the provisions herein contained is to be determined by arbitration and any other dispute or difference which should arise as to the meaning of the provisions of this Licence or as to the rights or obligations of either party hereunder shall be referred to arbitration in accordance with the provisions of the Arbitration Ordinance 1974 or any subsisting statutory modification or re-enactment thereof.

Notices

7. Any notice request or consent (whether expressed to be in writing or not) to be given by the Government under this Licence may be under the hand of any duly authorised officer of the

Government and may be served by sending the same in a registered letter addressed to the office of the Company in the Turks and Caicos Islands and any notice to be given by the Company under this Licence may be served by sending the same in a registered letter to the Minister.

PART II : THE LICENCE

The Grant

1. IN CONSIDERATION of the fees to be paid to the Government as are hereinafter referred to THE GOVERNMENT in exercise of, all the powers and authorities enabling it in that behalf does by these presents GRANT to the Company the LICENCES, POWERS AND AUTHORITIES to provide, install, maintain, operate and augment the National Telecommunications Systems and Services within the Turks and Caicos Islands and the International Telecommunications Systems and Services between the Turks and Caicos Islands and places or mobile stations outside the Turks and Caicos Islands or passing in transit through the Turks and Caicos Islands to include such authority as may from time to time be necessary for these purposes:

(1) To establish, maintain and operate land based telecommunications station(s) of any type in the Turks and Caicos Islands; and

(2) To lay and/or maintain and operate on and along the foreshore and bed of the sea at such location(s) as may be approved by the Government in a seaward direction a line or lines of submarine telecommunications cable of any type; and

(3) To provide, install, lease and/or maintain licensed apparatus of any type in the Turks and Caicos Islands; and

(4) To provide any necessary circuits between the installations referred to in subclauses (1), (2) and (3) above and between such installations and subscribers' installations as may be required for the control, operation and co-ordination of the National and International Telecommunications Systems and Services.

TO HOLD the same unto the Company for a period of twenty (20) years commencing on the date hereof (but determinable as hereinafter

mentioned) UPON THE TERMS AND SUBJECT TO the agreements, stipulations, conditions and obligations on the Company's part hereinafter appearing YIELDING AND PAYING therefore during the said period the fees hereinafter referred to in Part III.

PART III : FINANCIAL PROVISIONS

Fees

1. It is hereby agreed that:

(1) The Company shall pay to the Government quarterly within sixty (60) days of the Company's normal quarterly accounting date a fee of three per cent (3%) of the Net Revenue in respect of that quarter for the duration of this Licence (the first payment to be made within sixty (60) days of the end of the first full accounting quarter after the date of this Licence): such payments to be subject to adjustment as necessary within six (6) months of the end of the relevant twelve (12) month period based on the audited accounts of the Company for that period:

PROVIDED ALWAYS that where the Net Revenue shall in any one financial year exceed the first controlled sum (calculated in accordance with the provisions of subparagraph (a)) an additional fee of one half per cent (½%) of the Net Revenue for that year shall be payable in respect of that year and where the Net Revenue shall in any one financial year exceed the second controlled sum (calculated in accordance with the provisions of subparagraph (b)) the additional fee payable in respect of that year shall increase to one per cent (1%) of the Net Revenue for that year and where the Net Revenue shall in any one financial year exceed the third controlled sum (calculated in accordance with the provisions of subparagraph (c)) the additional fee payable in respect of that year shall increase to one and one half per cent (1½%) of the Net Revenue for that year such additional fees to be paid in arrears within sixty (60) days of the Company's normal annual accounting date and in any event not later than the 1st day of July following the year in question and to be based on the audited accounts of the Company for that year.

(a) The first controlled sum shall be the sum of eight (8) million US dollars which sum shall increase on the 1st day of January in each year in direct proportion to the percentage increase over the previous year or part thereof in the United States Consumer Price Index (or when agreed between the parties hereto any index measuring the inflation of the Turks and Calcos Islands) so that by way of example if the first controlled sum on the 1st day of January 1995 is "x" and the percentage increase in the aforementioned index for the year ending on the 31st day of December 1995 is "y%" the first controlled sum for the year 1996 shall be "x" plus "y%" of "x".

(b) The second controlled sum shall be the sum of nine (9) million US dollars which sum shall increase on the 1st day of January in each year in direct proportion to the percentage increase over the previous year or part thereof in the United States Consumer Price Index (or when agreed between the parties hereto any index measuring the inflation of the Turks and Calcos Islands).

(c) The third controlled sum shall be the sum of twelve (12) million US dollars which sum shall increase on the 1st day of January in each year in direct proportion to the percentage increase over the previous year or part thereof in the United States Consumer Price Index (or when agreed between the parties hereto any index measuring the inflation of the Turks and Calcos Islands).

(2) the Company shall pay to the Government one half of all that part of the profits made by the Company each year over and above a profit of ten per cent (10%) (calculated as a percentage of the Company's net assets in the Turks and Calcos Islands as shown in the audited accounts in accordance with the provisions of Part I clause 1 (10) of this Licence) such payments to be paid in arrears within sixty (60) days of the Company's normal annual accounting date and in any event not later than the 1st day of July following the year in question and to be based on the audited accounts of the Company for that year; (and for the avoidance of doubt the

percentages referred to in this subclause shall not be taken as a guideline in determining whether the return is reasonable or unreasonable for the purposes of Part III clause 3 (3).)

**Customs
duties**

2. It is hereby agreed that:

(1) All new apparatus, equipment, instruments, special purpose vehicles and materials imported from any source into the Turks and Caicos Islands by the Company prior to the 1st day of January 1990 and which are certified by the senior representative of the Company in the Turks and Caicos Islands and approved by the Financial Secretary of the Turks and Caicos Islands as being necessary for the maintenance and development of the telecommunications systems and services the subject of this Licence shall be exempted from customs and other import dues and stamp duty and other taxes on the relative bills of entry: Thereafter such exemption shall be at the sole discretion of the Government which reserves the right accordingly upon the giving of three (3) months written notice to the Company from time to time to withdraw such exemption in whole or in part or without notice to reinstate the same as the case may be in whole or in part

(2) No article so imported and exempted shall be sold or otherwise disposed of in the Turks and Caicos Islands unless all customs dues have been paid thereon and provided also that there shall be no exemption with respect to vehicles and materials imported by the Company for hire or imported for the private use of the Company's employees.

**Rates of
charge**

3. It is hereby agreed that:

(1) The rates of charge for the transmission of messages over the Company's telecommunications systems from the date hereof up to and including the 31st day of December 1992 shall be those set out in Schedule 1 hereto.

(2) Thereafter the rates of charge prevailing from time to time shall remain in force until such time as they may be revised pursuant to the provisions of this clause.

(3) Either the Government or the Company may propose to the other a revision of any of such

rates and a review of such proposal shall commence within three (3) months of application. The criterion on which such review shall be undertaken shall be the need for the Company to operate on an economic basis so as to earn a reasonable return on net assets employed by the Company in the telecommunications systems in the Turks and Caicos Islands and in determining what is reasonable for the purposes of this clause the need to reduce tariffs until the same are generally comparable with other Caribbean territories shall be taken into account.

(4) In the event that the parties hereto cannot agree the rates of charge within six (6) months of the commencement of the review referred to in subclause (3) above then either party may refer the matter to arbitration in accordance with the provisions of Part I clause 6 hereof and in deciding what the rates of charge shall be the arbitrator shall take into account the criterion referred to in the said subclause (3).

(5) In order to facilitate reviews of rates of charge the Company shall from time to time supply detailed information on cost and profit centres in the Turks and Caicos Islands in relation to each type of service conducted by the Company pursuant to this Licence.

(6) In order not to delay the introduction of new services the Company shall be entitled to establish an initial rate of charge therefor (based on the criterion specified in subclause (3) above but such rate shall be subject to verification, and revision if necessary, in accordance with this clause.

(7) All scales of charges referred to in subclauses (1) or (2) above shall be made available by the Company to the public of the Turks and Caicos Islands upon request at the Principal Office of the Company in Grand Turk, Turks and Caicos Islands.

PART IV : THE COMPANY'S OBLIGATIONS

Equipment and Services

Expansion &
Improvement

1. Throughout the term of this Licence, the Company shall develop, expand and improve the National and International Telecommunications Systems and Services with a view to providing an efficient service over as wide an area of the Turks and Caicos Islands as may be practicable, paying due regard to the advance of telecommunications technology and shall utilise suitable equipment employing the latest proven technological developments wherever these are appropriate and can be shown to be cost effective. In this connection the Company will consult with the Government from time to time as may be necessary to ensure that the development goals of the Government are known by the Company.

Maintenance
and operation

2. (1) Throughout the term of this Licence the Company shall maintain and operate the licensed apparatus in proper working order.

(2) Throughout the term of this Licence the Company shall provide an efficient and reliable service in accordance with the needs of the Turks and Caicos Islands and shall use its best endeavours to achieve the development goals of the Government.

(3) Representatives of the Government and of the Company shall meet from time to time with a view to establishing service standards, and to review and report on the performance of the Company's obligations under this clause, provided that the meetings held pursuant to the provisions of this clause shall be held at intervals not exceeding two (2) years.

(4) If at any time the Company shall fail (other than for reasons beyond its control) to maintain and operate the licensed apparatus or provide such services as are required by this clause the Government shall so advise the Company. If after receiving such notification the Company shall fail to rectify the situation within a reasonable time, having regard to all the circumstances, then the Government shall refer the matter to arbitration pursuant to Part I clause 6, and if as a result of arbitration judgement is given against the Company then the

Company shall take immediate steps to satisfy the Government that suitable action will be taken and shall take such action in default of which the Government may forthwith determine this Licence

Operation of Systems

- Frequencies** 3. The Company shall use such frequencies in the operation of the National and International Telecommunications Services and Systems as shall be agreed by the Government.
- As to Interference** 4. The Company shall so operate the licensed apparatus that it will not cause troublesome interference with any other authorised apparatus within its range and with a view to the avoidance of such interference the Company shall comply with any instructions given by the Government as to the operation of the licensed apparatus.
- Routing of messages** 5. (1) If and whenever the Government shall require the Company, its servants or agents to give priority to the transmission of messages of the Government by means of its system of telecommunications such messages shall have priority over all other messages insofar as this may be consistent with the provisions of the I.T.U. Convention and the Company its servants and agents shall as soon as is reasonably possible transmit the same and shall insofar as may be necessary to effect such transmission suspend the transmission of other messages.
- (2) The Company shall not be entitled to claim any compensation in respect of the suspension of the transmission of messages as aforesaid.
- Equal Priority of Messages** 6. Subject to Part IV clause 5 and Part VI hereof and Article 25 of the I.T.U. Convention concerning safety of life the Company shall transmit over its system of telecommunications all messages on equal terms and with equal priority due regard being given to recognised differences between one class of message and another PROVIDED that nothing in this clause shall prevent the Company from providing for the delivery of telegrams at convenient hours according to the local time at

the respective places by transmitting the same in such order of priority as shall be reasonably adapted for that purpose having regard to the respective longitudes of such places.

Notice of Interruptions

7. If at any time the telecommunications service operated by the Company under this Licence shall become interrupted the Company shall give notice of any abnormal circumstances surrounding such interruption to the Government and shall use all reasonable endeavours to supersede its normal services by provisional items. For the purpose of this clause "interruption" shall mean the known total cessation for a period in excess of three (3) hours of all telecommunications services provided by the Company under this Licence between one island and another within the Turks and Caicos Islands or between a significant number of points or subscribers within any one island within the Turks and Caicos Islands or between the Turks and Caicos Islands and a significant number of points outside the Turks and Caicos Islands and for the avoidance of doubt the number shall be significant if the number of points or subscribers affected is more than twenty five per cent (25%) of the points or subscribers normally serviced.

Secrecy

8. (1) The Company shall not divulge to any person (other than properly authorised officials of the Government of the Turks and Caicos Islands or the Government of the United Kingdom or a competent legal tribunal) or make any use whatsoever of telecommunications traffic that comes to the knowledge of or is intercepted by the Company.

(2) The Company shall use its best endeavours to ensure that all staff members observe the rules of secrecy relating to telecommunications pursuant to Article 22 of the I.T.U. Convention.

Information and Inspection

Information on Company's business

9. The Company shall establish and maintain in the Turks and Caicos Islands in respect of its business conducted pursuant to this Licence an accounting system, business planning system and other systems for the management of information and the maintenance of commercial service and

engineering standards concerning such business and on the basis of such systems, the Company shall submit to the Government:

(1) Quarterly reports on its operations and services in the Turks and Caicos Islands, an interim profit and loss account, balance sheet and a statement of source and application of funds; and

(2) Annually a final (audited) profit and loss account, balance sheet and statement of source and application of funds and a business plan for the succeeding five (5) years; and

(3) Such other information concerning such business as the Government may from time to time reasonably require having regard to the ordinary staff and administrative capacity of the Company.

Provided that all information so furnished shall (except for the purposes of this Licence and any determination of differences in accordance with Part I clause 6 hereof) be treated as strictly private and shall be in no way published or publicly made use of (except as aforesaid) without the written consent of the Company.

Information on traffic

10. The Company shall from time to time furnish to the Government at its request all such particulars of the traffic passing over its system of telecommunications and originating in or destined for the Turks and Caicos Islands as the Government may from time to time reasonably require PROVIDED ALWAYS that regard shall be had to the ordinary staff and administrative capacity of the Company as regards the volume of statistics to be supplied and that all particulars so furnished shall (except for the purposes of this Licence and any determination of differences in accordance with Part I clause 6 hereof) be treated as strictly private and in no way published or publicly made use of (except as aforesaid) without the written consent of the Company or when included with published General Returns of the Company.

Inspection of Installations

11. The Company shall permit the Government, its duly authorised officers, servants or agents at all reasonable times to enter upon all or any of the stations, offices or installations in the

Turks and Caicos Islands in the possession or occupation of the Company (either solely or jointly with any other person or persons) for the purpose of inspecting any of the licensed apparatus and the working and use of such apparatus provided that any information thereby gained with regard to the Company's apparatus and systems shall be regarded as confidential.

Construction

Observance of building conditions 12.

The Company shall at its own expense construct and maintain all junction boxes, cable huts, plant, offices and other buildings, submarine telecommunications cables and any other apparatus necessary for the provision of telecommunications services pursuant to this Licence in accordance with permission first had and obtained by the Planning and Development Authority of the Turks and Caicos Islands ("PDA") and in such manner as the Government may direct and shall comply with such stipulations and conditions as regards their location as the Government may from time to time make with a view to safeguarding and protecting them from accidental or malicious injury or destruction.

Construction on foreshore and seabed 13.

The Company shall not without the consent in writing of the Government first had and obtained place any buildings, works or materials or do any other act on the shore or bed of the sea which may in the opinion of the Government prejudice or obstruct or tend to prejudice or obstruct navigation or be or become injurious to the public interest.

Removal of certain structures 14.

The Company shall forthwith remove from the said shore and bed of the sea all buildings works and materials which have been placed there by the Company without the consent or approval hereby required thereto or which by reason of having been abandoned or suffered to fall into decay may be in such a condition as in the opinion of the Government to prejudice or obstruct or cause reasonable apprehension that they may prejudice or obstruct navigation or be or become injurious to the public interest and shall restore the said shore and bed of the sea to the former or proper condition thereof PROVIDED ALWAYS that where the Company shall fail to take any action required by virtue of this clause it shall be

lawful for the Governemnt, its duly authorised officers, servants or agents to carry out the said actions and the Company will pay to the Government, its duly authorised officers, servants or agents as aforesaid all expenses thereby incurred.

- Cables 15. The Company shall land maintain and secure its submarine cables to the satisfaction of and at locations approved by the Government.

General

- International conventions and local legislation 16. The Company shall at all times observe the provisions of:
- (1) The I..T.U. Convention.
 - (2) The Convention for the Protection of Submarine Cables signed in Paris on the 14th day of March 1884 and any provision which may for the time being be in force in substitution thereof or amendment thereof.
 - (3) Legislation from time to time in force in the Turks and Calcos Islands.
 - (4) The Commonwealth Telecommunications Organisation Financial Agreement of 1983 and any other Agreement which replaces it and to which the Company becomes a party.
 - (5) Any other International Agreement affecting telecommunications and the operations of the Company to which the Government may from time to time be a party.

- Assignment 17. The Company shall not without the consent in writing of the Government first had and obtained assign or dispose of this Licence or any benefit arising therefrom whether in whole or in part or delegate any of the powers hereby conferred PROVIDED that the Government shall not unreasonably withhold its consent to a proposed assignment to a company being the holding company or another subsidiary of that holding company or a subsidiary of the Company (and for this purpose "holding" company and "subsidiary" shall be as defined by section 736 of the Companies Act 1985 of the laws of England).

Indemnity

18. The Company shall at all times indemnify the Government against all actions, claims and demands which may be brought or made by any person in respect of any injury or the death of any person or damage to any property arising from any act of the Company licensed or permitted by these presents PROVIDED that the provisions of this clause shall not apply in respect of any injury arising to or the death of any person or damage to any property to the extent that the Company is deprived of the control of the telecommunications service under the provisions of Part VI of this Licence.

Employees

19. (1) The Company shall so far as is reasonably possible having regard to the persons who are belongers and who are available from time to time, their willingness to accept employment and their physique and skills as may be relevant to the vacancies for employment existing and occurring in the operation of the Company's business in the Turks and Caicos Islands use its best endeavours to engage belongers to fill any such vacancies.

(2) The Company shall in all contracts it may enter into in the Turks and Caicos Islands require the other contracting party to enter into obligations with it in similar terms to those contained in subclause (1) and shall further require any such contracting party to impose similar obligations on any subcontractor.

(3) The Company shall prepare and introduce a comprehensive training programme to train belongers in all aspects of the operation of the development (excepting the position of General Manager) and shall keep under revision the programme of training and a programme of localisation of appropriate jobs in the development submitting such programmes periodically for the consideration of the Government and using its best endeavours to implement such programmes as agreed from time to time with the Government and the Company shall in any event employ citizens of the Turks and Caicos Islands in the posts referred to in Schedule 2 hereto from the dates referred to in the said Schedule.

PART V : THE GOVERNMENT'S OBLIGATIONS

Legislation 1. The Government undertakes at the request of the Company to use its best endeavours to enact, maintain in force and update such legislation as may be requisite to enable the Company to carry out its rights and obligations under this Licence.

Land Sites 2. (1) The Government shall at the request of the Company use its best endeavours to make available on leasehold terms at commercial rentals and for such periods as the Company may require such Government-owned sites or sites on Crown land as may be available for the provision of the services the subject of this Licence PROVIDED ALWAYS that any lease granted pursuant to this section shall be determinable on the date that this Licence or any further Licence granted to the Company shall terminate.

(2) The Government shall assist the Company by using its best endeavours to provide and/or maintain suitable legislation to obtain sites and/or wayleaves for the installation and maintenance of poles and pole routes, cables and cable routes, exchange buildings, stores and cabinets and public pay booths and shall furnish the Company with permissions as may be reasonably necessary to break up roads and streets for the installation and maintenance of telephone ducts and cables PROVIDED ALWAYS that where the Company proposes to break up or does break up any road or street in pursuance of such permissions the Company shall notify the authority in control of such road or street at the earliest opportunity and shall take such steps as are necessary to ensure that public traffic on the road or street is not unreasonably impeded, obstructed or interfered with and upon completion of the works shall reinstate such road or street to the reasonable satisfaction of such authority (and for the avoidance of doubt such reinstatement shall not be considered reasonable unless the road or street is reinstated to a condition at least as good as its condition prior to the work being commenced by the Company) and shall take all reasonable precautions against accidents to its employees and to the general public.

Freedom of
association

3. During the currency of this Licence the Government shall at all times permit the Company direct relations with the public for the provision of all types of telecommunications services which are the subject of this Licence including the distribution of advertising matter and other activities relating to the promotion and development of telecommunications traffic over its systems of telecommunications and the billing of and collection of monies from its customers in respect of services provided by the Company and the taking of all such legal and other action as may be required for the recovery of debts.

Exclusivity

4. During the currency of this Licence:

(1) Subject to subclause (2) herein, the Government agrees not to undertake itself nor issue to any person or company any licence or permission to:

(a) Operate, maintain and/or provide any National or International Telecommunications Systems and Services already provided or planned by the Company as specified in Schedule 3 hereto unless, in any case where any of the said Telecommunications Systems and Services are not for the time being provided by the Company, the Company has first been offered the opportunity to provide such systems or services and has declined or is unable to provide such systems or services on the terms and conditions offered within a reasonable period of time not exceeding one (1) year; or

(b) Establish a private international two way telecommunications link.

(2) The foregoing provisions will in no way prejudice or affect the right of the Government or a private person or company with Government's permission to establish, extend, maintain or operate any telecommunications apparatus or station:

(a) For any Government purposes;

(b) For experimental purposes;

(c) For broadcasting (to include radio and television);

(d) For aeronautical or maritime services;

(e) For radio communication by any foreign Government authorised by the Government of the Turks and Caicos Islands and used solely for military, naval or airforce purposes;

(f) For private radio links within the Turks and Caicos Islands to include but not be limited to Citizens Band Radio, beeper services and other radio communications required by businesses within the Turks and Caicos Islands.

Transfer of
money

5. The Government shall not unreasonably restrict the Company transferring money for the settlement of international telecommunication accounts with other administrations or to pay for goods and services imported for the Telecommunications Systems and Services the subject of this Licence and if and when any profits are made from transferring such profits to the Company overseas in the appropriate currency.

PART VI : EMERGENCY POWERS

Emergency
powers

1. If during the currency of this Licence the Government declares that a national emergency has arisen, the Company hereby undertakes to comply with any directions that may be given to it by the Government.
2. In the event that the Government's directions include the provision for a person authorised by the Government to assume control of such of the Company's Telecommunications Systems and Services as are in the Turks and Caicos Islands or any part thereof then the Company will comply with such direction and co-operate with such person.
3. Should the emergency extend beyond thirty (30) days, then if the Company shows that as a result of the exercise of any of the Government's

powers reserved in Part VI clauses 1 or 2 above, the Company's receipts during the period of such exercise of powers have been significantly reduced from the same source during the corresponding period of the average over the last three (3) years preceding the exercise of such powers the Government shall pay to the Company as compensation for any such loss of profit such sum as may be settled by agreement or, in the case of difference, may be determined by arbitration pursuant to Part I clause 6 of this Licence.

4. In determining compensation pursuant to Part VI clause 3 above the Arbitrator shall take into account all the circumstances of the case including not only such loss as aforesaid but also any additional profit accruing to the Company by reason of the emergency which gave rise to the exercise of the powers aforesaid whether from the use of the Company's licensed apparatus so taken possession of or controlled or from the use by it of any other telecommunications apparatus for the transmission of traffic which would normally have been handled by the Company's licensed apparatus and as regards the licensed apparatus with respect to which the said powers have been exercised the receipts of the Company on the average of the three (3) years last preceding the exercise of the said powers during a period corresponding to that of the exercise of the said powers shall be deemed to be the receipts which the Company would have taken during the period of the exercise of the said powers had the powers not been exercised.

PART VII : TERMINATION OF LICENCE

Termination provisions

1. In any of the following cases:
 - (1) If during the currency of this Licence the Company shall be dissolved or go into liquidation otherwise than for the purpose of reconstruction (and such reconstruction does not in the opinion of the Government destroy the identity of the Company) or shall cease to carry on a telecommunications business; or
 - (2) If any act done or suffered whereby either wholly or partially this Licence or permission

hereby granted or any benefit arising therefrom or any powers hereby conferred shall without the consent of the Government first obtained become vested in or delegated to any body or person other than the Company; or

(3) If default shall be made in the observance or performance of any covenant, term or provision herein contained and on the part of the Company to be observed and performed;

then and in any such case it shall be lawful for the Government by notice in writing served on the Company to revoke and determine this Licence or any permission granted hereunder as the Government shall in its absolute discretion think fit and such Licence or permission shall thereupon cease and determine accordingly but without prejudice to any right or remedy of the Government in respect of the breach of any covenant or provision herein contained and on the part of the Company to be observed and performed.

Compensation 2.

(1) Subject to the provisions of subclause (3) of this clause the Government shall on the termination of this Licence, otherwise than on a breach by the Company of any of the covenants, terms or provisions herein contained and on the part of the Company to be observed and performed purchase upon such terms and conditions as may be fair and reasonable the Company's telecommunications assets (which expression shall include all reasonable outstanding commitments incurred by the Company in respect of the carrying on of the operations which it is by this Licence authorised to carry on) in the Turks and Caicos Islands at ninety per cent (90%) of the then current value of such assets, as determined by an independent valuer to be agreed by the Government and the Company.

(2) In this clause;

"assets" means the buildings, including staff quarters, plant and apparatus in the Turks and Caicos Islands belonging to and necessarily used or intended to be used by the Company in the provision or operation of the National and International Telecommunications Systems and Services the subject of this Licence;

"then current value" shall mean the fair market value at the time of purchase by the Government due regard being had to:

- (a) The depreciated value of the asset;
- (b) The age and standard life expectancy of the asset; and
- (c) The condition of the asset.

(3) The Government shall not be obliged to purchase any of the Company's assets as aforesaid nor to compensate the Company in any other manner if on the termination of this Licence otherwise than on a breach by the Company the Government offers to the Company the grant of a further Licence upon terms and conditions which in the light of circumstances then prevailing in the Turks and Calcos Islands are not less favourable to the Company than those contained in this Licence.

(4) Before undertaking any major extensions or renewals of its equipment, plant, apparatus or buildings in the Turks and Calcos Islands during the last three (3) years of this Licence the Company shall refer its proposals for such extensions or renewals in general terms to the Government for its consent which consent shall not unreasonably be withheld.

IN WITNESS WHEREOF the parties to these presents have hereunder set their hands on the day and year first above written.

Signed on behalf of the Government of the Turks and Calcos Islands by the Minister.

Signed on behalf of Cable and Wireless (West Indies) Limited.

SCHEDULE 1

Rates of charge : National

RATE	FULL RATE Per 10c Unit	CHEAP RATE Per 10c Unit
------	---------------------------	----------------------------

L. 1990
1991
1992

A. 1990
1991
1992

B. 1990
1991
1992

C. 1990
1991
1992

Full rate: 6.00 am - 7.00 pm Monday to Friday

Cheap rate: 7.00 pm - 6.00 am Monday to Friday
All day Saturday and Sunday

SCHEDULE 1

Rates of Charge : National

CALLS TO:

CALLS FROM:	Salt Cay	Grand Turk	South Calcos	Middle Calcos	North Calcos	Provi-denciales
Salt Cay	L	A	A	B	C	C
Grand Turk	A	L	A	B	C	C
South Calcos	A	A	L	A	B	B
Middle Calcos	B	B	A	L	A	B
North Calcos	C	C	B	A	L	A
Provi-denciales	C	C	B	B	A	L

SCHEDULE 1

Rates of Charge : International

Zone 1	American Virgin Islands, Anguilla, Antigua, Bahamas, Barbados, Belize, Bermuda, British Virgin Islands, Cayman Islands, Cuba, Dominica, Dominican Republic, French West Indies, Grenada, Haiti, Jamaica, Montserrat, Puerto Rico, St Kitts, St Lucia, St Vincent, Trinidad, United States of America.
Zone 2	Alaska, Canada, United Kingdom.
Zone 3	Europe.
Zone 4	Others.

SCHEDULE 1

Rates of Charge : International

	FULL	FULL	FULL	OFF PEAK
IDD per Minute	Station to Station Initial 3 Minutes	Person to Person Initial 3 Minutes	Operator Additional Minutes	IDD per Minute

Zone 1
1990
1991
1992

Zone 2
1990
1991
1992

Zone 3
1990
1991
1992

Zone 4
1990
1991
1992

SURCHARGES

On credit card and outgoing collect calls to the U. S. A.

1990 \$4.50
1991 \$4.00
1992 \$3.00

SCHEDULE 2

Localisation

POST	DATE FOR LOCALISATION
1. Engineering Manager Grand Turk	31 December 1993
2. Marketing Manager Providenciales	31 Decemeber 1993
3. Accountant Grand Turk	31 December 1993
4. Engineer Switching Grand Turk	31 December 1992
5. Telephone Engineer (External) Providenciales	31 Decemeber 1992
6. Senior Technician Switching Grand Turk	31 December 1989
7. Senior Technician Customer Services Providenciales	31 December 1992
8. Technician Radio Providenciales	31 December 1989

SCHEDULE 3

Systems Planned

1. Current Services

International Telegram Service.
National and International Telephone Service.
National and International telex Service.
National and International Leased Circuit Services at: -

Telegraph Rates 50 baud - 200 baud
Audio Circuits 3 - 4 KHz
56 Kbit/s 2 Mbit/s digital
Note: all above can be configured as point-to-point
multipoint.

Access to International Packet Switched Services (IDAS)
Ship - Shore and Air Ground Services.
Closed user group radio networks

2. The following forms of data can or could be transmitted over
the system currently provided:

Telegraph, including telex and telegrams.
Data.
Voice telephony and private user voice services.
Alternate voice - data.
Facsimile.
Television and broadcast quality radio.

3. Services which will/may be provided

Credit card verification.
Incoming and Ongoing 800 "toll-free" telephony.
Radio paging.
Cellular Radio Telephony.
Television, video conferencing and broadcast radio services.
High-speed data over 2 Mbit/s.
Group IV Facsimile.
Electronic data and voice mailboxing.

PETITION

BY THIS PETITION, we the undersigned persons entitled to telecommunication services; as prescribed by the PUBLIC TELECOMMUNICATION ORDINANCE 1973 and the related TELECOMMUNICATIONS AGREEMENT, make known to HIS EXCELLENCY, THE GOVERNOR OF THE TURKS AND CAICOS ISLANDS, that CABLE AND WIRELESS(WEST INDIES)LIMITED has not provided efficient or fairly priced telecommunication services in accordance with the needs of THE TURKS AND CAICOS ISLANDS.

IN SIGNING THIS PETITION, we freely express and support the truth, that there is a long history of dissatisfaction felt by a significant majority of the general public in that the telecommunications system provided in THE TURKS AND CAICOS ISLANDS is administered unjustly and unfairly.

WE EXPRESS OUR NEED FOR COMPENSATION BY PLACING OUR HANDS TO THIS PETITION, AND, request that the misconduct of CABLE AND WIRELESS(WEST INDIES)LIMITED effected by reason of an absence of regulations and fairly regulated charges having the force and effect of law, be compensated by CABLE AND WIRELESS(WEST INDIES)LIMITED to those who have paid for improperly levied rates and charges.

Letter: NDA has taken over PNP — page 5

French ship calls at Grand Turk — page 6

▶ Tom Smith elected
new Chamber president (10)

TURKS & CAICOS NEWS

Vol. 7, Number 2

February 10, 1989

Price: 50¢

People sue phone company

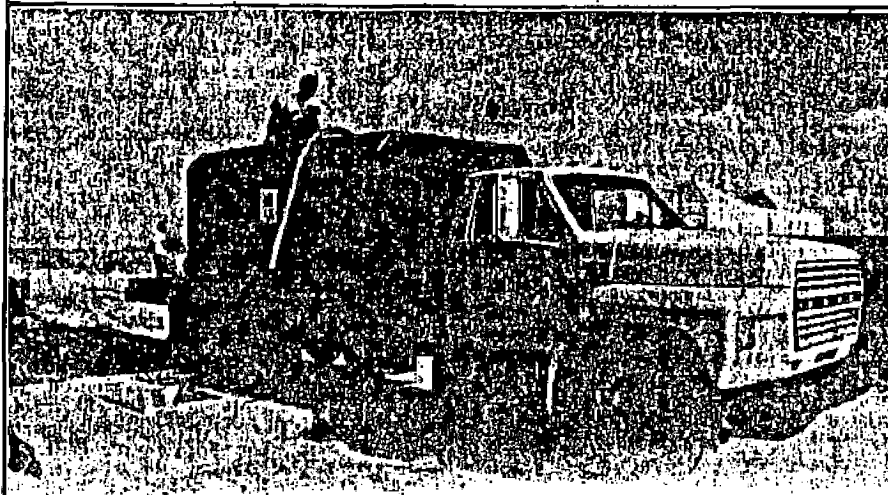
THE PEOPLE of the Turks and Caicos Islands have filed suit against Cable & Wireless, the company responsible for telephone services in the Islands, to determine whether the company has operated legally in these Islands in respect to charges for its services.

In Action CL 5 of 1987, filed by Barnett & Associates of Grand Turk on the 8th day of February, 1989, the suit is between "Edward Cox, Lewis Cox, Edward Taylor and Sarah Misick for and on behalf of themselves and the subscribers to the telecommunications network in the Turks and Caicos Islands and all persons or bodies entitled to the means of connection to the international telecommunication network pursuant to Section 3 of the Public Telecommunication Ordinance and Cable & Wireless (West Indies) Limited."

Ordinance, 1973 and are pursuing these proceedings as a representative action.

2. The Defendant is a limited company incorporated under the laws of England and registered in the Turks and Caicos Islands as a foreign company under Part X of the Companies Ordinance, 1981.

3. The Defendant is "the Company" referred to in the Telecommunications Agreement (hereinafter called "the said Agreement") set out in the Schedule to the said Public Telecommunication Ordinance, 1973.



People file suit against Cable & Wireless

Continued from page 1

without restriction to the Plaintiffs or any of them the means of connection to the international telecommunication network as such international service is required by the Plaintiffs or any of them.

6. By virtue of Section 3 (4) of the said Public Telecommunication Ordinance, 1973 and Clauses 3 and 4 of the said Agreement, the Defendant is entitled to render accounts to and collect from the Plaintiffs moneys by way of payment of charges for telecommunication services provided by the Defendant within the Turks and Caicos Islands at such rate as must first be agreed between the Governor and the Defendant and then must be authorised by Regulations formulated pursuant to Section 3 (4) of the said Public Telecommunication Ordinance, 1973.

7. The Defendant is authorised on a true construction of Section 3 (4) of the said Public Telecommunication Ordinance, 1973, to enforce the payment of such authorised payments as aforesaid by the imposition of penalties, including the suspension of the said telecommunication services and the removal of the means of telecommunication installed by the Defendant, provided that such penalties are in the regulations referred to in paragraph 6 above.

8. No Regulations have been made under Section 3 (4) of the said Public Telecommunication Ordinance, 1973 and/or published in the Gazette so as to authorise and legitimate the rendering of accounts to or the collection of charges from the Plaintiffs or any of them or the imposition of penalties for or upon

the non-payment of such charges.

9. Notwithstanding paragraph 8 above or section 3 (1) of the said Public Telecommunication Ordinance, 1973, the Defendant has from the installation and commencement of the said telecommunication services rendered accounts to and collected from the Plaintiffs or some of them deposits and charges for various services rendered or imposed or threatens to impose on the Plaintiffs or some of them penalties for non-payment, by way of the suspension of the said telecommunication or of the connection of the Plaintiffs or of some of them to the international telecommunication network.

10. The Defendant maintains that the Defendant is entitled to render such accounts to or collect from or impose for non-payment restrictions and other penalties aforesaid on the Plaintiffs notwithstanding paragraph 8 above.

11. By reason of the matters aforesaid, the rights of the Plaintiffs under the said Public Telecommunications Ordinance, 1973 have been violated and/or the Plaintiffs are entitled to the relief hereinafter mentioned.

And the Plaintiffs claim:

(i) a declaration that by reason of the matters set out in paragraph 8 above, the Defendant may not fix, render accounts in relation to or collect from the Plaintiffs payment for the said telecommunication services, or suspend or remove or restrict the means of telecommunication or connection to the international telecommunication network of or required by the

Plaintiffs:

- (i) an account of all moneys collected by the Defendant from the Plaintiff or any of them by way of payment for the said telecommunication services or by way of penalties for the non-payment thereof;
- (ii) an Order for the refund of all moneys collected by the Defendant in breach of Section 3 (4) of the said Public Tele-

communication Ordinance,

- (iii) the restoration of all services and means of telecommunication suspended or removed for non-payment of such charges as may be found to have violated Section 3 (1) and/or (4) of the said Public Telecommunication Ordinance, 1973;
- (iv) an injunction to restrain any further breach of section 3 (1)

or (4) of the said Public Telecommunication Ordinance, 1973;

(v) such further or other relief as the Court deems just; and

(vi) cost.

Dated the 7th day of February, A.D. 1989.

C.F. RAYMOND BARNETT
Attorneys for the Plaintiffs.

British commitment to ozone protection

BRITAIN'S commitment to an international strategy to protect the atmosphere from ozone reducing chemicals has been reiterated in London by Virginia Bottomley, Parliamentary Under-Secretary for the Environment.

Opening a two-day international conference on the health and environmental consequences of ozone depletion on November 28, Mrs. Bottomley said: "We cannot delude ourselves that action taken by the United Kingdom or the European Community, or even all the richest countries in the world today will save the ozone layer.

"We need to secure a clear commitment from all world governments."

The conference, sponsored by the Consumers' Association, the European Campaign Against Cancer and the environmental group, Friends of the Earth, was attended by over 300 government, health, science and industrial delegates. Unintentionally, it became a curtain-raiser to a much

larger conference to be held in London in March 1989 on ozone depletion. That will be hosted by Britain's Prime Minister, Margaret Thatcher.

Referring to this meeting Mrs. Bottomley said: "It will be a scientific and political conference. We will be inviting ministers from developed and developing countries and international organisations. Its purpose is to show that what happens to the ozone layer must be a matter of concern to all the countries of the world and that all must meet the challenge.

"The conference will help the world community to meet this challenge by demonstrating that industry has already developed, or soon will develop, new products and processes that will enable all countries—not just Britain—quickly to reduce the use of chlorofluorocarbons (CFCs) and move to a CFC-free world."

The minister said international measures were urgently needed to cut emissions of CFCs used in aerosols, packaging, air-conditioning and refrigerators. She pointed out it was now universally accepted the depletion of the ozone layer causes cancer, cataracts, lower crop yields and has a "greenhouse" warming effect on the atmosphere.

United Kingdom scientists of the Antarctic Survey first discovered the hole in the ozone layer—believed to be caused by chemical pollutants—which protects the world's populace and atmosphere from the harmful ultraviolet rays of the sun.

Conscious of the alarmingly diverse consequences of ozone losses, last September Britain signed the Montreal Protocol which calls for a 30% reduction in CFCs by 1991. The agreement now has the support of 40 countries. (Mrs. Thatcher has called for world emissions to be reduced by 85% as soon

TURKS & CAICOS NEWS

"Be just and fear not: let all the ends thou aim'st at be thy country's."

Vol. 8, Number 45

November 29, 1988

Price: 50¢

Cable & Wireless announce new policy:

NO MORE PHONE DEPOSITS

LegCo Report

Employment Bill deferred

THE Legislative Council (LegCo) met on Wednesday, November 9 to consider four items: The report of the Select Committee on Employment; the Town and Public Health (Amendment & Penalties) Ordinance 1988; the Currency (Amendment and Validation) Ordinance 1988; and the Customs (Amendment No. 2) Ordinance 1988. Mrs. Rosita Butterfield, a prominent member for the Opposition, presented the minutes of the select

spoke and said that he supported everything that Mrs. Butterfield had said. An employment law was first mentioned eight years ago, he said, but although a draft was produced, nothing had happened. The present bill was introduced last September and when introduced recently, it was a fundamental principle of employment law, he went on, that people should not be coerced, but persuaded that the law was worth obeying.



Lloyd Rodney, standing in front of the Cable and Wireless building in Grand Turk.

Depositors to be refunded

IN A SURPRISE statement this week, Cable and Wireless has announced a change in their policy of demanding fixed deposits on application for telephone or telex service in the Turks & Caicos Islands. In a paid advertisement in this issue of the paper and in a letter sent out to customers, the company has not only announced plans to "scrap forthwith" the policy of demanding deposits from new subscribers but has agreed to refund the deposits of existing subscribers.

actual level of usage prior to disconnection. This will normally be calculated as the sum of the most recent months bills. Such deposits will be returned on application after 12 consecutive bills have been paid on time. The aim of this change is to reduce the cost of obtaining TELEPHONE service or telex service. In order to be fair to our existing customers, where cash deposits are held, by and where there has been no disconnection for late payment of bills in the last 12

Opposition presented the minutes of the select committee. She said that her committee had been disappointed at the little response it had received from the public despite the publicity given to the employment bill over Radio Turks & Caicos and the Atlantic Beacon.

It had, however, met with representatives of major employers in the country including Cable & Wireless and Club Med. The committee thought that there were several paragraphs that needed deleting and that the whole bill needed much more consideration.

The Attorney General, who had attended the Committee's meetings, then

'Lord Nelson' arrives today

Today, November 29 marks the arrival of the STS *Lord Nelson*, a 140-ft. square-rigged sailing barque, operated by the Jubilee Sailing Trust.

The Jubilee Sailing Trust is a non-profit organisation, created over six years ago to raise funds to build a ship that would allow "physically handicapped and able bodied people the chance to share the challenge of crewing a ship at sea."

The ship offers one and two week charters for up to 40 'voyagers', as passengers are called, and allows them to actively participate in the operation of the ship to the extent that their individual handicaps will allow.

The 400-ton ship, named after Lord Horatio Nelson (who himself was handicap-

persuaded that the law was worth obeying. "The use of the law as an enforcement procedure should be the last resort, and it is absolutely essential that the community as a whole accepts the law as a fair law."

In the course of drafting the Bill, certain unnecessary clauses had been struck out, he said. There had been concern about the extent to which there should be parity between civil service conditions and private sector conditions.

There was also concern about the extent to which the law should be open-ended. There were fundamental objections expressed to a law which was not self-contained, he said. People coming to the islands to invest needed to refer to a law and they did not need a law which a governor, could "turn upside down tomorrow by statutory regulations. Or a minister for that matter," he added. The law was, however, subject to further amendment by Legislative Council.

The law, as originally intended, the Attorney General went on, said that disputes should go to the Magistrate, the intention now was that they should go to Tribunal. "We have been very disappointed by the response from the community. There may have been an excuse had there been no publicity, but meetings have been publicised by Radio on Grand Turk and over Atlantic Beacon. People seem not to accept that this bill is going through." He said it could be inferred that the community at large seemed to take the

Wireless building in Grand Turk, wins appeal.

Lloyd Rodney wins appeal

GRAND TURK attorney Lloyd Rodney has won the appeal for the re-trial of his case against Cable & Wireless at a recent sitting of the Court of Appeal in Nassau.

The Turks & Caicos Islands Court of Appeal sitting in Nassau, Bahamas, November 7, heard an appeal brought by Mr. Lloyd Rodney against the judgement given in favour of the respondents Cable & Wireless last October in the Supreme Court in Grand Turk. The case concerns an application by Mr. Rodney for an order that Cable & Wireless reconnect his telephone service.

The Court of Appeal ordered that the judgement should be set aside on the ground that the Chief Justice should not have heard the case and that a new trial should be held. The Court further ordered that each party should bear his own costs of the appeal and that the costs of the new trial should go with the result of the re-trial.

In 1987, Mr. Rodney, Attorney-at-law, and resident in Grand Turk, sued Cable & Wireless (West Indies) Ltd. Mr. Rodney had previously filed an action against Cable & Wireless, and claimed

him to discontinue court proceedings before he could have telephone services.

He was also faced with what he alleges in Action 8 of 1987 as discriminatory conduct arising from special charges being imposed against only himself for \$3,000 deposit as an expatriate.

He further cited in his claim all the special conditions set against him by Cable & Wireless's legal representative, Miller and Simons.

Statement of claim

Mr. Rodney claimed as follows in paragraph 7 and 8 of his statement of claim:—

7. The Plaintiff says that by imposing the conditions and/or terms referred to in paragraph 5 of this Statement of Claim the Defendant has acted contrary to the provisions of clause 3 (i) of the Public Telecommunications Ordinance which obliges the Defendant to make available to the Plaintiff the means of connection of the telecommunications network provided by the Defendant in the Turks & Caicos Islands without restriction and is contrary to the general

of existing subscribers to their telephone and telex services.

The quarter page advertisement (appearing on page 9 of this issue) reads:—

"Cable and Wireless are pleased to announce that their policy of connecting land deposits on application for telephone or telex service is to be abolished and replaced by a no deposit policy. From today no deposit will be required for new applications for telephone service. Arrangements for the return of deposits of existing customers will be enclosed with the next telephone or telex bill."

A letter to customers dated November 21, 1988 and signed by the General Manager reads:—

Dear Customer

You will shortly be seeing in the newspapers and may have heard on the radio details of a change in our policies for the provision of telephone and telex service.

The arrangement where new customers applying for service were required to provide a fixed returnable deposit ranging from \$100 for a residential telephone for expatriates is to be scrapped forthwith.

From now on no deposit will be required when applying for telephone or telex service.

The only exception to this no deposit policy will be for customers who have previously been disconnected for non-payment of bills. In such

months, deposits will be returned. If you have a deposit and would prefer it returned by cheque please complete and return the attached form to our offices in Grand Turk, Providenciales, or on Fridays only, at Port Antonio, North Caicos by 11th December, 1988. Where forms are not received by this date we will automatically credit any deposit held to your telephone or telex account.

Similarly, customers who have provided a bankers guarantee in lieu of a cash deposit will be released from this requirement and they should notify their bank directly.

In further response to

• Continued on page 2

needed decking and that the whole bill needed much more consideration. The Attorney General, who had attended the Committee's meetings, then

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Today, November 29 marks the arrival of the STS Lord Nelson, a 140-ft. square-rigged sailing barque, operated by the Jubilee Sailing Trust.

The Jubilee Sailing Trust is a non-profit organisation, created over six years ago to raise funds to build a ship that would allow "physically handicapped and able bodied people the chance to share the challenge of crewing a ship at sea."

The ship offers one and two week charters for up to 40 'voyagers,' as passengers are called, and allows them to actively participate in the operation of the ship to the extent that their individual handicaps will allow.

The 400-ton ship, named after Lord Horatio Nelson (who himself was handicapped, having lost the sight of

Continued on page 2

about the extent to which the law should be opened. There were fundamental objections expressed to a law which was not self-contained, he said. People coming to the Islands to invest needed to refer to a law and they did not need a law which a governor could "turn upside down tomorrow by statutory regulations. Or a minister for that matter," he added. The law was, however, subject to further amendment by Legislative Council.

The law, as originally intended, the Attorney General went on, said that disputes should go to the Magistrate, the intention now was that they should go to Tribunal. "We have been very disappointed by the response from the community. There may have been an excuse had there been no publicity, but meetings have been publicised by Radio on Grand Turk and over Atlantic Beacon. People seem not to accept that this bill is going through," He said it could be inferred that the community at large seemed to take the attitude that they needed to

Continued on page 3

Court of Appeals. The Turks & Caicos Islands Court of Appeal sitting in Nassau, Bahamas, November 7, heard an appeal brought by Mr. Lloyd Rodney against the judgement given in favour of the respondents Cable & Wireless last October in the Supreme Court in Grand Turk. The case concerns an application by Mr. Rodney for an order that Cable & Wireless reconnect his telephone service.

The Court of Appeal ordered that the judgement should be set aside on the ground that the Chief Justice should not have heard the case and that a new trial should be held. The Court further ordered that each party should bear his own costs of the appeal and that the costs of the new trial should go with the result of the re-trial.

In 1987 Mr. Rodney, Attorney-at-law and resident in Grand Turk, sued Cable & Wireless (West Indies) Ltd. Mr. Rodney had previously filed an action against Cable & Wireless, and claimed discrimination when the company sought to force

conduct arising from special charges being imposed against only himself for \$3,000 deposit as an expatriate. He further cited in his claim all the special conditions set against him by Cable & Wireless's legal representative, Miller and Simons.

Statement of claim

Mr. Rodney claimed as follows in paragraph 7 and 8 of his statement of claim:

7. The Plaintiff says that by imposing the conditions and/or terms referred to in paragraph 5 of this Statement of Claim the Defendant has acted contrary to the provisions of clause 3 (i) of the Public Telecommunications Ordinance which obliges the Defendant to make available to the Plaintiff the means of connection of the telecommunications network provided by the Defendant in the Turks & Caicos Islands without restriction and is contrary to the general legislative scheme of the

Continued on page 2

telephone or telex bill. A letter to customers dated November 21, 1988 and signed by the General Manager reads:

Dear Customer: You will shortly be seeing in the newspapers and may have heard on the radio details of a change in our policies for the provision of telephone and telex service.

The arrangement where new customers applying for service were required to provide a fixed returnable deposit ranging from \$100 for a residential telephone for business telephone for expatriates is to be scrapped forthwith.

From now on no deposit will be required when applying for telephone or telex service.

The only exception to this no deposit policy will be for customers who have previously been disconnected for non-payment of bills. In such cases we shall require a deposit based on their

of a case released from this requirement and they should notify their bank directly. In further response to

Continued on page 3

Parker's death investigated

POLICE are still investigating the circumstances surrounding the death of Kingsley Parker, a resident of Blue Hills in Providenciales.

Parker, in his early twenties, died recently in hospital in Nassau, Bahamas of complications sustained following an alleged domestic dispute that occurred late last month.

A post-mortem was held in the Bahamas and authorities here believe that, upon receipt of the coroner's report, a coroner's inquest will be held on Providenciales. According to police, investigations into Mr. Parker's death is continuing.

A funeral was held for Kingsley Parker November 19 on Providenciales. □

C&W abolish phone deposits

• Continued from page 1

concerns voiced by our customers we are also introducing a new choice to telephone users. On receipt of a written request we will bar access to International Direct Dialling from any customer line. Barring will prevent international calls being dialled from a telephone but it will still be possible to make overseas calls via our operator service by dialling 115. Incoming calls from overseas will not be affected.

There will be our usual \$20.00 charge made for service alterations to cover the cost of making the change to the exchange equipment and which will also cover the cost of re-connection of international subscriber dialling on request.

We hope that this new choice will assist our customers with controlling the size of their telephone bills.

I am also enclosing with each bill a free demonstration telephone calling card with face value 50 cents. These may be used to make a tele-

phone call from Grand Turk, South Caicos, and Providenciales Airports, Cable and Wireless offices in Grand Turk and Providenciales and in Salt Cay (DC's office), North Caicos (Kew and Bottle Creek) and Middle Caicos (Conch Bar and Bambarra).

Cards with face values of \$10.00 and \$20.00 may be purchased from Cable and Wireless offices or agents in the smaller islands and permit local, trunk and overseas customer dialled calls to be made. There will be additional public card-phones installed at strategic places in the coming months. Happy dialling!

I would like to take this opportunity to wish all our customers a merry festive season.

Your very sincerely

**CABLE & WIRELESS
(WI) LIMITED**

Peter J. Sutton
General Manager

PJS/blr

**Turks &
Caicos News**

Lloyd Rodney wins appeal

• Continued from page 1

Public Telecommunications Ordinance and by agreement made between the Defendant and the Governor of the Turks & Caicos Islands.

8. The Plaintiff claims an Order of Mandamus directing the Defendant to provide the Plaintiff with the means of connection to the international telecommunications network without restrictions."

Judgement

Sir Frederick Smith, Chief Justice of the Turks and Caicos Islands, himself a Director, Chairman of the Board of Directors and a Shareholder of Cable and Wireless (West Indies) Limited, heard the case, but did not disclose his interest in Cable and Wireless. He found for Cable and Wireless against Mr. Rodney. Mr. Rodney appealed the decision, claiming a breach of Natural Justice and among other grounds that Sir Frederick Smith was wrong in law.

Appeal

The appeal was successful and allowed. Cable & Wireless conceded that there was the appearance of bias on the part of its director who

A re-trial has been ordered for hearing before an impartial judge.

The new trial could take place some time in March next year before an Acting Chief Justice.

This matter is not connected with the recent widely reported action brought by Mr. Rodney against Mr. David Johnstone for malicious prosecution and false imprisonment. The

verdict of the jury in favour of Mr. Johnstone in that action is the subject of a separate appeal by Mr. Rodney. □

'Lord Nelson' arrives today

• Continued from page 1

one eye), carries along with the 40 passengers a full time crew of 10, including complete medical staff who could deal with any emergency that could take place while at sea.

The Jubilee Sailing Trust, whose chief patron is HRH Prince Charles, Duke of York, is funded by private donations from people who invest not only their money, but often their time to this worthwhile cause.

The director of the trust, Major Peter Thompson, a Royal Marine, works ceaselessly to allow the 'voyagers', most of whom are in their mid-teens, to experience a unique way of life as well as encourage them to learn about ships and sailing. He has set up an organised programme that offers very reasonably priced packages.

All the handicapped applicants are carefully

voyage and then can be assigned tasks once aboard ship that take into account their limitations.

According to Richard Symes, who was instrumental in getting the Providenciales to Freeport leg of the journey included in the itinerary, these voyages instill "tremendous self-confidence" in people who have always been faced with serious physical limitations.

Mr. Symes has helped to arrange with Cal and Venetia Piper and Scott and Mary Kannel of the Island Princess Hotel for the passengers to stay there before they depart on their journey. "There is a vital link between travel agents, hotels, restaurants and such and the Island Princess has put together a very attractive package as well as being able to offer such necessities as ground floor rooms and easy access to those who are in wheel-chairs," says Symes.

business owners get involved to make this a most memorable experience for the travellers.

The ship itself was designed by a British group who paid strict attention to the specific needs of the handicapped. Ian Shuttleworth, one of the trustees, played a great part in designing the ship. Shuttleworth himself is handicapped, having been paralyzed from the neck down following a motor accident in his teens.

Andy Cassall was born with no legs. As a young child, his mother got him a small rowboat. He then progressed to a sailboat and today is one of the world's leading yachtsman. His firm, Ratsy and Laphorn, of England, made all the sails for the STS *Lord Nelson*, which donated to the Jubilee Trust.

On this voyage the *Lord Nelson* will arrive on Grand Turk on November 28 after leaving Southampton.

customers with controlling the size of their telephone bills.

I am also enclosing with each bill a free demonstration telephone calling card with face value 50 cents. These may be used to make a telephone call from any of our new public card-phones located at Grand

Peter J. Sutton
General Manager

PJS/MT

Turks & Caicos News

THE NATIONAL
NEWSPAPER OF THE
TURKS & CAICOS ISLANDS

other grounds that Sir Frederick Smith was wrong in law.

Appeal

The appeal was successful and allowed. Cable & Wireless conceded that there was the appearance of bias on the part of its director who had wrongly sat to hear the case.

most of whom live in their mid-teens, to experience a unique way of life as well as encourage them to learn about ships and sailing. He has set up an organized programme that offers very reasonably priced packages.

All the handicapped applicants are carefully screened to assess their medical needs prior to the

travel agents, hotels, restaurants and such and the Island Princess has put together a very attractive package as well as being able to offer such necessities as ground floor rooms and easy access to those who are in wheel-chairs," says Symes.

The operation is unique in this sense in that in all ports of call private citizens and

firm, Ratsy and Laphorn, of England, made all the sails for the STS Lord Nelson, which donated to the Jubilee Trust.

On this voyage the Lord Nelson will arrive on Grand Turk on November 28 after leaving Southampton, England on October 15.

• Continued on page 10



BRITAIN

A NAME THAT MAKES THE DIFFERENCE
IN ALL CLASSES OF GENERAL INSURANCE

THE PEOPLE of the Turks and Caicos Islands have filed suit against Cable & Wireless, the company responsible for telephone services in the Islands, to determine whether the company has operated legally in these Islands in respect to charges for its services.

In Action CL 5 of 1987, filed by Barnett & Associates of Grand Turk on the 8th day of February, 1989, the suit is between "Edward Cox, Lewis Cox, Edward Taylor and Sarah Misick for and on behalf of themselves and the subscribers to the telecommunications network in the Turks and Caicos Islands and all persons or bodies entitled to the means of connection to the international telecommunication network pursuant to Section 3 of the Public Telecommunication Ordinance and Cable & Wireless (West Indies) Limited."

Statement of claim

1. The Plaintiffs are a class of persons which includes the subscribers of the Defendant in the Turks and Caicos Islands for telephone and other telecommunication service and also persons entitled to the availability without restriction of the means of connection to the international telecommunications network by virtue of section 3 (1) of the Public Telecommunication

Ordinance, 1973 and are pursuing these proceedings as a representative action.

2. The Defendant is a limited company incorporated under the laws of England and registered in the Turks and Caicos Islands as a foreign company under Part X of the Companies Ordinance, 1981.

3. The Defendant is "the Company" referred to in the Telecommunications Agreement (hereinafter called "the said Agreement") set out in the Schedule to the said Public Telecommunication Ordinance, 1973.

4. Pursuant to the said Agreement the Defendant has installed and operated a public telecommunications system in the Turks and Caicos Islands, by means of which the Defendant offers and/or provides to the Plaintiffs telephone service in accordance with contracts therefor.

5. At all material times the provision to Section 3 (1) of the said Public Telecommunication Ordinance, 1973 placed a statutory obligation on the Defendant to make available

• Continued on page 2

Form 675 G (S)
PROCTER & GAMBLE
MONTRÉAL TORONTO

Canada makes scholarship gift

THE Canadian Government has announced that the University College of Cape Breton (UCCB) will receive \$185,681 for a scholarship programme for students from the Turks & Caicos Islands.

Funding for the programme will come from the Canadian International Development Agency (CIDA).

Four students from the islands will study hospitality management at UCCB for three years. The programme

provides classroom sessions as well as work-place assignments where students receive practical training.

The scholarships will allow the students to gain the knowledge and to develop the skills they can apply in hotels and restaurants in the Turks & Caicos where expansion of the tourism industry is being encouraged.

"With the help of this programme tourism will be reinforced as an important

• Continued on page 2

Canadian scholarship

• Continued from page 1

sector of the Turks & Caicos' economy. Tourists and residents will benefit, and the link between Canada and the Islands will become stronger," a Canadian Government release said. □

Canadian scholarship is fruit of TCDO

Providenciales

Dear Editor,

If I may, I would like to make a statement on the recent press release from Ottawa pertaining to a scholarship programme for the Turks & Caicos Islands.

Firstly, I must say that this is the fruit of the Turks & Caicos Development Organisation's efforts and should not be taken as a Government accomplishment.

However, I do hope the TCI Government would take urgent steps to put the machinery in place whereby Turks & Caicos Islanders can take advantage of these scholarships.

I trust that persons seeking scholarships would not experience the same red tape and bureaucratic turn around they do when applying for Government-spon-

sored scholarships.

As you can recall, Mr.

Editor, when the TCDO delegation returned from Ottawa last year April a subsequent press release from the External Affairs Committee recommended that the Canadian Government increase its aid to the TCI, and that the Canadian private sector invest in the TCI, based on their own assessment of the TCI business arena.

Mr. Editor, I think our Government need to, as soon as possible, enter into talks with their Canadian counterparts so the TCI can start benefitting from the educational, economic and cultural assistance our Commonwealth brother can give us.

In closing, Mr. Editor, I sincerely hope the bureaucrats in the nation's capital

would label this \$185,681 as the results of the Turks & Caicos Development Organisation's efforts.

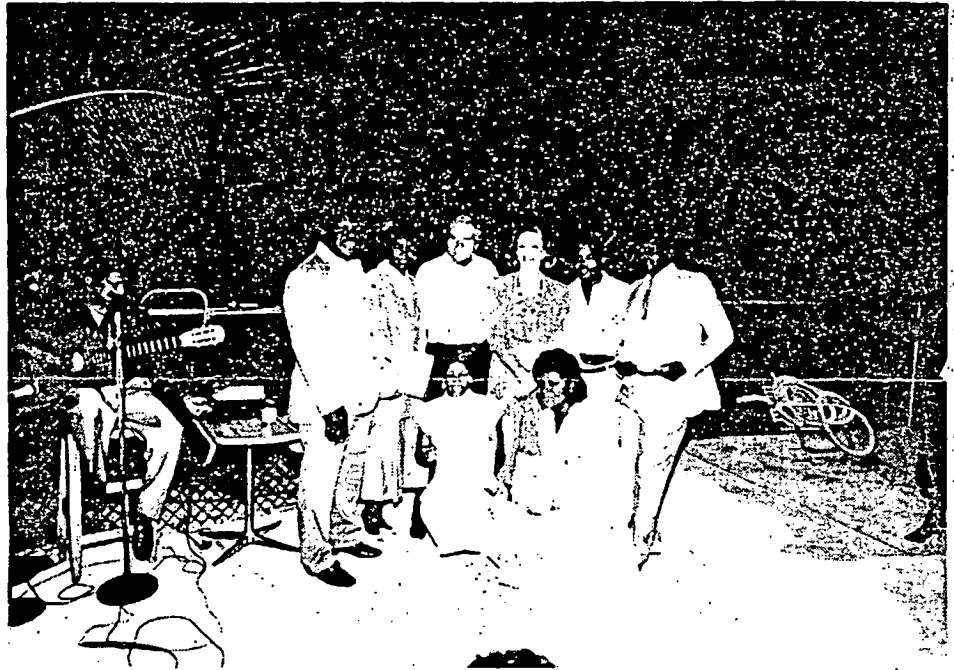
Sincerely,
TCDO SPOKESMAN

TURKS & CAICOS NEWS

THE NATIONAL
NEWSPAPER OF THE
TURKS & CAICOS ISLANDS

October 5, 1988

48 from Provo took hotel training course



Hon. Llewelyn Handfield, Dario & Laurina Perfumo and some graduates of the Hotel & Restaurant Procedures courses held on Providenciales.

More graduate from hotel training course

A GRADUATION ceremony was held poolside at the Island Princess Hotel for 48 students who completed courses in Hotel and Restaurant procedures. The Turks & Caicos Tourist Board, in conjunction with CESO (The Canadian Executive Services Organization) offered the courses to anyone currently employed in tourism or related fields in the islands.

Students were offered four courses to choose from: Guest Relations; House-keeping; Food and Beverage Service and Front Office Procedures. Of the 48 graduates, 3 students took all four courses, 14 students took 3 courses, 16 students took 2 courses and 15

• *Continued from page 1*
students took 1 course.

At the graduation ceremony Mr. John Hastings, tourism consultant to the Turks & Caicos Islands, commended the courses as a "good first step" towards improving the skills and morals of the people in the islands who may not feel as appreciated as they could be.

He praised the Government-sponsored training programme and Mr. and Miss Perfumo from CESO for coming to work on improving the skills of the people already employed in the hotel and restaurant industry.

Ralph Higgs, Deputy District Commissioner for Providenciales, congratulated all the participant and thanked the Perfumos for conducting the courses in such a professional manner. "Tourism," he said, "is fast becoming the biggest industry in the world and certainly the biggest revenue

maker in the Turks & Caicos Islands."

Llewelyn Handfield, Deputy Chief Minister and Minister of Natural Resources, spoke on behalf of the Chief Minister who was unable to attend the ceremony. Mr. Handfield told the graduates: "We have a product here known as tourism and we must work to polish that product." Whether you are a maid, a front desk clerk or a chef, you should make sure you are the best in your field."

He went on to say that the government realizes that it cannot develop the country without developing the minds of the people and told of the Hotel Training School already being developed in Grand Turk to train people to help build the stronghold that is intended to be passed on to future generations.

After Mr. Handfield awarded the certificates to each graduate, Henry

Butterfield took the microphone and spoke on behalf of all the students to thank Mr. and Mrs. Perfumo for doing "such a professional job." He also thanked the Tourist Board for sponsoring the courses and allowing anyone in the industry the opportunity to upgrade their skills.

He then presented each of the Perfumos with a small gift as a token of their appreciation. Francis Rigby presented Mr. Perfumo a plaque that said, "The time you enjoy wasting is not wasted time," and graduates from Pine Cay and The Admirals Club also presented them with small gifts."

Earl Higgs, a member of the Tourist Board, told the graduates: "If you have done your best, then you should give yourselves a pat on the back," and thanked the Perfumos for their expertise and welcome them to return to the Turks & Caicos Islands. □

Ceremony for Hotel Training Course graduates

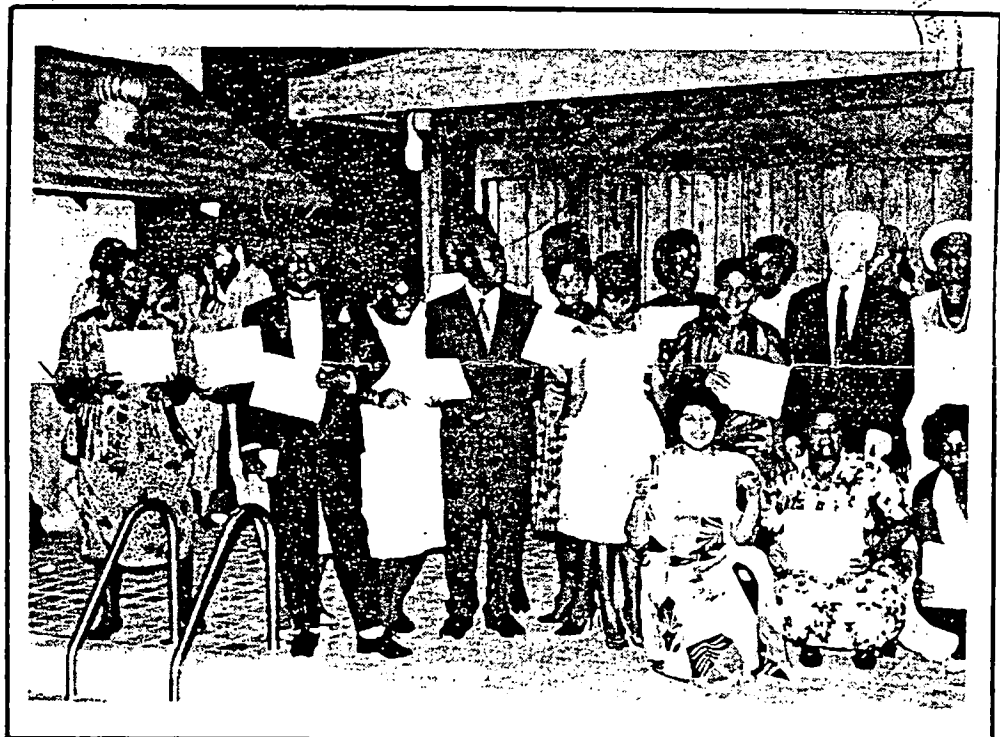
HOTEL and restaurant employees who completed a course conducted by Mr. and Mrs. Perfumo of the Canadian Executive Service Overseas, attended a special graduation ceremony at the Kittina Hotel last week.

Chief Minister Oswald Skippings presented certificates to all those who had completed the course and thanked Mr. and Mrs. Perfumo for their efforts. He said that catering services were part and parcel of tourism and it was for this reason that the Government was focusing on training people in the tourism industry.

He had been pleased to hear from some of the participants on the course that they had both enjoyed it and found it beneficial and this was a reflection on the good work that Mr. and Mrs. Perfumo had performed.

"I would like to assure you that you are part and parcel of the largest industry in the entire world. We in the Turks & Caicos Islands take tourism very seriously. Like many Caribbean island, if we are to survive economically, we too must have our share of the tourism industry."

The students presented the Perfumos with a gift as a sign of their appreciation. At the end of the evening, Mr. Perfumo asked students what was the one thing they must all remember to do. "Smile," they all shouted in unison. The Perfumos have now moved on to Providenciales where they are conducting a similar course. □



Hotel training course graduates

Hotel and restaurant employees of Grand Turk completed a course conducted by Mr. and Mrs. Perfumo of the Canadian Executive Services Overseas. (Story and pictures on Pages 6, 7, 8, 10)

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MONTREAL TORONTO



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I tell you this at the outset because it would be foolish to think you can push your way out in front as if it were a casual, afternoon drive. Granton Institute has no magic wand.

What we do have is enthusiasm, know-how, over fifty years of experience—and a proven record of successfully helping thousands of ambitious men and women. Every student matters to us—every student is important. We are dedicated to the proposition that, once you join us, it is our responsibility to pilot you to success.

I hope, therefore, that you will read this book carefully. Having done so, think about it. Then, if you really want to put some solid foundations under your "dream castles", we'll show you how—help you in a very practical way and do everything in our power to ensure that your enrolment with Granton becomes the most rewarding investment you ever made.

What I am concerned about is for you to have a career and the financial rewards that go with it and not just a job. If you do nothing, nothing is going to happen. If you do something we have the chance to make you successful. Read over my Career Opportunities guide and choose a career you would like to be part of. We are here to help you—now is the time for you to act and take the first step in preparing for a better future by enrolling in a Granton course.

Robert William Brooks

CHAIRMAN OF THE GRANTON ADMISSIONS BOARD

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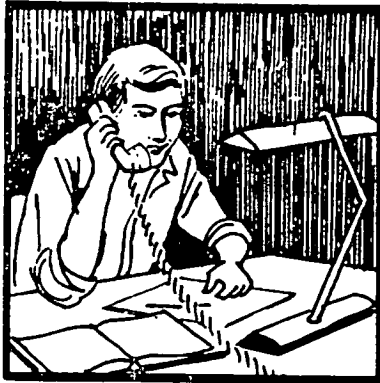
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We make it easy for you to learn. All your textbooks and course materials are delivered right to your door. You learn in the privacy - and convenience of your own home.

You'll find courses are presented in easy steps, with clear, simple instructions. And you're in a class by yourself, with no one to "push" you too fast - or hold you back. You study at your own pace.



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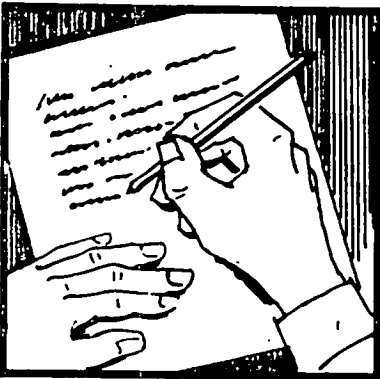
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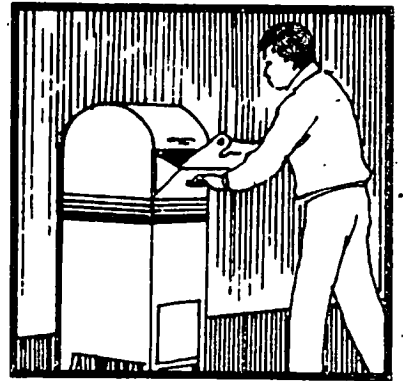
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5

You complete each lesson as outlined in the instructions. Then when you work through your tests, you review and learn what you have studied.

When you complete an assignment, simply return it to us by mail. It will be quickly reviewed and graded while you go on with your next lesson.



6



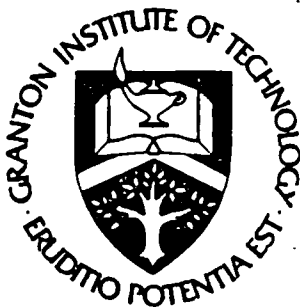
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At the school, your work is reviewed, graded and then returned with personal comments from your instructor. These comments will help guide you towards the successful completion of your studies.

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8



CAREER OPPORTUNITIES

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**“Every man who knows how to read,
has it in his power to magnify himself,
to multiply the ways in which he exists,
to make his life full, significant and interesting”**

Aldous Huxley

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National Museums
of Canada

National Museum
of Natural Sciences

Musées nationaux
du Canada

Musée national
des sciences naturelles

89:03:16

Mr. Dan MacKenzie,

House of Commons,
Ottawa, Ontario.

Dear Mr. MacKenzie;

I'm writing you a note in confirmation of our meeting last December at which time we discussed the Museum's interests in the Turks & Caicos Islands.

The Museum is specifically interested in the potential of developing a research programme out of the now abandoned Dome Station on Pine Cay. To this end we have been in touch with the residents of the Cay. With the death of Mr. R Whiting, the island manager, our activity took a small step backward, however we are endeavouring to pursue our interest and we have been informed that the residents remain interested in our plans.

Secondly, we discussed the professional interests of the Museum in international conservation and providing consultative services in the carrying out of biological surveys and assessments. We are at this time working toward initiating this aspect of our work and obtaining approval from our Board and the Government to do so. I expect that this will be approved by the end of the summer.

This type of professional service could have a significant potential benefit to the Islands as the Museum could help them carry out biological surveys, assessments and impact studies that would help them plan their commercial developments in such a way as to maximize their potential value without deteriorating the natural environment which is one of their greatest assets. In an appropriate context the Museum would be very interested in assisting the Islands in this capacity.

I hope this supports the work you are carrying out and I look forward to hearing of the results of your proposals.

Yours sincerely,

Robert T. McFetridge

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MONTREAL TORONTO

Department of External Affairs



Ministère des Affaires extérieures

Canada

OTTAWA, ONTARIO
K1A 0G2

May 24, 1989

Mr. David Hoffman
Office Manager
Canadian Wind Energy Association
44 Clarey Avenue
Ottawa, Ontario
K1S 2R7

Dear Mr. Hoffman:

I refer to your letter of February 23 which arrived on May 12. I will refrain from making any comment about doldrums in the Ottawa postal zone.

Following our telephone conversation early in February about the prospects for the application of Canadian wind power technology in the Caribbean and, in particular, in the Turks and Caicos Islands, I mentioned your interest to Mr. McKenzie. Based on the information you provided, a synopsis was circulated to those directly concerned.

The specific questions raised in your letter may be helpful in soliciting information from Mr. McKenzie about the local market for electricity and the prospects for independent suppliers/consumers of electricity in the Turks and Caicos. However, I am not fully informed about the extent and nature of the data he may have collected on the opportunities for trade and investment in wind power electrical generation. As you may know, Mr. McKenzie has been given additional time (ie until June 30) to complete his report. Consequently, you may wish to contact Mr. McKenzie direct, at 2180 Marine Drive (Apt. 1606), Oakville, Ont. L6L 5V2, tel: (416) 827-8817.

Copies of the useful Energy Mines and Resources Fact Sheets attached to your letter concerning wind energy remote applications and grid-connected systems have been sent to Mr. McKenzie and to the others directly concerned.

. . . /2

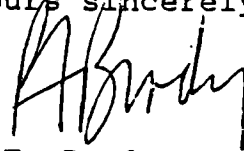
Your notes on wind power development in Antigua, Bahamas, Barbados and Curacao and the CanWEA Bulletin of March 1989 on Indal turbines in Canada and the Caribbean provided interesting background information complemented the data you provided in our February telephone conversation.

Should information related to your specific questions on the Turks and Caicos energy market come to my attention before Mr. McKenzie submits his report I would be pleased to let you know. You may also wish to consider seeking answers to your specific questions direct from the utilities concerned in the Turks and Caicos Islands. In this regard you may wish to write to:

Turks and Caicos Utilities Ltd.
Grand Turk
Turks and Caicos Islands
Tel: (809) 946-2402

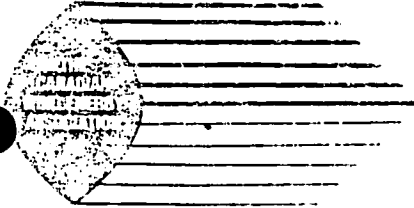
PPC Ltd.
Butterfield Gold Bldg.
Providenciales
Turks and Caicos Islands

Yours sincerely,



P.F. Brady
Caribbean and Central America
Relations Division

c.c. KNGTN
CIDA/BMB/SEL/RFP
Mr. D. McKenzie
LCT



Feb. 23/89

Phil Brady
External Affairs
Caribbean + Central America
Relations Div. [LCR],
Room B-219,
Ottawa KIA-0G2.

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Refer CC
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M. D. McKenzie
LCT
a file

Dear Mr. Brady

Thank you for talking with me about the McKenzie report and your visit to the Turks and Caicos this month. You provided me with some very helpful background on the islands, and about the question of further Turks and Caicos Utilities wind power projects.

Hopefully I can provide useful information to you about wind power and Caribbean market prospects.

My knowledge of the Turks + Caicos is limited to what I've been told by Indal Technologies of Mississauga, builder of the 50-kilowatt capacity, @50-foot-tall wind generator you saw on Grand Turk. My knowledge of the islands' limited fresh water supplies come from a conversation some months ago with a man who was examining the possibility of using a wind generator (unknown size) down there to power a reverse-osmosis water desalter.

By the way, regarding the islands' lack of soil, I get a bulletin from "Norinform" Norwegian information service, and a recent edition described a new alternative to sodding, made from waste fiberglass (and other materials) with excellent water retention, and that will be an inexpensive way of laying down "topsoil" in dry places.

When I said I would call in April to ask if I could obtain/certain excerpts from Mr. McKenzie's report, I should clarify myself. What I would want to know would be (a) facts about the electricity



P.2 P. Brady

supply facilities presently serving Turks + Caicos Islands consumers, their generating capacities, types of plants, types and sizes of customers;

(b) possibilities or expectations about future growth or reduction in electricity consumption on the islands;

(c) official opinion of Turks + Caicos Utilities Co. of their local demonstration wind turbine and indication of TCU's plans/contemplations about further units of a more commercial nature;

(d) to know whether the utility has considered or is now offering to buy power from independent windmill owners, or through "net-billing", permit customer-owned generators that are grid-connected rather than independent.

If you come to know any of this prior to my call, let me know.

Here's some of what I know about wind power development in the Caribbean region.

Antigua - an American-built (Flowind Corp., Washington state) 120 kW machine of the same shape as Indal's was put up with USAID \$\$, prior to 1985. In 1985 it was reported to be getting patchy maintenance, suffering from, firstly, having inadequate contractual provisions that ensure post-installation reliability. Blame USAID, I guess. Yet, in 1985, there remained indications that wind farms are planned.

Bahamas - Its' Electric Co. was said in 1985 to be preparing to study generating alternatives. That's all I've got in my (pre-1988) files' database.

Barbados - In 1986, a 250 kilowatt wind turbine was erected, built by James Howden and Co. of Scotland, for Barbados Light + Power. A blade problem (a bad subcontractors' batch) led to a reblading in 1987. The Caribbean Wind Energy Workshop, organized by Transenergy Consultants, was held here in Oct. 1987. Among the delegates was Jack Templin, NRC wind energy program.

P.3 P. Brady

Curacao - A @200 kilowatt wind turbine went up on the Netherlands Antilles island in 1985, built by FDO of Holland, installed with Dutch government support. In 1986 I heard that islanders face an uphill battle in obtaining suitable terms from the electric utility towards erecting other units.

Other projects in 1988 have also been initiated by a number of groups but I haven't added them to my database yet.

There is quite a bit of literature published on

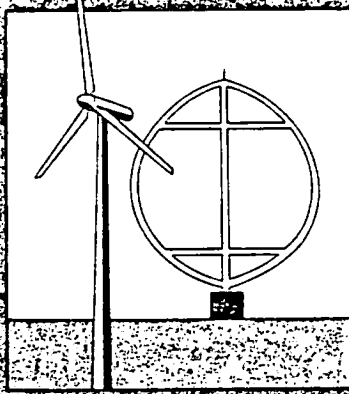
- wind turbines connected to small, diesel-generator-serviced isolated grids;
- costs comparisons and wind resources assessments
- non-electrical, water-pumping windmills, and their use again on Barbados.

Recently I heard that a small wind farm - with German funding - is operating on Haiti, but I'm still checking it out.

I look forward to hearing from you again soon!

Regards,

David Hoffman
office manager.



Wind Energy Grid-Connected Systems

One in a Series of
Renewable Energy Fact Sheets

Sinnott Farm **Pincher Creek, Alberta**

In areas where electricity prices are high and wind regimes are suitable, grid-connected wind energy conversion systems can be an attractive and economical way to produce electrical power.

Generally, the wind energy system supplies electricity to the grid as conditions permit. This energy is banked, or stored, and subsequently drawn according to the needs of the energy producer. Any excess generation over and above the energy producer's requirement is usually purchased by the local utility.

Purpose

This horizontal axis wind energy system has a rated output of 40 kilowatts (kW) at a wind speed of 13.4 metres per second (m/s), or 48 kilometres per hour (km/h). The first privately-owned system of its size in Canada, it supplies energy for Ernie Sinnott's 650-hectare farming operation near Pincher Creek, Alberta.

The single Enertech wind turbine provides power for three households, two workshops, grain-handling facilities and a fertilizer distribution business. In addition, it is used to run the electrically heated watering bowls for a 100-head cattle operation.

Background

In the 1930s and 1940s, small wind energy systems were a common sight on Prairie farms. As utility grid systems were extended into rural areas the old windmills gradually disappeared, but planned expansion of his farming and fertilizer operations prompted Ernie Sinnott to investigate and purchase a wind energy system that would meet all his current and future requirements. The \$87 000 system was privately financed.

(Continued on p. 4)



Waste Water Treatment Plant

Bunbury-Southport, Prince Edward Island

Purpose

This Enertech horizontal axis wind energy turbine provides electricity to run the compressors for a municipal sewage treatment plant. The turbine has a rated output of 40 kW in a 13 m/s (47 km/h) wind.

Background

Faced with high local electricity prices, the Bunbury-Southport Pollution Control Commission wanted a reliable, low-cost source of energy for aeration of its sewage treatment lagoon. Operation of the sewage lagoon, which serves the 2500 residents of Bunbury-Southport,

cost \$6000 to \$7000 a year in electricity. In the face of continued rate increases, it was apparent that a wind energy conversion system would be an economically viable alternative.

The \$80 000 system was purchased by P.E.I. Energy Corp., a provincial Crown corporation, on condition that the Bunbury-Southport Pollution Control Commission would negotiate to buy the system after two years of successful operation.

System Operation

Operation of the 40 kW horizontal axis wind turbine is virtually identical to that of the

Sinnott Farm wind turbine. The 13.4-metre-diameter rotor is mounted on a 25-metre-high, self-supporting galvanized steel tower. The rotor is connected to a two-stage, speed-increasing gearbox which, in turn, is tied in to a three-phase, 480-volt AC induction generator.

Initially, the turbine was equipped with a 25 kW induction generator, but it soon became apparent that the unit was too small for the rotor. On two occasions, the generator overheated and burned out due to energy production above the rated output. The unit was replaced with a 40 kW generator, which has operated at 100 per cent availability since November 1985.

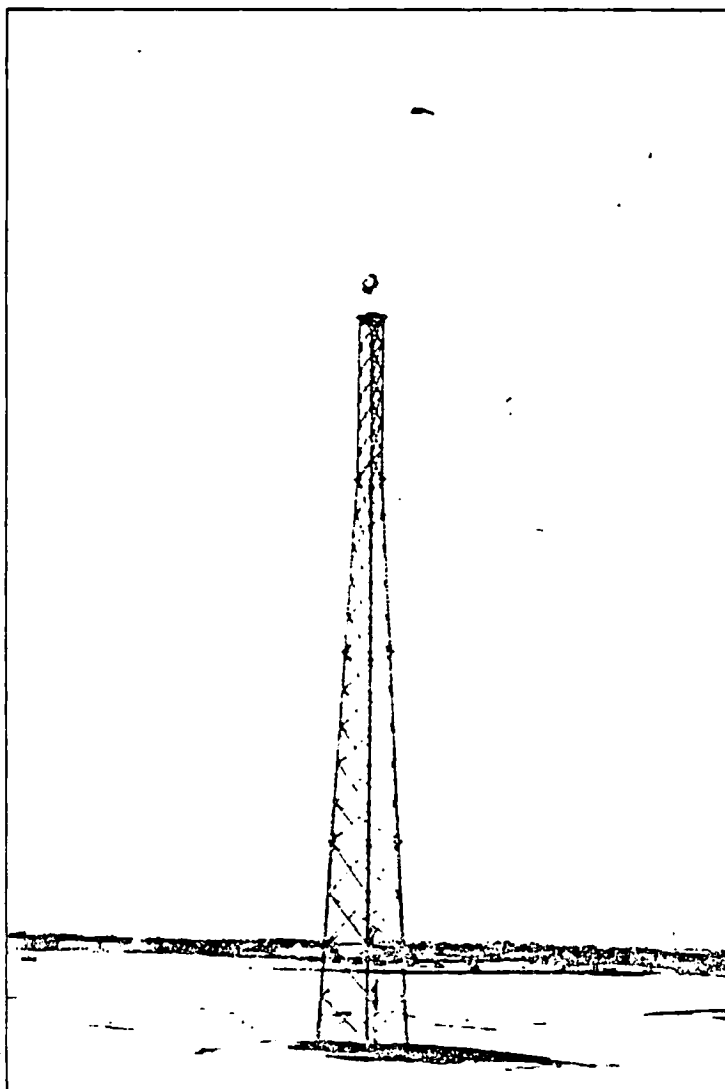
Benefits and Savings

The wind energy system contributes savings of approximately \$4000 a year in combined sales of excess electricity and reduced electrical consumption. Surplus energy is sold to the local utility, Maritime Electric Co. Ltd., offsetting the cost of the grid electricity that must be purchased to supplement the wind generator's output in the calmer summer months.

The turbine produced 62 000 kW·h of electricity in its first year of operation. Of that, 50 000 kW·h were sold to the utility.

Project Manager and Supplier

Resource Ventures Inc.
49 Pownal Street, 2nd floor
Charlottetown, P.E.I.
C1A 3W2
(902) 892-0361



Leth Turkey Ranch

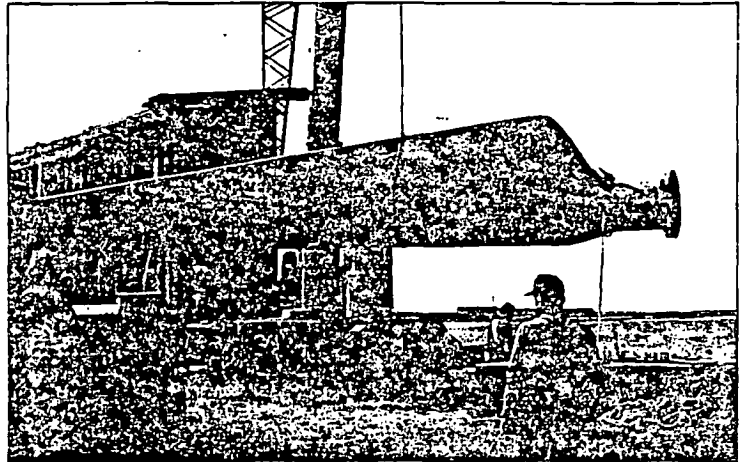
Taber, Alberta

Purpose

Rated at 65 kW in a 15 m/s (54 km/h) wind, this Nordtank horizontal axis wind turbine provides the electrical needs of a 2000-hectare grain operation and a 50 000-bird turkey farm. The largest privately owned turbine in Canada, the machine is interconnected with the TransAlta main grid.

Background

Located 50 kilometres east of Lethbridge, Taber is in the heart of Alberta's windy southern district. Aware of recent advancements in wind energy technology and concerned about the rising cost



of electricity, turkey rancher Reinhold Leth decided to purchase a wind turbine to stabilize his operation's energy costs.

System Operation

The three-bladed turbine stands 22 metres high. Its galvanized steel tower, constructed in three sections, is equipped with access doors, an enclosed ladder and an inspection platform at the machine cabin. The 16-metre-diameter rotor is oriented in an upwind direction.

To maximize performance, the machine is equipped with two asynchronous generators: a 65 kW unit for higher wind speeds and a 13 kW unit for lighter winds. Their operation is microprocessor controlled.

The turbine starts operating at a cut-in wind speed of 3.7 m/s (11 km/h). Rather than having a designed cut-out wind speed, the machine is stall regulated. This means that in higher wind speeds, the air flow over the surface of the blades becomes turbulent. The resulting loss in efficiency tends to control rotor speed.

In addition, the system is equipped with hydraulically activated disc brakes, as well

as centrifugal air brakes in the blade tips. In case of system failure, the rotor turns 90° out of the wind and stops.

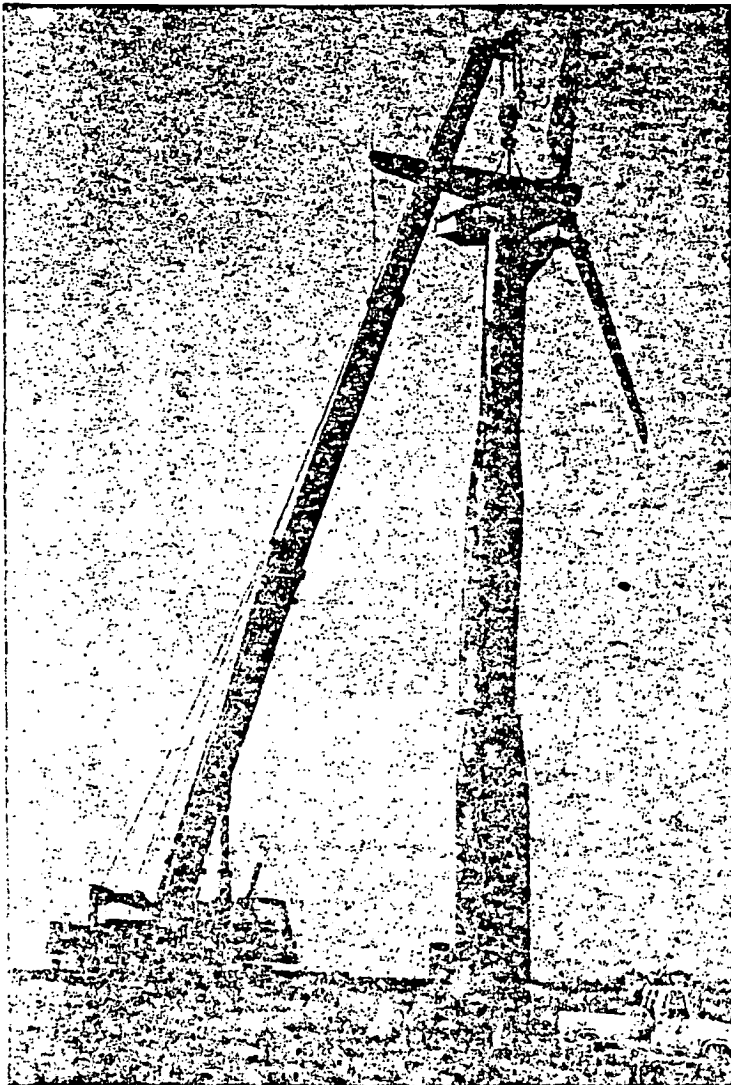
Benefits and Savings

The turbine is performing well with only a minimum of downtime for minor adjustments. With an estimated annual production of 143 000 kW·h, the turbine produces well in excess of the 102 500 kW·h the Leth farm currently uses.

At an installed cost of approximately \$105 000, the wind system will yield an average annual return of 12 to 15 per cent for the next 25 years. Mr. Leth, who used to pay approximately \$7800 a year for electricity, expects the machine to pay for itself within six years.

Project Manager and Supplier

Wind Power Inc.
P.O. Box 1137
Okotoks, Alberta
T0L 1T0
(403) 938-5500



Sinnott Farm

(Continued from p. 1)

System Operation

In this horizontal axis design, the turbine's three blades, or airfoils, are fixed to a horizontal shaft, which is free to rotate on its bearings. The shaft, in turn, is connected to a three-phase induction generator with an output of 480 volts AC.

The 13.4-metre-diameter rotor is mounted in a downwind orientation. The system becomes operational at a start-up windspeed of 5.3 m/s (19 km/h) and, for safety reasons, automatically shuts down when wind speeds are greater than 22 m/s (79 km/h).

The 24-metre-high turbine is equipped with a two-stage, electromechanical braking system: the rotor brake is applied first, while the blade tip brakes are used for emergency rotor overspeed. If the wind speed drops below 3 m/s (11 km/h), the turbine shuts down.

Benefits and Savings

Prior to installing the wind turbine, Mr. Sinnott was paying about \$10 000 a year for electricity. Now he produces about 20 per cent more power than the farm can currently utilize. However, as the farming operation expands, all the electricity will be required.

In the meantime, excess power is banked in the TransAlta Utilities grid system and drawn on days of low or no wind generation. If the farm does not use all its banked energy within a specified time period, the utility purchases the surplus. Conversely, if the farm requires more energy than the wind system generates, additional electricity is purchased from the utility.

During its first year of operation, the system produced 88 per cent of projected energy generation with an availability of 95 per cent and a capacity

factor of 32 per cent. More recently, TransAlta Utilities monitoring indicates monthly capacity factors of as high as 57 per cent. In a recent one-month period, the turbine produced approximately 17 000 kilowatt hours (kW-h) of electricity; of this, 4100 kW-h were banked in the grid.

The system, which requires minimal maintenance, has a rated life span of 25 to 30 years. Mr. Sinnott expects his investment to pay for itself within seven years.

Project Manager and Supplier

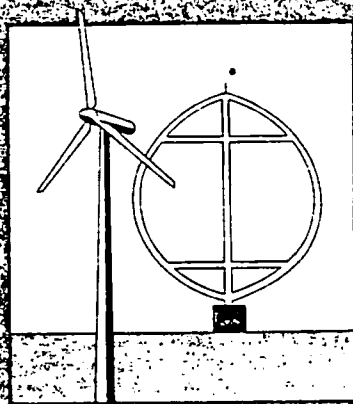
Alberta Wind Resource Development Corp.
Box 1470
Blaremore, Alberta
T0K 0E0
(403) 627-2911

This fact sheet is one in a series produced by Energy, Mines and Resources Canada.

The Solar Energy Development Program provides financial support for research, development and demonstration projects in active and passive solar energy, small hydro, wind energy, photovoltaics and geothermal energy.

For more information on renewable energy and government programs, contact your nearest Conservation and Renewable Energy Office or:

Solar Energy Development Program
Renewable Energy Branch
Energy, Mines and Resources Canada
Ottawa, Ontario
K1A 0E4
(613) 996-7516



Wind Energy- Remote Applications

One in a Series of
Renewable Energy Fact Sheets

Manitoba Hydro Wind-Diesel Generating Station Churchill, Manitoba

at or off-grid locations with suitable wind regimes, wind energy conversion systems can be an economic and reliable source of electrical power. Large wind turbines can work in conjunction with diesel- or gas-fired generating stations to help reduce the high transportation and fuel costs associated with powering remote communities. In addition, small turbines that charge batteries for lights, radios and other small electrical equipment are becoming popular for use at camps and cottages.

Purpose

This vertical axis wind turbine, built as a prototype for monitoring purposes, contributes energy to a remote community diesel-fired grid system. The machine has a rated output of 45 kilowatts (kW) at a wind speed of 16 metres per second (m/s), or 58 kilometres per hour (km/h).

Fuel Displaced

Diesel

Background

Launched in 1981, this project was undertaken by the National Research Council primarily to monitor the cold weather performance of vertical axis wind turbines, including the effects on electronic controls, hydraulic fluids and other system components.

The project also demonstrates the ability of wind energy to displace diesel fuel in remote off-grid communities. Until Churchill's wind energy system was installed, the community of 1200 obtained all its electricity from a four-megawatt diesel-fired generating station with a local distribution network.

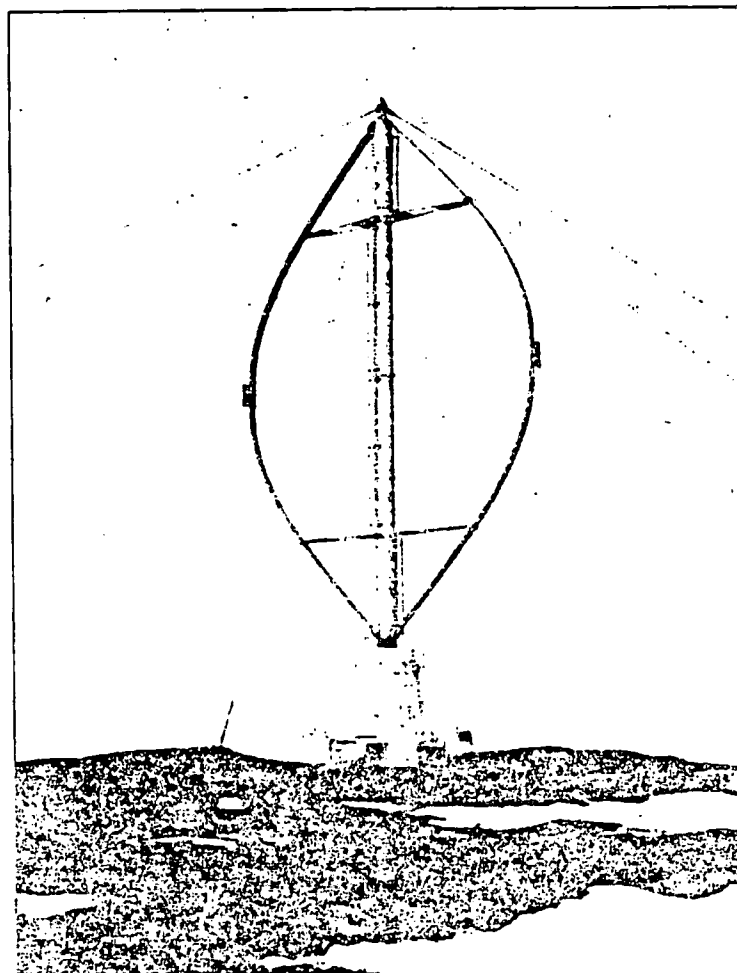
System Operation

In this vertical axis design, the turbine's two curved airfoils, or blades, are fastened to a

central vertical shaft mounted on a power module or base. The 17-metre-high, 11-metre-diameter blade assembly and central shaft rotate around the vertical axis. The shaft is connected to an induction

motor-generator in the power module via a bullgear and pinion assembly. Four guy wires, terminating in concrete anchors grouted into rock,

(Continued on p. 4)

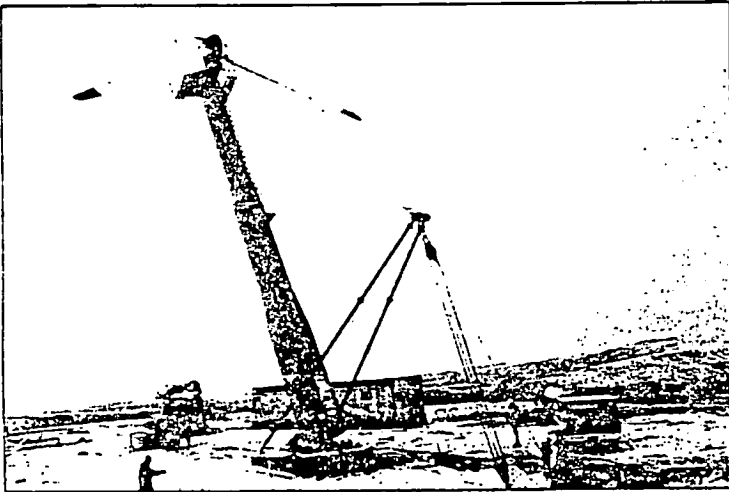


Kaiviituk Wind-Diesel Generating Station

Kuujuuaq (Fort Chimo), Quebec

Purpose

This horizontal axis wind energy system has a rated output of 65 kW at a wind speed of 17.5 m/s (63 km/h). Jointly funded by Hydro-Québec and the Remote Community Demonstration



Program of EMR's Renewable Energy Branch, the project demonstrates the feasibility of connecting a wind energy system to a diesel-fired electrical grid in a remote northern community.

Fuel Displaced

Diesel

Background

Located in northern Quebec on the shores of the Koksoak River which flows into Ungava Bay, the Inuit community of Kuujuuaq is accessible only by boat or plane. Before the wind energy system was installed, the village of 1400 depended on three 800 kW diesel-fired generators for all its electricity requirements. The cost of supplying diesel-fired electricity in the area is about 45 cents per kW-h.

The wind energy system was installed primarily to test its performance under Arctic conditions. The project will enable Hydro-Québec to

evaluate the potential of wind energy systems in 12 other northern Quebec villages served by small diesel-fired generating plants.

System Operation

The Danish-made Bonus wind turbine was chosen for its proven reliability both in California and Denmark. The machine was assembled and erected using a tripod and winch, effectively demonstrating that this technology can be used in off-grid locations where cranes are not available. The turbine was delivered in one large container transported to the site by boat. Four men poured the foundation and installed the turbine in one month.

The turbine's 15-metre-diameter rotor is mounted in an upwind orientation. The system becomes operational at a cut-in wind speed of 3.5 m/s (13 km/h) and automatically shuts down when winds exceed the cut-out speed of 28 m/s (100 km/h). The turbine, which drives an induction generator electrically coupled to the diesel grid, contributes to the load as wind conditions permit.

Some of the turbine's components were modified to better withstand Arctic conditions. For example, heating elements were added to the gearbox; in very cold weather, temperature sensors activate the heaters to maintain a constant thermal environment. Hydro-Québec also requested certain types of steel and welding suitable for low temperatures.

An automated control system enables technicians to operate the wind turbine from the

diesel-fired generating station. A remote monitoring system transmits data nightly to IREQ — the research branch of Hydro-Québec — in Montreal. From September 1986 to May 1987, the wind turbine generated 29 000 kW-h during approximately 1100 hours of operation.

The wind turbine is expected to produce about 100 000 kW-h per year, or 15 per cent of the village's total electricity supply. Depending on the results of this project, Hydro-Québec may install more wind energy systems at its northern diesel-fired generating stations.

Benefits and Savings

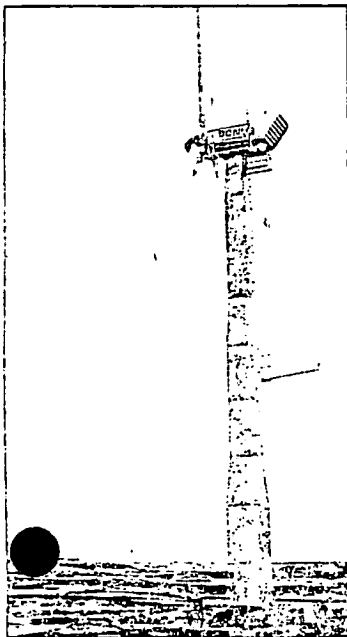
By demonstrating that wind energy systems can withstand Arctic conditions, this project allows for the further evaluation of wind energy as a supplement to diesel-generated electricity in remote communities.

Local Inuit have taken a keen interest in the wind energy system and have participated in its installation and maintenance. The community has a strong sense of energy self-sufficiency.

Project Managers

Hydro-Québec
Equipment Production Branch
Place Dupuis
855 Ste-Catherine Est
Montreal, Quebec H2L 4N4
(514) 289-5651

Energy, Mines and
Resources Canada
West Tower, Suite 501
200 René-Lévesque Blvd. W.
Montreal, Quebec H2Z 1X4
(514) 283-5632
1-800-361-6159 (toll free)



Contributors

Hydro-Quebec	\$400 000
Energy, Mines and Resources Canada	200 000
Total System Cost	\$600 000

Bierworth Log Cabin

Wilberforce, Ontario

Purpose

This small horizontal axis wind energy turbine has a rated output of 25 watts at a wind speed of 6.6 m/s (24 km/h). Charging a heavy duty marine-type battery, the system generates enough power to meet the lighting, radio and television needs of Jim and Maureen Bierworth's log cabin near Wilberforce, Ontario.

Fuel Displaced

Gasoline

Background

Before they installed a small wind energy system, Jim and Maureen Bierworth depended on a portable gas generator for all their electrical needs. Interested in cutting their fuel costs, they decided to purchase a 25-watt wind machine at a cost of about \$600.

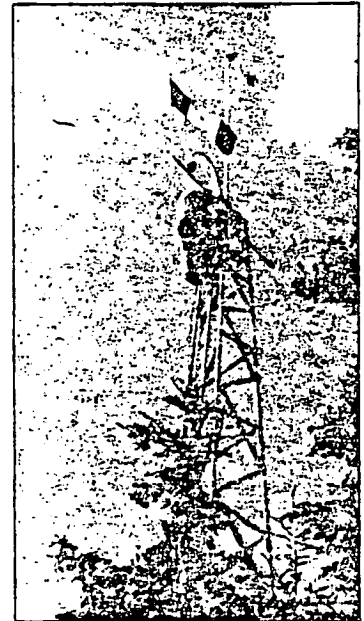
System Operation

In this horizontal axis design, the turbine's two-bladed rotor is

fixed to a horizontal shaft, which is free to turn on its bearings. The shaft, in turn, is connected to a direct-drive generator with an output of 12 volts. The one-metre-long rotor is mounted in a downwind orientation. The aluminum tail orients the turbine for efficient power generation.

The self-starting system operates between the cut-in wind speed of 3.5 m/s (12 km/h) and the cut-out speed of 13 m/s (47 km/h). In the event that the wind exceeds the upper operational limit, the system's overspeed control mechanism is activated. The rotor tilts up out of the wind and slows down, automatically returning to its normal operating position as the wind speed drops.

The machine, which supplies virtually all the Bierworths' electrical needs, has operated successfully in rain, snow and very cold temperatures. The gasoline generator acts as the back-up energy source.



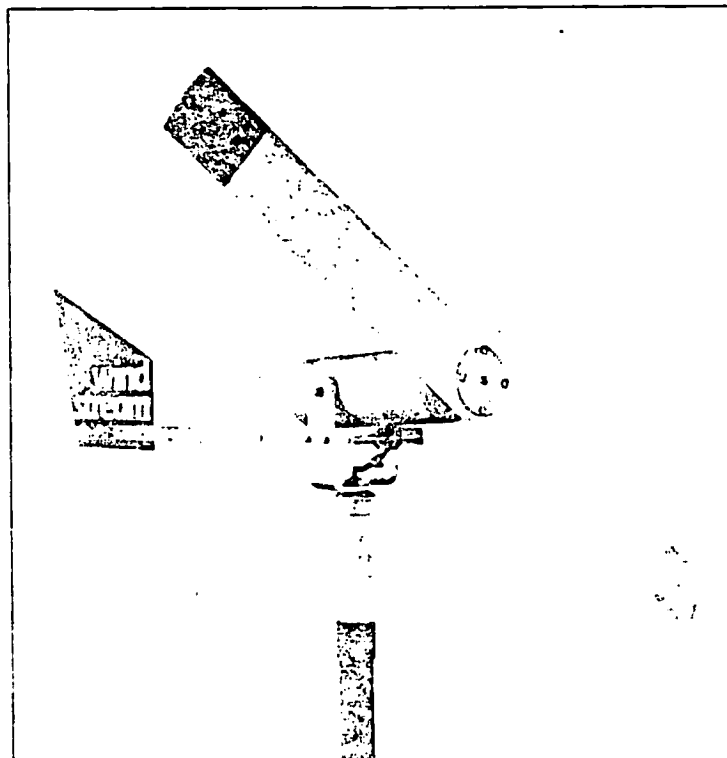
Benefits and Savings

Ideal for use at camps, cottages and remote residences, this type of turbine can charge up to four heavy-duty batteries. The power from one such battery is enough to power a 12-volt fluorescent light or run a portable black and white television for four hours nightly over a period of two weeks.

Weighing only nine kilograms, the turbine is also easy to handle and install. The Bierworths installed their unit themselves on an 18-metre steel tower near the cabin. More than 1000 wind energy systems of this type have been sold in North America.

Manufacturer

Thermax Energy Corp. Ltd.
39 Main Street
Vankleek Hill, Ontario
K0B 1R0
(613) 678-3322



Manitoba Hydro

(Continued from p. 1)

support the rotor's top bearing assembly.

A major advantage of the vertical axis wind turbine is its ability to accept wind from any direction without requiring any mechanism to orient the blades into the wind. However, this type of turbine is not usually self-starting. It must be brought up to speed by auxiliary means before the blades will generate sufficient thrust to continue rotation.

When the Churchill installation's control system senses a wind speed above the cut-in velocity of 6.6 m/s (24 km/h) for longer than three minutes, the motor-generator begins to draw electricity from the diesel grid to accelerate the rotor. When the rotor reaches approximately one half of its operating speed, the machine disconnects from the grid. The wind accelerates the rotor until it passes through the generator's cut-in speed; the motor-generator then begins to feed energy into the grid.

During operation, the rotor assembly floats on a cushion of hydraulic oil above the four stationary brake pads on the

power base. If the wind speed exceeds the cut-out rate of 20 m/s (73 km/h), hydraulic pressure is released and the rotor and bullgear descend, contacting the brake pads.

Benefits and Savings

The performance of the turbine is being closely monitored on a monthly basis. Over the past five years, the wind turbine has accumulated more than 15 000 operating hours and produced about 190 000 kilowatt hours (kW·h) of electricity. Monitoring data shows that the wind machine is producing 68 per cent of its estimated output with an availability factor of 72 per cent.

These results are significant in establishing the reliability of wind energy for cold weather, remote applications. Among

other agencies, the Department of National Defence is considering vertical axis wind energy systems for use at military bases in the far north.

Manufacturer

Indal Technologies Ltd.
3570 Hawkestone Road
Mississauga, Ontario
L5C 2V8
(416) 275-5300

Project Manager

Energy, Mines and
Resources Canada
1003 — 213 Notre Dame Ave.
Winnipeg, Manitoba
R3B 1N3
(204) 983-4266
1-800-542-3405 (toll free)

Contributors

Manitoba Hydro	\$ 10 000
Government of Manitoba	80 000
National Research Council	<u>135 000</u>
Total System Cost (in 1981 dollars)	\$225 000*

* In addition, EMR is contributing \$14 400 per year for monitoring.

This fact sheet is one in a series produced by Energy, Mines and Resources Canada.

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Solar Energy Development Program
Renewable Energy Branch
Energy, Mines and Resources Canada
Ottawa, Ontario
K1A 0E4

(613) 996-7516

CanWEA Bulletin *Volume 3, No. 4 March 1989*

CANADIAN WIND ENERGY ASSOCIATION



MOST POWERFUL IMPORTED TURBINE ERECTED ON BELL ISLAND

BELL ISLAND, Nfld.--This 300 kilowatt wind turbine manufactured in Texas was installed here, 20 km east of St. John's, late last year in a Newfoundland Light and Power Co. project supported by the federal energy department (see CB, Vol. 3, No. 2, Apr. '88, p.2).

The fiberglass-bladed Carter Wind Systems machine is the first "Model 300" erected outside the U.S. and the most powerful wind turbine ever erected in Newfoundland. That record was previously held by a 50 kW vertical-axis Indal Technologies machine at Holyrood, which was deactivated in 1986 (see CB, Vol. 2, No. 3, May '87, p. 3).

The Carter-300 will feed the island's grid, also connected to Newfoundland which is served by hydraulic power and diesel generators.

The utility's federal funding proposal says the Carter-300's 4.6-acre site is a ridgeline with room for three turbines. The entire ridgeline around the utility's property has enough room for up to twenty turbines, if more were to be installed. The utility originally proposed two turbines 24 lines for the site but federal budget cuts meant only one could be supported during the fiscal year ending March 31st. Funds may be available for a second machine, which may be either a Danish 250 kW unit or a 500 kW Indal turbine.

The 5,000-population island voted last fall against a plan to store industrial wastes, including coal ash from power plants as far away as Ontario, in abandoned mines.

ALBERTA WIND PROJECTS PASS FIRST REGULATORY HURDLE IN PROVINCE'S SMALL POWER PRODUCER QUOTA PROCESS

CALGARY--Delegates to the February 28th annual general meeting of the Small Power Producers Association of Alberta (SPPAA) were told by the province's Department of Transportation and Utilities that over 22 megawatts worth of wind project applications have passed the first regulatory hurdle under the Small Power Research and Development Program.

Ms. Shena Sheppy of the Department briefed meeting delegates about the progress of applicants in the program, which enables non-utility projects to sell power to the Alberta Interconnected System for 11.05¢ per kilowatt-hour (see CB, Vol. 3, No. 3, Sept. '88, p. 1).

Applications for projects that will use wind turbines, small hydro and biomass total nearly 140 MW although three applicants are competing to use a single hydro site called Dixon Dam, and only 125 MW

of generating capacity is available for allocation under the program.

Two hydro projects totalling 4.5 MW have also passed a second approval stage which clears the applicants to proceed with construction.

Sheppy did not provide a breakdown listing how many wind projects have been applied for and it is not commonly known in Alberta who the applicants are or where their projects will be built, although one firm has reportedly applied for approval of a 10 MW wind project. At least two wind developers had applied under the program by last November, barely one month after it began.

Jason Edworthy of turbine installer Nor'wester Energy Systems says that the 125 MW available cannot be tied up if any applicants fail to develop their quotas. "They die after 120 days. That was a re-

commendation of the SPPAA, so it can't be tied up and taken from the stream."

Although applications are being made, SPPAA members want the program's terms to be improved and some are trying to encourage provincial parties to help with this during the Alberta election. A primary change sought by SPPAA members is the indexing of the power purchase rate to inflation. SPPAA director Dale Johnson said last year "The government has continuously told us that the (unindexed, \$0.052/kWh) rate is an incentive rate. If it is, I suggest they (also) legislate it to the utilities to stick with for the next twenty years in order to pay for Sheariness and Genesee (coal-fired power plants). Let them live with it (too) for the next twenty years if it's so good."

CANWEA A.S.N.: SEE EVENTS CALENDAR INSIDE.

The CanWEA Bulletin is the quarterly newsletter for members of the Canadian Wind Energy Association. It is published by World Wind Communications Co. on behalf of the Association's board of directors.

David Hoffman, office manager
Canadian Wind Energy Association, Inc.
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Phone (613) 234-9463, FAX 234-0895.
ISSN: 0836-2521.

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(416) 275-5300

Treasurer: David Malcom
Indal Technologies Inc. (same address).

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Norwester Energy Systems
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Secretary: Paul Reid
Institut de Recherche de l'Hydro-Quebec
1800 Montee Ste. Julie, Varennes, Que.
J3L-2P6. (514) 652-8254.

CHANGES AND LOWER BUDGETS AT THE FEDERAL ENERGY DEPARTMENT

OTTAWA--Hopes for boosted federal conservation and renewable energy research and development spending levels were dashed last fall with the September announcement of a program budget even smaller than the budget it replaced.

Canada's renewable energy industry supported energy minister Marcel Masse's Energy, Efficiency and Diversity program initiative as it was developed earlier last year (see CB, Vol. 3, No. 3, Sept. '88, p. 2), which called for a \$500 million budget over five years. But Masse was unable to obtain support from his cabinet colleagues, particularly the prime minister.

The new program will spend \$253 million on conservation and renewables which, shortly after its announcement, Conservation/Renewable Energy Industries Council (CREIC) co-founder Jeff Passmore called "a bare minimum" that is "inconsistent with government rhetoric about concern for the environment or efforts to achieve a level playing field in the energy sector."

Solar Energy Society of Canada director Steve Carpenter said "compared with (what the) oil and gas sector (got) with Hibernia and now Husky Oil, \$253 million over five years for the renewable energy sector is like spit in the ocean."

Canadian Wind Energy Association director Mary Ellen Jones says the new budget represents "a 30% reduction from (previous) current support for the alternative energy sector."

E.E.D. NEW BUDGET (\$M)						
FY	88/89	89/90	90/91	91/92	92/93	5 yrs
Amount	74	59	42	39	39	253

Meanwhile, the energy department's conservation and renewable energy branches have been reorganized and absorbed into a new program sector called New Energy Supply Technologies, which will also deliver programs on mining, oil and gas.

CREIC co-founders Jeff Passmore and Brian Kelly said in an October 1988 letter to Council members that the cutbacks suggest "the only conclusion that can be drawn is that we've been strung along by the Tory government which, in the face of an election, has shown its true energy policy to be (1) starve conservation and renewables to death and (2) subsidize the hell out of supply megaprojects with public money."

It remains uncertain whether changes may be coming with the recent Cabinet shuffle bringing former health minister Jake Epp into the energy portfolio.

ALBERTA CONSERVATION STRATEGY PAPER REVIEWS RENEWABLE ENERGY'S POTENTIAL

EDMONTON--In a four-year-old effort to develop an Alberta Conservation Strategy by 1990, the Environment Council of Alberta recently issued a 30-page discussion paper, "Renewable Energy-the power and the potential".

Prepared by the energy and non-renewable energy subcommittee of the Council's public advisory committee, the paper discusses the use of renewables, including wind power, as alternatives to other energy sources and it promotes renewables as a component of sustainable energy development.

The term 'sustainable development' is used here in the same context as in the well-known United Nations Brundland Report which calls for decreased reliance on 'unsustainable' megaprojects and fossil fuels and greater reliance on renewables and an increase in energy consumption efficiency.

Canadian Wind Energy Association director Jason Edworthy, who has reviewed the Council's discussion paper, says "a particular concern of mine with (it), with respect to wind energy, is the apparent lack of sources and references used to arrive at observations and conclusions" such as failing to mention the existence of CanWEA, or the Small Power Producers Association of Alberta, and "the use of several out-of-date references" from the National Research Council and the federal energy department. But, Edworthy says, "I am pleased to see a document such as this produced, especially in Alberta, and it is an important step in achieving the goals of developing a conservation strategy." To participate or obtain publications, the Council can be reached at Weber Centre, 9th floor, 555 Calgary Trail, Edmonton T6H-5F9, phone (403) 427-5792.

SOUTHERN ALBERTA RURAL CO-OP OPERATING SOLAR AND WIND-POWERED SITE MONITORING SYSTEM

BEAVERLODGE, Alta.--The South Beaverlodge Rural Electricification Association is monitoring wind resources at nearby Saskatoon Mountain with instruments powered by a small wind turbine and a solar photovoltaics panel in a project funded by the federal energy department. The Thermax Windstream turbine and Arco solar panel was supplied by Calgary-based Nor'wester Energy Systems.

WIND CENTRE DEEP WELL SIMULATOR MORE USEFUL THAN EXPECTED

LETHBRIDGE, Alta.--Staff of the Wind Research Centre here got more than they bargained for with a new deep well simulator for water-pumping windmills, according to consultant David Baker (see CB, Vol. 3, No. 1, Dec. '87, p. 6).

In a Canadian Wind Energy Conference presentation last October, Baker noted the simulator helped reveal why one mechanical windpump would not perform as expected during prior operation with a 5.5 m lift.

The 3.05 m (10 ft) diameter "Milkes Cam" machine, built in 1986 by Wind Energy Limited of Nevada, would pump about 0.8 L/sec with a 5.5 m lift in 6 m/s winds. But at a simulated 20 m lift, the unit outperformed itself in winds above 7 m/s. "It is believed that the back pressure at 20 m lift causes the centre valve in the piston pump to close properly," which would not happen at 5.5 m, Baker said.

Another system, a battery-charging 4.9 m (16 ft) diameter "M-4" wind generator built in Minnesota by now-defunct Whirlwind Power Co. in 1987 to run an electric pump, also benefited from the simulator, which helped reveal how the logic controller's cycling--which would shut down the wind turbine if winds increased from generator cut-in speeds of nine or ten m/s--"would have such a detrimental effect on the performance of the machine," and that the generator cut-in wind speed is higher when well depths are deeper. In spite of having battery storage between wind turbine and pump load, both factors narrow the wind turbine's operating range.

Windpump system manufacturers "recognize the value of the independent testing program and are keenly interested in the test results," says a 100-page report, "Lethbridge Wind Research Test Site, Evaluation of wind and solar pumping systems, 1985-1987", available through Brent Patterson, Land evaluation and reclamation branch, Alberta Agriculture, Agriculture Centre, Lethbridge T1J-4C7, phone (403) 381-5515.

ATLANTIC WIND TEST SITE

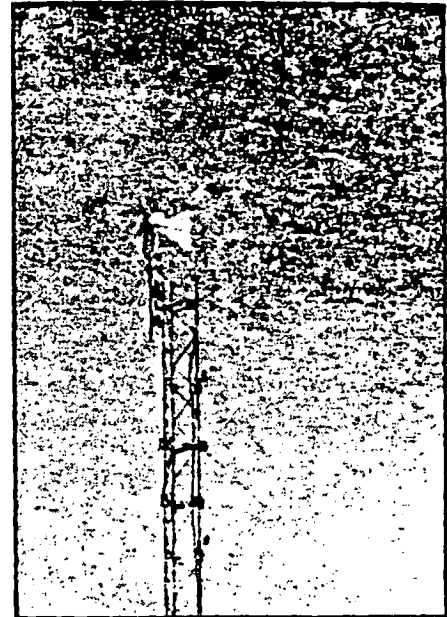
NORTH CAPE, P.E.I.--A new vertical-axis wind turbine manufactured by Adecon Energy Systems of Mississauga, Ont. was erected here at the Atlantic Wind Test Site (AWTS) in mid-December, funded by the federal energy department (EMR).

Raising of the Adecon unit followed disassembling of a horizontal-axis, 40 kilowatt Pertech machine at the facility. The three-bladed machine previously operated at a sewage treatment facility near Charlottetown (see CB, Vol. 3, No. 2, Apr. '88, p. 6).

Another vertical-axis machine brought second-hand to AWTS three years ago from northern Ontario has been readied for operation in wind-diesel hybrid power systems development projects. The 11 m diameter turbine was manufactured by Indal Technologies and originally installed in a wind-diesel experiment near Sudbury, Ont.

funded by Ontario's energy ministry and the National Research Council. It was delivered along with diesel generators and other equipment to AWTS in mid-1986 (see CB, Vol. 2, No. 2, Feb. '87, p. 4). Installation at AWTS was completed in 1987 but the control system took time to modify. With the 50 kW diesels, the project can run autonomously, or be connected like other machines at AWTS to the local Maritime Electric utility grid. Experiments under consideration include studies on short-term energy storage using batteries or other storage technologies.

The unexpected toppling of a wind turbine in northern Manitoba last October has an impact on the wind-diesel hybrid at AWTS, since both systems use an 11 m diameter Indal wind turbine standing atop a cubical power module containing the gearbox, generator and control systems. Structural



ST. JOHN'S--This "M6-910" wind turbine is one of two British-built, 50-watt Marlec Engineering machines operating 80 km from here in a demonstration project at Four Mile Pond, sponsored by the federal energy department (EMR).

The M6-910, an "FM-910 Furlaatic" model and a solar photovoltaics panel charge batteries at the communications site overlooking Conception Bay. The two turbines replaced two other M6-910s damaged by storms in late 1987 (see CB, Vol. 3, No. 3, Sept. '88, p. 5). Unlike the old, the new M6-910 is mounted on an offset yawing bearing, allowing the rotor to furl in strong winds. Likewise, the new FM-910 has a furling tail vane. It withstood 100 kmh winds on November 2nd.

A 100-watt "Windstream" turbine built by Canada's Thermax Energy Corp. was also installed at the site earlier in 1988 but lost its rotor. A replacement Windstream was expected at the site in October.

EMR's St. John's office taped a video of the windswept site last spring.

failure ended operation of the Churchill unit but left the power module intact. This is expected to go to AWTS next summer to replace the wind-diesel hybrid's power module.

The single-bladed horizontal-axis "Mon-15" at AWTS, rated at 30 kW and built by HBB of West Germany, is to be dismantled and taken back to Europe by the manufacturer.

WINDFARM IN CAMBRIDGE BAY

CAMBRIDGE BAY, N.W.T.--The four-machine windfarm erected here just over a year ago (see CB, Vol. 3, No. 3, Sept. '88, p. 5) made it into the covers of the prestigious Equinox nature magazine recently. Writer Brian Bergman interviewed Malcolm Lodge, consultant with Charlottetown-based Resource Ventures Inc. who is looking after monitoring instrumentation in the project.

The four 25-kilowatt Carter Wind Systems machines are expected to produce a total 175,000 kilowatt-hours annually which, the article says, represents about 3% of the community's electricity. It also states that eighty of the 25 kW units would be needed to generate 50% of Cambridge Bay's electricity and Lodge is quoted to say that, at that volume, turbine installed capacity costs would be cut in half and some of the power could be diverted to other oil-displacing uses such as heating homes and other, larger buildings.

At last October's Canadian Wind Energy Conference in Toronto, the president of the Calgary-based supplier that installed the Arctic windfarm noted that Cambridge Bay experienced lightning for the first time in living memory or recorded history last summer. It also damaged some project electronics.

Another Cambridge Bay wind power project is in operation using a 17.5 kW Jacobs Wind Electric Co. turbine to heat a duplex residence. Ian Emmott of local contractor Fred Ross and Associates says the turbine energizes immersion coils heating a 100 gal. water tank normally heated by an oil furnace. When the tank is fully heated, extra wind-generated power can be diverted to warm a 100 gal. glycol storage tank.

Excess "chattering" of heating system electrical contactors occurs when system voltage drops below 90 volts, during decreases in wind speeds and corresponding decreases in turbine output. Emmott says the problem will soon be resolved.

DELTA-BLADED WINDPUMP DESIGNER SURPRISED

TORONTO--A digest of wind energy projects funded by the federal energy department (EMR) tabled at the Canadian Wind Energy Conference held here last October shows that development of mechanical water-pumping windmills by the defunct Deltx Windpump Corp. continues at a site 40 km west of Calgary.

The digest says the firm Reliable Wind Engine Co. of Airdrie, Alta. is the proponent of an EMR-supported demonstration project at Ghost Lake, Alta., previously proposed by Deltx, using a machine delivered in 1987 (see CB, Vol. 3, No. 2, Apr. '88, p. 4). A 5 m diameter windpump, now called the "WE 20" but formerly called "WP 20" by Deltx, was erected on Ghost Lake Farm, a property reportedly owned by a relative of former Deltx president Ian McGreggor. The WE 20 has a hydraulic drive transmission hoped to double the WP 20's pumping capacity. The \$55,400 project receives \$18,500 from EMR.

At the Toronto conference, the designer of the original Delta-bladed wind turbine, Prof. J.A.C. Kentfield of the University of Calgary, said he had not known the Ghost Lake project had survived the demise of Deltx until seeing the EMR digest.

The WE 20 received minor blade damage in an accident last summer while its' hinged tower was being lowered. In November, a local helicopter pilot flying over the site reports, the unit had not been moved.

Another machine of the Deltx WP 20 type is standing at a site near Strathmore, Alta. where Deltx had previously erected a unit for a Ducks Unlimited habitat.

Meanwhile, the larger WP 50 in Calgary was finally dismantled last year at the expense of Alberta's energy department, which was "saddled" with the unit when Deltx went under.

Prof. Kentfield continues to design new windpumps. One is a slow-running, 4.9 m diameter unit having small delta-shaped blades mounted out on a ring but having no gearbox. When built, it will be tested at the Wind Research Centre at Lethbridge, Alta. Kentfield has also been collaborating with the Saskatchewan firm Dutch Industries to build a 15 ft diameter machine which may also be tested at the Lethbridge centre this year. The firm received an "IRAP" grant last summer from the National Research Council for the project. An offset yaw bearing helps furl the rotor in excessive wind speeds.

NEW SUPPLIER FOR FRANCE'S AEROWATT

TROIS RIVIERES, Que.--The local telecommunications systems supplier Captel Groupe Inc. has formed a joint venture with France's largest manufacturer of small wind turbines, Aerowatt International, which could lead to significant sales of Aerowatt machines in Canada, more-effective after-sales service and eventually licenced manufacturing of at least some components.

This was announced by Aerowatt's Marco Pereyga at the Canadian Wind Energy Conference held last October in Toronto. He presented a paper on various Aerowatt turbine installations in Canada and other countries. The new joint venture will be called Aerowatt Canada.

Meanwhile, Pereyga said, the Memorial University of Newfoundland has an older, 24-watt unit which it plans to restore and erect. And operation of two units at a Hall Beach, N.W.T. nursing station resumed last fall after resolution of safety standards certification red tape.

Over 1,800 Aerowatt machines, mostly under 10 kilowatts, have been installed worldwide, principally in remote power supply applications.

WINDPUMP MANUFACTURER SEES SOUTHERN SALES

OTTAWA--New windpump manufacturer Agro Wind Energy Systems expects to deliver eleven machines to the Caribbean this spring in development projects with an American aid organization. One unit will be erected in Haiti and the rest in the Dominican Republic. Hinged towers will be used to ease installation and maintenance.

According to the tabloid Ottawa Business News, a local international trade and development firm called Breac-Loma Negra Co. has agreed to help market Agro Wind's windmills. The paper also says that Care Canada is interested in buying another ten units for testing in the Sahel of Africa.

ENVIRONMENTAL AWARDS CAN INCLUDE WIND

OTTAWA--Wind power projects can be nominated for the First Annual Environmental Awards, a scheme by the federal environment department. Winners will be announced during Environment Week, June 4-10th. For information contact Gail Turner, special events coordinator, Environment Canada, 10 Wellington St., 27th fl., Hull, Que. K1A-0H3, phone (819) 997-6827.

GETTING RENEWABLE ENERGY INTO SCHOOLS ACROSS CANADA: NEW NEWSLETTER BEING PUBLISHED

EDMONTON--A quarterly publication, "Canadian Energy Education Newsletter", may be useful for entry into the educational mainstream of Canada. Items in the Fall 1988 edition includes;

--A national energy and environment education program by Edmonton's non-profit SEEDS foundation (Society, Environment and Energy Development Studies), formed to create an energy and environmentally literate society, is being translated into French. Some 14,000 anglophone grades 1-12 teachers now use it.

--A study funded by the federal energy department (EMR) and conducted by Renewable Energy in Canada Ltd. of Toronto has surveyed the state of renewable energy in the circulation of primary and secondary schools across Canada. It found a wide

variation of inclusion and provided recommendations to EMR about what role the department can play to improve this.

--Alberta's energy ministry is producing the pilot project of new junior high school teaching resources material, "The Energy News Kit", focussing on renewable energy technologies such as solar and wind from an Alberta perspective. It was expected to be "piloted" during the 1988-89 school year.

The publishers of this newsletter also publish the Canadian Energy Education directory, which was recently revised. Contact: Kathryn Zimmerman, Alberta Energy, energy conservation barnch, 10010 106th St., Edmonton T5J-3L8, phone (403) 427-5260.

RESEARCH, DEVELOPMENT AND OPERATION OF INDAL TURBINES IN CANADA AND THE CARIBBEAN

MISSISSAUGA--A 50-kilowatt, 11 m diameter vertical-axis wind turbine manufactured here by Indal Technologies Inc. and erected in 1987 on Grand Turk Island in the Caribbean (see CB, Vol. 3, No. 2, Dec. '87, p. 6) generated 24,320 kilowatt-hours in 3,900 hours of operation by the end of September, 1988, according to Transenergy Consultants Ltd. of St. Michael, Barbados.

The aluminum-bladed unit feeds the local Turks and Caicos utilities (TCU) diesel grid in a project funded by the Canadian International Development Agency industrial cooperation program.

The consultants note that the turbine has worked well in spite of not having an optimal operating range for local wind characteristics. Indal engineer David Malcolm says this could mean that a different gearbox ratio would make the turbine's rotor capture energy in a different range of wind speeds. Indal manager Vincent Lacey notes that Transenergy's observation is premature because site wind assessments are not finished yet.

A recent feasibility study completed by Transenergy for TCU concludes Grand Turk's wind resources show there is a significant potential for further wind turbine installations on the island. The utility is also considering wind power utilization at nearby Salt Clay.

Transenergy has started publishing a free quarterly newsletter, "Trade Winds", on wind power development in the Caribbean region. Their address is 6 Wilbey Plaza, St. Michael, Barbados, phone (809) 436-8217.

Back in Canada, a federal energy department-funded research project has lengthened the estimated life of the blades on Indal's "5400 series" 24 m diameter 500 kW turbine operating at the Atlantic Wind Test Site in P.E.I. to at least 17 years. Modifications were made to the design of the blade roots and reinforcing struts. The changes are meant to prevent cyclic stresses from leading to structural cracks or wear.

In 1987, Indal estimated that the 500 kW-size machine could be built and installed for only \$800 per rated kilowatt and, with a \$1,000 annual maintenance and operation cost, produce power at 1.09¢/kwh.

The number of 11 m diameter Indal turbines standing in Canada fell from five to four last October when one unit at Churchill, Man. collapsed. There were no witnesses to the event and snow as covered the broken parts. National Research Council scientist Paul Penna says analysis of some components indicates one

blade broke first, at the joint between upper and lower extruded aluminum halves, followed by the rotor's central column. The guy wires which hold the rotor in place atop a cubical power module were still attached to the rotor's upper bearing unit when it was found on the ground.

A clearer picture of the scene will emerge as snow melts at the site later this year. The incident has led to a temporary shut-down of only one of the other four 11 m diameter Indal units because only one was operating this winter (see CB, Vol. 3, No. 2, Apr. '88, p. 3). The Department of National Defense (DND) owns the operating unit at Christopher Point near Victoria, B.C. Up to the accident, the Churchill machine had operated for over 21,000 hours since installation in 1981. Although the Christopher Point turbine does not have to contend with Churchill's extreme arctic temperatures, it has operated for nearly as many hours. Federal wind energy research program manager Monique Carpentier says that DND wants to continue turbine operation if inspection reveals no problems.

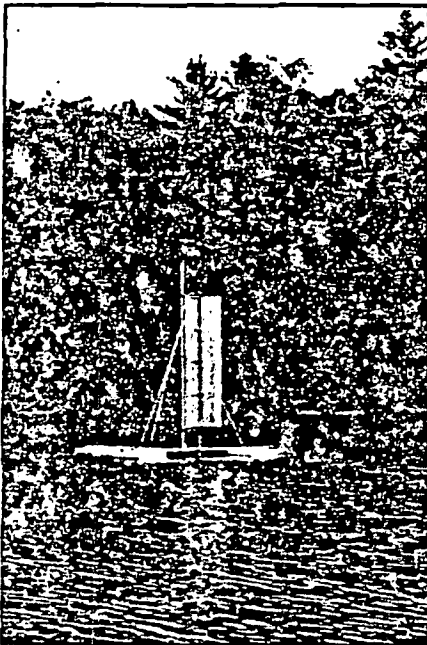
The other three Indal 11 m diameter units are located at Swift Current, Sask., Holyrood, Nfld. and at the Atlantic Wind Test Site. Newfoundland Labrador Hydro stopped running their unit in 1986 after electing not to budget for further operation and maintenance. Agriculture Canada's Swift Current research station needs to have some minor equipment repaired or replaced to run their machine again. The P.E.I. machine, meanwhile, is expected to receive the power module from Churchill this summer because, Carpentier says, its own gearbox needs replacement.

CANADIAN SUPPLIER NAMED IN B.C. FOR BRITISH SHIPBOARD TURBINE

VANCOUVER--A small battery-charging wind turbine intended for marine and remote site applications became available here last year through British Yachts and Equipment Ltd. thanks to a "preliminary dealership" the firm has with the manufacturer.

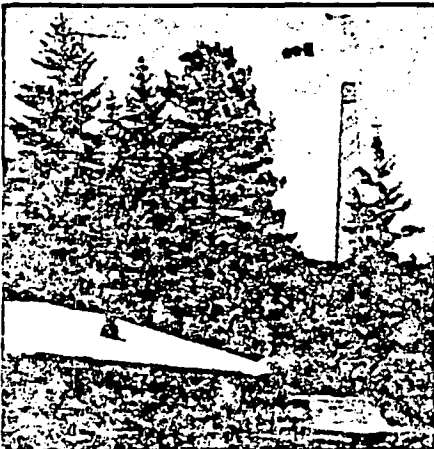
The six-bladed, 915 mm (3 ft) diameter "Aquaair 100" is built by Luair Ltd. of Poole in Dorset, England and distributed by Inter World Marketing of Southampton, England. The Cdn\$695 unit generates a peak of 100 watts but is rated at about 80 watts in 20 m/s (44 mph) winds.

Another model, the "Aquaair 100", has a removable rotor that is replaced by a water turbine for use in tow behind a yacht.



OTTAWA--This pontoon-mounted vertical axis "Pondmaster" windmill running a bubbling aeration system to prevent freezing "winter kill" of fish in this lake was bought in 1987 by fishing club members in Eganville, Ont. from Wadler Manufacturing of Kansas. Clubs member Keith Walters, who works in a federal-provincial relations office, says it ran well last winter.

Local supplier Ketchum began to market the windmill in 1978. Secretary-treasurer Peter Gilman says they have gone to cattle-watering and fish farming roles.



PETERBOROUGH, Ont.--This is a 100-watt windstream turbine built by Thermax Energy Corp. serving a log cabin atop a 60-foot tower. Owners Jim and Maureen Bierworth say the unit charges an '80" equipment battery for lights, a radio, TV set and other appliances.

NATIONAL ENERGY BOARD

TORONTO--The latest report, "Supply and Demand 1987-2005", released by the National Energy Board, does not foresee an increased percentage of Canada's energy demands being met by renewable energy but the report's summary reflects "increasing concern" that present patterns of energy use "may not be compatible with tolerant environmental quality" and that this concern "has led to increased questioning of existing policies" in order to encourage greater consumption efficiency and "greater use of renewable, more environmentally benign sources of energy" including that from independent power producers. As well, in the report's chapter on energy demand, a section on alternative energy outlines a "social cost accounting" process where, essentially, the total costs of energy including subsidies are considered. The report also notes that electricity prices are expected to rise by at least 4.2% annually through 2005.

GERMAN TURBINE FOR SOUTHERN ONTARIO

TORONTO--The Canadian supplier of West German wind turbine manufacturer Messerschmitt Bolkow Blohm, Thermax Energy Corp., has informed Ontario Hydro that it intends to erect a 30 kilowatt "Mon 15" unit at a site northeast of here at Mount Forest.

The single-bladed Mon 15 was installed at the Atlantic Wind Test Site in P.E.I. a year ago (see CB, Vol. 3, No. 3, Sept. '88, p. 3). Thermax has invited Hydro to play a participatory role in the Mount Forest project, which will operate connected to the utility's major network.

STACKING UP IN SASKATCHEWAN

REGINA--Proponents of what would be Canada's first privately-owned nuclear generating station (and the first power reactor west of Ontario) lashing out against what a Canadian Press item calls "anti-nuclear activists" have had seemingly anti-renewables statements quoted by national media.

In the CP story, appearing in the Jan. 26th Ottawa Citizen, former University of Saskatchewan physics professor Leon Katz said that solar and wind energy are not viable. The 450 megawatt "Candu" reactor he supports would be built in northern Saskatchewan.

The story quotes him as saying "It would take a wind park two miles wide stretching from Regina to Winnipeg" to equal the output of Coronach, a coal-fired plant in southeastern Saskatchewan. The Citizen article did not say how large this plant is, but Saskatchewan Power says it has a 592 MW generating capacity.

In fact, if the coal plant's average output is 65% of rated capacity, ten windfarms each 2 miles by 8.3 miles would together produce as much power, assuming each windfarm had 160 machines, each rated at 200 kilowatts. This is substantially smaller than that suggested by the professor and, divided into the ten projects, would spread construction and maintenance jobs across the windy regions of southern Saskatchewan.

MORE DETAILS ON NORTH VANCOUVER ISLAND PROJECT

VICTORIA--Further information has been published by the federal energy department (EMR) on a wind and solar hybrid power system its' Enerdeco program has funded at Knight Inlet on northern Vancouver Island (see CB, Vol. 3, No. 2, Apr. '88, p. 2).

The \$42,420 demonstration project is being conducted by the local supplier Soltek Solar Energy Ltd. and EMR is contributing \$29,470. It uses a 100-watt "Windstream" turbine built by Thermax Energy Corp. and a 150-watt solar photovoltaics array to charge six 110 amp-hour Trojan golf cart batteries at an aquaculture farm operated by IBEC. According to EMR, the turbine aids the system's reliability through the often-foggy winter. A final project report is due this month.

Last spring, Soltek submitted its final report on another EMR-supported project, the testing of a PV-powered meteorological data collection platform on Grouse Mountain near Vancouver.

QIJUJAO UNIT

QIJUJAO (FT. CHIMO), Que.--The planned two-year demonstration of Hydro Quebec's 65 kilowatt wind turbine here was completed with success at the end of last year, says Paul Reid, engineer with the Institut de Recherche de l'Hydro Quebec in Varennes.

The Danish-built, three-bladed machine produced some 150,000 kilowatt-hours from early November, 1986 to the end of 1988 and in spite of "a fair bit of down time." Reid says, the machine had a 98% operational availability excluding the time it took diagnosing problems from a distance and travel. Operation was stopped in early 1989 to resolve some minor electronic problems with the telephone modem used to transmit data from the site to southern Quebec.

ALBERTA'S SOUTHWEST INITIATIVE

EDMONTON--The "Southwest Initiative", a plan to explore and pursue demonstration projects using renewable energy in southern Alberta launched by the province's Department of Energy established a board of advisors last year which includes members of the private sector.

The advisory board held a symposium last month in Pincher Creek which attracted wind, geothermal and other renewables proponents including Jason Edworthy and Mike Bourns of Calgary-based wind turbine installer Nor'wester Energy Systems and CanWEA director Jay Shepherd.

The Board's current head is Dr. John Rottger and the administrative assistant, Ms. Lee Montgomery, can be contacted at Box 2692, Pincher Creek T0K-1W0, phone (403) 627-8551.

WIND TURBINES TAKE IT ON THE CHIN

CALGARY--Although many parts of southern Alberta were bashed by winds reaching 150 mph (90 mph) on Jan. 30th, no problems were reported among grid-connected wind turbines in the region.

Power lines were knocked down and trees uprooted near Fort Macleod and Cardston by blizzard gusts but, says Dale Johnson of Okotoks-based Wind Power Inc., the 65 kilowatt unit his firm erected at Fort Macleod operated routinely (see CB, Vol. 3, No. 2, Apr. '88, p. 4). The three-bladed, Danosh-built Nordtank machine would produce up to 85-90 kW for 10-15 minute periods and then shut down. Johnson says this lasted all night.

The high-performance 40 kW Enertech turbine owned by farmer Ernie Sinnott of Pincher Creek, meanwhile, was not in service during the storm because its brakes were being rebuilt. Sinnott is also preparing to erect two more Enertech machines obtained from a dismantled project in Montana.

Jason Edworthy of Calgary-based turbine installer Nor'wester Energy Systems says he switched off his own 1.8 kW Enertech "1800" as a precaution during the storm.

CANADIAN SUPPLIER FOR ARIZONA BUILDER

THORNHILL, Ont.--Remote power systems supplier Prometheus Energy, here, has become the Canadian distributor for Southwest Wind Power Co., an Arizona manufacturer of the 150-watt "Windseeker" battery-charging wind turbine (see CB, Vol. 3, No. 2, Apr. '88, p. 3).

Prometheus president Rob McMonagle says "we've got three units out in the field at the moment, which we're monitoring. From its founding in 1979 until early 1988, his firm sold some 20 small wind turbines, most for cottage supply. Prometheus also supplies and installs 100-watt turbines built in Canada by Thermax Energy Corp., 50-watt units built in England by Marlec Engineering and 1,000-watt units built in Oklahoma by Energy Windpower Co. As well, the firm rents out wind monitoring and data analysis equipment for site assessments, and provides related consulting services.

Prometheus recently delivered Marlec and Thermax units to Fortnight Centre for Conservation at Kleinburg in a wind and solar hybrid system evaluated by Ontario Hydro.

CALENDAR OF EVENTS

MAY 24-25, 1989. Dartmouth, New Hampshire. THIRD ANNUAL CANADIAN WIND ENERGY ASSOCIATION/AMERICAN WIND ENERGY ASSN. WIND-DIESEL WORKSHOP. Contact: Malcolm Lodge, Resource Ventures Inc., 2nd floor, 49 Pownall, Charlottetown, CIA-3W2, phone (902) 892-0361, FAX c/o Govt. of PEI, 892-3420.

MAY 30-JUNE 3, 1989. Miami, Florida. Renewable energy in the Americas. Emphasis on the Caribbean. Contact: U.S. Export Council for Renewable Energy, 1730 N. Lynn St., Suite 610, Arlington, VA 22209, USA, phone (703) 524-6100, FAX 527-2833.

JUNE 14-15, 1989. Washington, D.C. Forum on renewable energy and climate change. Contact: Carlo LaPorta, conference manager, A.R. & C. Division, R&C Enterprises, 2201 Wisconsin Ave. N.W., Suite 230, Washington, D.C. 20007, phone (202) 333-2749.

JUNE 19-21, 1989. Penticton, B.C. Renewables, a clean energy solution: annual Solar Energy Society of Canada conference. Wind papers: Tested wind turbine concepts originated at the Univ. of Calgary, by Dr. J.A.C. Kentfield; Canada's arctic wind-farm: Cambridge Bay wind electric generating station, and, Effects of contamination on rotor blade performance, by Jason Edworthy of Nor'wester Energy Systems; Small photovoltaics and wind power supply, by Per Drewes of Ontario Hydro; Wind energy potential in western Asia, by Peter Catania of University of Regina. Contact: S.E.S.C.I., 15 York St., Suite 3, Ottawa K1N-5S7, phone (613) 236-4594.

JULY 10-13, 1989. Glasgow, Scotland. European Wind Energy Conference '89 and British Wind Energy Association annual meeting. Contact: B.W.E.A. director David Lindley, Wind Energy Group Ltd., 345 Ruislip Rd., Southall, Middlesex UB1-2DX, England, phone (1) 578-2366.

SEPT. 19-21, 1989. Charlottetown, P.E.I. CANADIAN WIND ENERGY CONFERENCE '89 AND ANNUAL CANADIAN WIND ENERGY ASSOCIATION GENERAL MEETING. Including a tour of the Atlantic Wind Test Site. Contact: Nancy Phillips, Passmore Associates International, Suite 209, 135 York St., Ottawa K1N-5T4, phone (613) 234-3602, FAX 234-0895.

FOR SALE OR PURCHASE

Four second-hand battery-charging vintage wind turbines owned by Alberta resident Milt McGee are offered. Two are 3 kilowatt units and one is a 2.8 kW unit, all three built in Minnesota by Jacobs Wind Electric Co., only one of which has not been restored. Also, two of these come with towers and accessory equipment. The fourth turbine is a vintage 600-watt Winco Wincharger plus tower and equipment. McGee has operated one of the Jacobs and the Winco at his home. Contact: Jason Edworthy, Box 7,, Site 32, R.R. 12, Calgary T3E-6W3, phone (403) 249-3337.

Information Requests

--To buy or otherwise obtain literature about using wind energy for farm applications such as water-pumping. Mr. Ron. Brabant, Timmins, Ont. P4N-7C5, phone (705) 267-3737.

--To obtain information on wind generators, whether book or magazine and particularly do-it-yourself plans and the addresses of parts suppliers, Mr. Daniel Proulx, R.R. 1, Warren, Ont. P0H-2N0.

--On small wind systems for charging 12-volt batteries presently served by a 53-watt solar photovoltaics panel. Mr. Nick Minotti, 1980 Sherbrock St. W., Suite 711, Montreal H3H-1E8.

--Wanting to hear from suppliers; considering a residential battery-charging wind system instead of bringing in Hydro lines at a site near Mayberry. Mr. Phil Lawless, 22 Peary Way, Kanata, Ont. K2L-1Z8.

--An address update and further details of an earlier information request (CB, Vol. 3, No. 3, Sept. '88, p. 6). Mr. Romeo Fortin of Ste. Foy, Que. is wintering in the Dominican Republic. His interest is especially in systems suitable for sites like undeveloped rural villages where even a few lights are valuable, capable of producing 120 volts AC or charge ten 12-volt batteries connected in series. "Last summer in Puerto Rico, we lost electric power (120-240 volts) about four times a day or from six to twelve hours a day," he says. New address: Penthouse 1, Pattaya-Aot.-Hotel, 18 Manolo Tavaréz-Justo, Zona de Hospital, Puerto-Plaza, Republica Dominicana, West Indies.

--On putting together a wind/diesel/battery remote power system using perhaps a 10 or 12 kW wind turbine, sought for a site on Raspberry Island, Georgian Bay, northern Ontario. Mr. Robert C. Evans, 220 Kamp St., New Orleans, Louisiana 70130, phone (504) 322-1400.

--On small wind systems suitable to charge batteries serving radios, scientific instruments, computers and other loads presently served by Honda gas generators and 12-volt batteries at facilities in Antarctica operated by a government-approved touring company. Transportation to 80 degrees south raises the cost of fuel by 20 times. Hugh Culver, managing director, Adventure Network International Inc., 206--1676 Duranleau St., Vancouver V6H-3E5, phone (604) 683-8033, FAX 683-6892.

OPPORTUNITIES

Seeking Canadian agents or cooperators

--Obtaining a Canadian distributor interests KMP Manufacturing Co., the 20-year-old Texan builder of "Parish" mechanical water-pumping windmills, as well as other agricultural machinery. The Parish has an 8 ft or 10 ft diameter rotor of 18 blades, automatic rotor furling, a sprocket and chain drive in place of gears, and permanently-lubricated bearings. Contact company president Douglas Parish at KMP, P.O. Box 441, Earth, TX 79031, phone (806) 257-3411.

--Essex Associates Inc., the U.S. representative for the South American windpump manufacturer Fiasa, would like to hear from Canadian companies interested in marketing the machine. Fiasa (Fabrica de Implementos Agricolas S.A.) is a licenced builder of classical American "Aeromotor" windmills. A reborn Aeromotor company in Oklahoma began producing a new "Model 802" seven years ago. Fiasa still builds the previous "Model 702" in 6 to 16 ft rotor diameter sizes. Essex president Jim Fetters says "I worked for Aeromotor for quite a few years, going back to the Chicago days (1968), as did others involved in our (current) operation. Fiasa is substantially the largest-selling windmill line in the U.S. market. Some Fiasa windmills end up in Canada but we have sold few on a direct basis. We would be particularly interested in Alberta and Saskatchewan." His firm can be reached at 10550 King William Dr., P.O. Box 20441, Dallas, TX 75220, phone (214) 556-1317.

--A New England builder of battery-charging windmills for ship-board applications wants to hear from firms interested in marketing their machines and other small generator products. the 13-year-old firm's two-bladed "Neptune Supreme" generates up to 15 amps in a 20 knot wind. It can be mounted with a tail vane on a pole or suspended from rigging, or east-mounted without a tail. Sales manager Charles Arcovitch can be reached at Hamilton Ferris co. Inc., 200 Homer Ave., Suite 7, Ashland, MA 01721, phone (508) 881-4602.

--A Norwegian firm wants to hear from Canadians developing wind-diesel hybrid power systems. Norway has a number of western and northern sites having wind speeds averaging 5.9 to 7.6 m/s. About 40 sites in the country seem suitable for stand-alone wind systems distant from the major power grid. Contact: Kristen Solheim, Vinkraft Teknisk, Postboks 132, 7800 Nansnes, Norway, phone (77) 74-113.

--Commercial officer Stehane Boujnan of the Canadian Embassy in Israel would appreciate documentation on firms interested in Israel's wind turbine market. which is "quite limited but there is strong interest" among Israelis in "wind turbines and other related technologies developed by Canadian companies." By early 1988, some 875 kw worth of wind generators had been connected to the national grid, and the Ministry of Energy and Infrastructure plans call for 100 megawatts of capacity installed through 1995. Quoting reference file 970-1, his embassy can be reached at 221 Havarkon St., Tel Aviv 63 405, Israel, phone (3) 228-122.

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THE BANKING ORDINANCE 1979.

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THE BANKING ORDINANCE 1979.

(No. 1 of 1979.)

AN ORDINANCE TO MAKE PROVISION TO REGULATE
THE BUSINESS OF BANKING AND FOR PURPOSES
CONNECTED THEREWITH.

[3rd July, 1979.]
[24th July, 1979.]

Assent
L.N. 20/1979.
Commencement
L.N. 21/1979.

PART I.

Preliminary.

1. This Ordinance may be cited as the Banking Ordinance 1979, and shall come into operation on such day as the Governor may appoint by Government Notice.

Short title and
commencement.

2.—(1) In this Ordinance, unless the context otherwise requires—

Interpretation.

“bank” means a financial institution whose business includes the acceptance of deposits of money withdrawable by cheque;

“banking business” means the business of accepting deposits of money which may be withdrawn or repaid on demand or after a fixed period or after notice, and the employment of those deposits in whole or in part by lending or any other means for the account and at the risk of the person accepting such deposits;

“belonger” means a person belonging to the Islands as defined by section 2(2) of the Immigration Ordinance 1971;

“Class A Licence” and “Class B Licence” have the meanings respectively given to those expressions in section 3;

“company” means a company incorporated in the Islands under any law for the time being in

force relating thereto or any company incorporated outside the Islands which has complied with the provisions of any such law relating to companies incorporated outside the Islands and carrying on business within the Islands;

"director" includes an individual occupying the position of director or alternate director of a company by whatever name he may be called and includes a member of a local board of a company whose head office is situated outside the Islands;

"financial institution" means a company which carries on a banking business including banking business carried on by a trust company;

"Governor" for the purposes of this Ordinance means the Governor in Council;

"licensed" means licensed under this Ordinance to conduct banking business;

"manager" includes any person for the time being in charge of the principal office in the Islands of any financial institution;

"Minister" means the person charged for the time being with responsibility for Finance;

"officer" includes a director, manager or secretary.

(2) Grammatical variations and cognate expressions of any term defined in subsection (1) shall be construed accordingly.

(3) For the purpose of this Ordinance, a person shall be deemed to accept deposits of money if he advertises for or solicits such deposits from the general public, irrespective of any terms and conditions under which such deposits of money are solicited or received and whether or not certificates or other instruments are issued in respect of such deposits.

PART II.

Licensing of Financial Institutions.

3.—(1) Notwithstanding the provisions of any other Ordinance, no banking business shall be carried on in or from within the Islands except by a licensed

Classes of licences and necessity for licence of the appropriate class.

financial institution acting under the authority of a licence of the appropriate class, as set out in subsection (2).

(2) Licences issued under this Ordinance shall be of the following classes—

(a) *Class A*, which shall authorise the licensee to carry on banking business within the Islands with persons who are belongers and persons who are ordinarily or temporarily resident in the Islands;

(b) *Class B*, which shall authorise the licensee to carry on banking business from within the Islands, but shall not permit the licensee to accept deposits from or lend money to, or carry on any other banking business with, or on behalf of, any person who is ordinarily or temporarily resident in the Islands:

Provided that both a Class A and a Class B licence may be issued to the same financial institution if the Governor is satisfied that the business conducted under each licence will be accounted for under separate accounting arrangements or conducted through separate branches or subsidiaries.

(3) The terms of any licence granted under this section shall specify whether or not the licensee is a bank.

(4) Any person who contravenes the provisions of this section shall be guilty of an offence and liable on summary conviction to a fine of five hundred dollars (\$500.00) for each day during which the offence continues.

4.—(1) Any company desirous of commencing banking business in or from within the Islands after the date on which this Ordinance comes into operation shall apply to the Governor for a licence.

Application for licence.

(2) An application for a licence under this Ordinance shall be made to the Governor in such form and in such manner as may be prescribed, shall state the class or classes of licence required and be accompanied by a copy of the memorandum and articles of association or of any other instrument under which such com-

pany is incorporated, and such other information as the Governor may require.

Granting and
revocation of
licence.

5.—(1) Subject to the provisions of this Ordinance, the Governor may grant a licence in respect of which application has been made under section 4; but if the Governor is of the opinion that it would be undesirable in the public interest that the licence should be granted, he may refuse to grant it and need not give any reason for such refusal.

(2) A licence shall not be granted to any company having its head office outside the Islands unless such company notifies and designates to the Minister—

- (a) a principal office in the Islands;
- (b) by name one of its officers who is to be the company's authorised agent in the Islands; and
- (c) by name another of its officers who, in the absence or inability to act of the officer named under paragraph (b), is to be the company's authorised agent in the Islands.

(3) Every company which holds a licence and which has its head office outside the Islands shall forthwith notify the Minister of any change of—

- (a) its principal office in the Islands; or
- (b) either or both of the officers designated pursuant to paragraph (b) or (c) of subsection (2).

(4) Any company which fails to comply with any of the requirements of subsection (3) shall be guilty of an offence and shall be liable on summary conviction to a fine of five hundred dollars (\$500.00) for every day during which the offence continues.

(5) The Governor may at any time by order revoke a licence—

- (a) for any contravention of any provision of this Ordinance; or
- (b) for failure by the licensed financial institution concerned to comply with any directive issued by the Governor under this Ordinance; or
- (c) if in the opinion of the Governor the licensed financial institution concerned is carrying

on business in or from within the Islands in a manner detrimental to the public interest or to the interest of the depositors of such institutions; or

(d) if in the opinion of the Governor the licensed financial institution concerned has ceased to carry on banking business in or from within the Islands; or

(e) if the licensed financial institution concerned goes into liquidation or is wound up or otherwise dissolved; or

(f) in the circumstances referred to in section 20(c).

(6) Before making an order under subsection (5) the Governor shall give the financial institution concerned notice in writing of his intention to do so specifying therein the grounds on which he proposes to revoke the licence and shall afford that institution an opportunity of submitting to him a written statement of objections to the making of the order and thereafter the Governor shall advise the institution of his decision in the matter.

(7) Any financial institution aggrieved by a decision of the Governor to revoke a licence under subsection (5) may appeal to the Supreme Court against such decision, but only on a point of law. Pending the hearing of any such appeal, the licence shall be deemed to have been suspended. The Judge may make rules of court for regulating the practice and procedure in respect of any such appeal, but until such time as any such rules are made any such appeal shall be made in accordance with such directions as the Judge may give in any particular case.

6.—(1) When and as often as any alteration is made in the memorandum or articles of association of a licensed financial institution or in any other instrument whereunder the said institution was incorporated, that institution shall forthwith give the Minister full particulars in writing of such alteration.

Alterations,
reconstruction
arrangements
and agreements.

(2) Particulars given pursuant to subsection (1) shall be verified by an affidavit or declaration sworn to or, as the case may be, made by a senior officer of the financial institution.

(3) Where a reconstruction of any licensed financial institution has occurred or where any licensed financial institution makes an arrangement or enters into an agreement for—

(a) the sale or other disposal of its business by amalgamation or otherwise; or

(b) the purchase or other acquisition of the business of any other financial institution,

such licensed financial institution shall, forthwith after the occurrence of the said reconstruction or after the implementation of the said arrangement or agreement, inform the Minister thereof in writing.

(4) Where any particulars of information are received under this section, the Minister, having regard to the nature of such particulars or information and notwithstanding the fact that the financial institution concerned is a licensed financial institution, may refer the matter to the Governor who may direct that institution in writing to apply for another licence within such time and in such form as the Governor may determine.

(5) The issue of a directive pursuant to subsection (4) shall not affect the validity of any licence subsisting at the date of such directive and which was granted to the financial institution to which the said directive is issued.

(6) Every licence to which subsection (5) refers shall be of full force and effect until—

(a) it is revoked by the Governor by order under subsection (5) of section 5; or

(b) another licence is granted to the financial institution concerned upon an application made pursuant to a directive under subsection (4),

and thereafter the licence referred to in subsection (5) shall cease to have effect.

(7) Any licensed financial institution which fails to comply with any of the provisions of subsections (1), (2) and (3) or with any direction of the Governor under subsection (4) shall be guilty of an offence and liable on conviction to a fine of five hundred dollars (\$500-00) for every day during which the offence continues.

PART III.

Capital and Reserves.

7.—(1) A licence shall not be granted to—

(a) a financial institution whose head office is situated in the Islands unless the aggregate of its capital issued and paid up in cash and outstanding and its unimpaired reserves is not less than one hundred and twenty-five thousand dollars (\$125,000-00);

(b) a financial institution whose head office is situated outside the Islands unless the aggregate of its capital issued and paid up in cash and outstanding and its unimpaired reserves is not less than five hundred thousand dollars (\$500,000-00):

Provided that nothing contained in this subsection shall apply to any company carrying on banking business in or from within the Islands at the date of the coming into operation of this Ordinance until the expiration of one year from that date.

(2) Notwithstanding the provisions of subsection (1), a licence shall not be granted to a bank unless, in the case of a bank incorporated in the Islands, the aggregate of its capital issued and paid up in cash and outstanding and its unimpaired reserves is not less than five hundred thousand dollars (\$500,000-00) and, in the case of a bank incorporated outside the Islands the aggregate of its capital issued and paid up in cash and outstanding and its unimpaired reserves is not less than two million dollars (\$2,000,000-00).

8.—(1) Subject to subsection (2), every licensed financial institution shall maintain a reserve fund and shall, out of its net profits of each year and before any dividend is declared, transfer to that fund a sum equal to not less than twenty-five *per centum* of such profits whenever the amount of the reserve fund is less than the issued paid up capital of the company.

(2) Subsection (1) shall not apply to any licensed financial institution with respect to which it is proved to the satisfaction of the Governor that the aggregate-reserves of such institution are adequate in respect of its business.

Minimum capital
of a financial
institution.

Maintenance of
reserve fund.

PART IV.

*Restrictions on Business.*Restriction of
dividends.

9. No licensed financial institution incorporated in the Islands shall pay any dividend on its shares, and no licensed financial institution incorporated outside the Islands shall remit any profits outside the Islands, until all its capitalised expenditure (including preliminary expenses, organisation expenses, share selling commission, brokerage and amounts of losses incurred) not represented by tangible assets has been completely written off.

Persons debarred
from management.

10.—(1) Any person—

(a) who has been a director of, or directly concerned in the management of, a financial institution which has had its licence revoked in accordance with paragraph (c) of section 20 or has been wound up by a court; or

(b) who has been sentenced by a court in any country to a term of imprisonment for an offence involving dishonesty and has not received a full pardon for that offence; or

(c) who is or becomes bankrupt, suspends payment to or compounds with his creditors,

shall not without the express written authorisation of the Governor act or continue to act as a director, manager, secretary or other employee of any financial institution.

(2) Any person who contravenes the provisions of subsection (1) shall be guilty of an offence and liable on summary conviction to a fine of five thousand dollars (\$5,000-00).

Restriction on
use of title
"bank".

11.—(1) Save with the permission of the Governor, no person other than a licensed bank shall use the word "bank" or any of its derivatives in any language in the description or title under which such person is carrying on business in or from within the Islands; or make any such representation in any billhead, letter paper, notice, advertisement or in any other manner whatsoever:

Provided that nothing in this subsection shall apply to an association of banks or bank employees, formed for the protection of their common interests.

(2) Any person or group of persons contravening the provisions of this section shall be guilty of an offence and liable on summary conviction to a fine of not less than two hundred and fifty dollars (\$250-00) or more than five hundred dollars (\$500-00) for each day during which the contravention continues.

12.—(1) A licensed financial institution shall not in or from within the Islands—

Restriction on
certain activities
by licensed
financial institu-
tions.

(a) grant to any person, or group of persons which group is under the control or influence of one and the same person, any advance or credit facility, or give any financial guarantee or incur any other liability on behalf of such person, firm, corporation, company or group so that the total value of the advances, credit facilities, financial guarantees and other liabilities in respect of such person, firm, corporation, company or group is at any time more than twenty-five *per centum* of the sum of the paid-up capital and published reserves of the licensed financial institution:

Provided that this paragraph shall not apply to transactions between banks or between the branches of a bank, or to the purchase of telegraphic transfers, or to the purchase of bills of exchange or documents of title to goods where the holder of such bills or documents is entitled to payment outside the Islands for export from the Islands or to advance made against such transfers, bills or documents;

(b) grant any advance or credit facility against the security of its own shares or for the purchase of such shares;

(c) grant or permit to be outstanding unsecured advances or unsecured credit facilities of an aggregate amount in excess of three thousand dollars (\$3,000-00) or of one *per centum* of the sum of the said paid-up capital and published reserves of such licensed financial institution, whichever is the greater, or give any financial guarantees in excess

of such amount without security or incur any other liability in excess of such amount without security—

(i) to or on behalf of any one of its directors, whether such advances, facilities, guarantees or other liabilities are obtained by or on account of such director jointly or severally;

(ii) to or on behalf of any firm, partnership or private company in which it, or any one or more of its directors is interested as director, partner, manager or agent, or to or on behalf of any individual, firm, partnership or private company of whom or of which any one or more of its directors is a guarantor.

(For the purposes of this paragraph—

(i) a private company means a company which by its articles—

(aa) restricts the right of transfer of its shares; and

(bb) limits the number of its members to fifty, not including persons who are in the employment of the company and persons who, having been formerly in the employment of the company, were while in that employment and have continued after the determination of that employment to be members of the company; and

(cc) prohibits any invitation to the public to subscribe for any shares or debentures of the company;

(ii) director includes a wife, husband, father, mother, son or daughter of a director.)

(d) grant or permit to be outstanding to its officials and employees unsecured advances or unsecured credit facilities which in aggregate amount, for any one official or employee, exceed one year's emolument of such official or employee.

(2) In subsections (c) and (d) of subsection (1), the expression "unsecured advances or unsecured credit facilities" means advances or credit facilities granted without security, or, in respect of any advance or credit facility granted with security, any part thereof which at

any time exceeds the market value of the assets constituting that security.

13. A licensed bank shall not—

(a) engage, whether on its own account or on a commission basis, in the wholesale or retail trade, including the import or export trade or otherwise have a direct interest in any commercial, agricultural, industrial or other undertaking, except as permitted under paragraph (b) and except insofar as may be necessary with respect to such interest as a bank may acquire in the course of the satisfaction of debts due to it; but all such interests shall be disposed of at the earliest suitable opportunity;

(b) acquire or hold to an aggregate value exceeding twenty-five *per centum* of the sum of the paid up capital and published reserves of that bank, any part of the share capital of any financial, commercial, agricultural, industrial or other undertaking except such shareholding as a bank may acquire in the course of the satisfaction of debts due to it, which shareholding shall, however, be disposed of at the earliest suitable moment;

Provided that this paragraph shall not apply to any shareholding approved in writing by the Minister in a subsidiary bank or in a subsidiary company formed by a bank for the execution of nominee, executor or trustee functions or other functions incidental to banking business;

(c) purchase, acquire or lease real estate except as may be necessary for the purpose of conducting its business or housing its staff or providing amenities for its staff having regard to any reasonable requirements for future expansion of its business or staff; but in the event of any debt due to a bank which is secured upon any real or other property of the debtor becoming endangered the bank may acquire such property which shall, however, be resold at the earliest suitable moment.

14. Any licensed financial institution which, prior to the date of the coming into operation of this Ordinance, entered into any transaction inconsistent with

Restriction on holding of certain interests by licensed banks.

Determination of certain commitments entered into prior to the commencement of this Ordinance.

the provisions of paragraphs (a), (b), (c) or (d) of subsection (1) of section 12 and any licensed bank which, prior to the said date, entered into any transaction inconsistent with the provisions of paragraphs (a), (b) or (c) of section 13 shall, within six months after that date, submit a statement of those transactions to the Minister and shall, within such further time as the Minister may determine, liquidate the said transactions; and if such action as is required under this section is not taken within the time specified or determined the licensed financial institution shall be guilty of an offence and liable on summary conviction to a fine of five hundred dollars for every day during which the offence continues.

Minimum holdings of liquid assets.

15.—(1) (a) Every licensed bank shall in relation to its operations in or from within the Islands maintain such minimum holding of liquid assets as may from time to time be prescribed, provided that the minimum shall be the same for all banks holding licences of the same class and shall not exceed ten *per centum* of deposit liabilities.

(b) Every licensed financial institution not being a bank shall in relation to its operations in or from within the Islands maintain such minimum holding of liquid assets as may from time to time be prescribed provided that the minimum shall be the same for all such financial institutions and shall not exceed seven *per centum* of deposit liabilities.

(2) The Minister shall determine the method of computing the amounts of liquid assets to be held by banks and financial institutions.

(3) For the purposes of this section, "liquid assets" means such assets as the Minister may from time to time specify.

(4) Any licensed bank or licensed financial institution which fails to comply, within such reasonable time as the Minister may appoint, with any requirement of subsection (1) shall be liable to pay, on being called upon to do so by the Minister, a penalty interest charge not exceeding one-tenth of one *per centum* of the amount of the deficiency for every day on which the deficiency continues.

PART V.

Returns and Accounts.

16.—(1) Subject to subsection (3), every licensed financial institution shall in relation to its operations in or from within the Islands submit to the Minister the undermentioned statements in such form as he may from time to time approve—

(a) in the case of a bank holding a Class A licence—

(i) not later than twenty-one days after the last day of the month to which it relates, a monthly statement of assets and liabilities accompanied by a statement showing the amount of all outstanding unsecured advances or unsecured credit facilities as defined in subsection (2) of section 12;

(ii) not later than twenty-one days after the end of the quarter to which it relates, a return providing an analysis of customers' liabilities to the bank in respect of loans, advances, and other assets of the bank at the close of the last business day of that quarter;

(b) in the case of a bank holding a Class B licence or a financial institution which is not a bank, not later than thirty-five days after the end of the quarter to which it relates a statement of the assets and liabilities of its offices and branches in the Islands at the close of the last business day of that quarter.

(2) Subject to subsection (3), the Minister may require a licensed financial institution to submit such further information as he may deem necessary for the proper understanding of any statement or return furnished by that institution under subsection (1) and such information shall be submitted within such period and in such manner as the Minister may require.

(3) No statement, return or information shall be required under subsection (1) or (2), as the case may be, with respect to the affairs of any particular customer of a licensed financial institution.

(4) The period within which any statement or return is required to be submitted under this section may be extended by the Minister where he considers that there are circumstances justifying an extension.

(5) Any licensed financial institution which fails to comply with any of the provisions of subsections (1) and (2) or with any requirement of the Minister thereunder shall be guilty of an offence and liable on summary conviction to a fine of five hundred dollars for every day during which the offence continues.

(6) Any statement or return submitted by a licensed financial institution under subsection (1) and any information submitted by such institution under subsection (2) shall be regarded as secret, save that the Minister may publish consolidated statements aggregating the figures in the statements or returns furnished under subsection (1).

Publication of
balance sheet.

17.—(1) No later than four months after the close of each financial year of each licensed financial institution, or such longer period as the Minister may, in any particular case permit, the financial institution shall publish in the *Gazette* and exhibit thereafter in a conspicuous position in each of its offices and branches in the Islands, and forward to the Minister copies of its balance sheet and profit and loss account and the full and correct names of the directors of the financial institution. The balance sheet and profit and loss account shall bear on their face the certificate of an auditor who is an approved auditor in accordance with subsection (5) of section 21.

(2) Any licensed financial institution which contravenes any of the provisions of this section shall be guilty of an offence and liable on summary conviction to a fine of five hundred dollars.

PART VI.

Examination and Audit.

Examinations.

18.—(1) The Minister may at his discretion from time to time appoint one or more qualified persons to make examination, under conditions of secrecy, of the books and affairs of all licensed financial institutions.

(2) The Minister may at any time appoint one or more qualified persons to make a special examination, under conditions of secrecy, of the books and affairs of any licensed financial institution—

(a) where he has reason to believe that such institution may be carrying on its business in a manner detrimental to the interest of its depositors and other creditors or may have insufficient assets to cover its liabilities to the public or may be, either in the Islands or elsewhere, contravening any of the provisions of this Ordinance;

(b) where application is made by shareholders holding not less than one-third of the total number of shares in that institution for the time being issued or by depositors holding not less than one-half of the gross amount of the total deposit liabilities in the Islands of that institution; but the applicants shall submit to the Minister such evidence as he may consider necessary to justify an examination and they shall furnish adequate security for the payment of the cost of the examination;

(c) if the financial institution suspends payment or informs the Minister of its intention to do so.

19.—(1) Every licensed financial institution of which an examination has been ordered under section 18 shall produce to the person or persons appointed under the provisions of that section, at such times and in such places as such person or persons may specify (being times and places which, in the opinion of such person or persons, would not be detrimental to the conduct of the normal daily business of the financial institution) all books, accounts and documents in the possession or custody of such institution or of which it is entitled to possession or custody relating to its business, and shall give within such times as such person or persons may specify, such oral information concerning its business as may be required.

Production of
books etc.

(2) If any book, account, document or information is not produced in accordance with subsection (1), the financial institution shall be guilty of an offence and liable on summary conviction to a fine of five hundred

dollars in respect of every day during which the offence continues; and if any book, account, document or information specified in subsection (1) is false in any material particular, the financial institution concerned shall be liable to a fine of ten thousand dollars.

(3) As soon as may be after the conclusion of an examination under section 18, the person or persons appointed under the provisions of section 18 shall submit a full report on such examination to the Minister who shall forward a copy thereof to the Governor and to the Head Office of the financial institution concerned.

(4) The Minister may order that all expenses of and incidental to an examination under subsection (2) of section 18 shall be paid by the financial institution examined and he may also, in respect of examinations made under paragraph (b) of subsection (2) of section 18, order that the said expenses shall be defrayed by the applicants. A financial institution shall not be required to pay expenses of and incidental to an examination under subsection (1) of section 18.

Powers after
examination.

20. If in the opinion of the Minister, an examination under this Part shows that the licensed financial institution concerned is carrying on its business in a manner detrimental to the interest of its depositors and other creditors, or has insufficient assets to cover its liabilities to the public, or is either in the Islands or elsewhere contravening any of the provisions of this Ordinance, the Minister shall refer the matter to the Governor who may take such one or more of the following steps from time to time, as may seem to him necessary—

(a) require the financial institution forthwith to take such measures as he may consider necessary in relation to its business, and if it is proved that such measures have not been taken, the financial institution shall be guilty of an offence and liable on summary conviction to a fine of five hundred dollars in respect of every day during which the offence continues; and the officer responsible shall be guilty of an offence and liable on summary conviction to a fine of five hundred dollars; or

(b) appoint a person who, in his opinion, has had adequate training and experience to advise the financial institution on the proper conduct of its business and fix the remuneration to be paid by the financial institution to such person; or

(c) unless he is satisfied that the financial institution is taking adequate measures to put its affairs in order, make an order under paragraph (f) of subsection (4) of section 5 revoking the financial institution's licence.

21.—(1) Every licensed financial institution shall appoint annually an approved auditor whose duties shall be to make to the shareholders of that institution a report upon the annual balance sheet and accounts, and in every such report the auditor shall state whether, in his opinion the balance sheet is full and fair and properly drawn up, whether it exhibits a true and correct statement of the financial institution's affairs, and, in any case in which the auditor has called for explanation or information from the officers or agents of the financial institution, whether this is satisfactory.

Approved
auditor.

(2) The report of an approved auditor under subsection (1) shall be read together with the report of the directors of the financial institution at the annual meeting of shareholders and copies of that report shall be sent to the Minister, together with copies of the Balance Sheet and Profit and Loss Account, and if any default is made in complying with the requirements of this subsection, the financial institution concerned shall be guilty of an offence and liable on summary conviction to a fine of five thousand dollars.

(3) If a licensed financial institution fails to appoint an approved auditor under subsection (1) or, at any time, fails to fill a vacancy for such auditor, the Minister may appoint an approved auditor and shall fix the remuneration to be paid by that institution to such auditor.

(4) The duties and powers conferred by subsections (1), (2) and (3) of section 19 in relation to a person or persons appointed under the provisions of section 18 are hereby conferred also in relation to approved auditors.

(5) For the purposes of this section, an approved auditor is an auditor who is a member of a firm which is for the time being declared by the Minister by notice in the *Gazette* to be approved for such purposes.

(6) No person having an interest in any financial institution otherwise than as depositor, and no director, officer or agent of any financial institution shall be eligible for appointment as an approved auditor for that institution; and any person appointed as such auditor to any financial institution who subsequently acquires such interest or becomes a director, officer or agent of that institution shall cease to be such auditor.

(7) Where, in the case of a licensed financial institution incorporated outside the Islands, the Minister is satisfied that a report upon the annual balance sheet and accounts of such institution has been duly made by an auditor in accordance with the law of the country in which such institution is incorporated, and a copy of such report together with the report of the directors of such institution is sent to the Minister, he may by notice in writing exempt any such financial institution from the provisions of this section.

PART VII.

General.

Fees payable.

22.—(1) Any company to which a licence is granted shall pay to the Government—

(a) in the case of a Class A licence, upon the issue of the licence, a fee of five thousand dollars, and on or before the first day of April in each year thereafter, during the subsistence of such licence, a fee of two thousand dollars;

(b) in the case of a Class B licence, upon the issue of the licence, a fee of seven thousand five hundred dollars, and on or before the first day of April in each year thereafter, during the subsistence of such licence, a fee of five thousand dollars:

Provided that, notwithstanding the provisions of paragraphs (a) and (b), in the case of a Class A and Class B licence granted to the same Company simultaneously upon the issue of the licence a fee of ten thousand dollars, and on or before the first day of April

in each year thereafter, during the subsistence of such licence a fee of five thousand dollars:

Provided further that the Governor may by order alter the fees payable under this subsection.

(2) Without prejudice to the power of the Governor to revoke a licence, for contravention of any of the provisions of this Ordinance, under section 5(5), any licensed financial institution which fails to pay any fee payable under this section shall be guilty of an offence and liable on summary conviction to a fine of two hundred and fifty dollars for each day during which such fee remains unpaid.

23. The Minister shall—

(a) publish annually by the end of May in the *Gazette* the name of every financial institution that has paid the fees provided by section 22, specifying the class or classes of licence concerned;

(b) publish immediately in the *Gazette* in the event that a licence granted to a Class A or Class B bank has been revoked or not renewed or suspended or has ceased to do business, a notice to that effect.

Publication of annual list etc.

24. No prosecution in respect of any offence committed under this Ordinance shall be instituted except by or with the consent of the Attorney General.

Attorney General's fiat.

25. A person upon whom a fine is imposed under this Ordinance may be sentenced in default of payment thereof to imprisonment in the case of a fine—

Imprisonment in default of payment of fine.

(a) not exceeding one thousand dollars for three months;

(b) exceeding one thousand dollars but not exceeding two thousand five hundred dollars for six months;

(c) exceeding two thousand five hundred dollars for twelve months.

26. Where any offence under this Ordinance by a body corporate is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of, any officer of such body cor-

Liability of officers.

porate, he as well as such body shall be liable to be proceeded against and punished accordingly.

Regulations.

27. The Governor may make regulations for the purpose of carrying into effect the provisions of this Ordinance and for prescribing anything which is required to be prescribed.

Saving.
Cap. 61.

28. Nothing in this Ordinance shall apply to the Savings Bank established under the provisions of the Savings Bank Ordinance.

Repeal and
Transitional.
Cap. 60.

29.—(1) The Banking Ordinance (hereafter in this section referred to as the repealed Ordinance) is hereby repealed.

(2) Upon the date of the coming into force of this Ordinance, any financial institution licensed to carry on banking business under the provisions of the repealed Ordinance shall, from such date, be deemed for a period of six months to be the holder of a Class A licence, or Classes A and B licences according to the type of banking business in which it is engaged, but if such financial institution proposes to continue to carry on banking business in or from within the Islands, after the expiration of the said period of six months, it shall, within four months of the date of commencement of this Ordinance, apply for a licence or licences (as the case may be) under this Ordinance.

(3) Upon the grant of a licence under this Ordinance to a financial institution which was licensed under the repealed Ordinance and which has carried on banking business under the provisions of subsection (2), an allowance shall be made, in respect of the fees payable under section 22 of this Ordinance, on account of any fees paid in respect of the same year under section 21 of the repealed Ordinance.

(4) If any difficulty arises in respect of the bringing into operation of any of the provisions of this Ordinance or in the transition from any of the provisions of the repealed Ordinance to the provisions of this Ordinance or the licensing under this Ordinance or any financial institution licensed under the repealed Ordinance, the Governor may by order give such directions

as appear to him to be necessary or expedient for the removal of such difficulty:

Provided that no order shall be made under this subsection more than six months after the date of commencement of this Ordinance.

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THE BANKING (SPECIAL PROVISIONS)
ORDINANCE 1979.

(No. 4 of 1979.)

AN ORDINANCE TO MAKE FURTHER PROVISION FOR THE PROCEDURE FOR THE MAKING OF APPLICATIONS FOR THE GRANTING OF CERTAIN LICENCES UNDER THE BANKING ORDINANCE 1979, TO CONFER POWER TO DESIGNATE AN AREA AT AN AIRPORT WITHIN WHICH CUSTOMERS OF CERTAIN BANKS SHALL BE ENTITLED TO CERTAIN PRIVILEGES, AND FOR OTHER MATTERS INCIDENTAL THERETO OR CONNECTED THEREWITH.

[3rd July, 1979.]
[24th July, 1979.]

Assent
L.N. 20/1979.
Commencement
L.N. 23/1979.

1. This Ordinance may be cited as the Banking (Special Provisions) Ordinance 1979, and shall come into operation on a date to be appointed by the Governor by Government Notice.

Short title and commencement.

2. In this Ordinance, unless the context otherwise requires—

Interpretation.

“banking business”, “company” and “Class B licence” have the same meanings respectively as are given to those terms in the Banking Ordinance 1979;

No. 1 of 1979.

“designated airport” means an airport designated under section 7;

“in-transit area” means the area at a designated airport as defined by order made under section 7;

“licence” means a Class B licence;

“licensee” means the holder of a Class B licence;

“officer” in relation to a company includes any director, managing director, alternate director or secretary, by whatever name called;

"special licence" means a special licence issued under section 3;

"special licensee" means the holder of a special licence.

Issue and cancellation of special licence.

3.—(1) For the purpose of this Ordinance the Governor acting in his discretion may grant to a company which is incorporated or registered in the Islands a special licence to permit such company to exercise the powers and perform the functions and have the privileges hereafter in this Ordinance provided. When such a special licence has been issued and is still in force no other licence shall be issued to any other company under the provisions of this section:

Provided that no special licence shall be issued to any company of which more than ten *per centum* of the issued share capital is represented by bearer securities transferable by delivery only.

(2) A special licence granted under subsection (1) shall be issued subject to such conditions, and shall be valid for such period (not exceeding ten years in the first instance) as may be specified therein:

Provided that, if the Governor is satisfied that an extension of the term of a special licence is in the public interest, the period of validity of a special licence may be extended by the Governor from time to time, subject to such further or altered conditions as the Governor may determine, for such further period or periods, not exceeding five years at any one time, as the Governor may direct.

(3) Any company which desires to obtain a special licence shall apply to the Governor for the same and shall supply such particulars of its officers and of its shareholding and any other relevant information as the Governor may require. If any such application by a company is refused by the Governor no reason shall be given for such refusal and no appeal shall lie from such refusal.

(4) Notwithstanding the provisions of subsection (2) the Governor may at any time cancel a special licence—

(a) if he is satisfied that the licence was obtained as a result of misleading, false or fraudul-

ent representations, or in consequence of any incorrect information (whether such information was supplied wilfully or otherwise);

(b) if the special licensee has failed to perform any of its obligations imposed under the provisions of this Ordinance or is in breach of any condition imposed under the terms of the special licence;

(c) if any officer of the company, or person responsible for the management of any office or premises of the company has been convicted (whether within or without the Islands), and has not successfully appealed against that conviction, of any offence punishable by imprisonment for six months or longer without the option of a fine, whether or not that penalty or some lesser penalty was in fact imposed in the particular case, or of any offence against the customs laws of the Islands or of any other country;

(d) if any director of the company has become bankrupt or has made an arrangement with his creditors;

(e) if he considers that it is in the public interest so to do:

Provided that prior to the cancellation of a special licence in any case under the provisions of paragraph (a), (b), (c), (d), or (e), the Governor shall inform the special licensee in writing of the grounds upon which it is considered that the special licence ought to be cancelled and shall give the special licensee an opportunity to show cause, within a specific time, why the licence should not be cancelled. If the special licensee fails to make representations within the specified time or if the representations made are considered by the Governor to be inadequate, the Governor may cancel the special licence and no appeal shall lie from any decision so to do, except upon the grounds of failure to comply with the requirements of this subsection, in which case an appeal shall lie to the Supreme Court.

4. A special licence shall not be assignable except with the prior consent of the Governor and subject to such conditions (if any) as the Governor may determine.

Restriction on assignment of special licence.

Fees.

5. Upon the issue or the extension of the term of a special licence, the special licensee shall pay to the Treasurer a fee of five thousand dollars, and also an annual fee during the term of validity of the licence, or any extension thereof, of five thousand dollars for the first year, ten thousand dollars for the second year and fifteen thousand dollars for the third year:

Provided that the Governor, by order, may alter up to a maximum of one hundred *per centum* the fee payable upon the issue or any extension of the term of a special licence or, at any time, not being less than three years after the date of issue of a special licence, may alter up to a maximum of fifty *per centum* the amount of the annual fee payable in respect thereof.

Procedure on
application for
Class B licence.

6.—(1) Notwithstanding the provisions of section 4 of the Banking Ordinance 1979, but subject to subsection (3) of this section, any application made under the said section 4 for the issue of a Class B licence, in a case in which the applicant proposes to carry on banking business within the in-transit area of a designated airport shall be submitted to the special licensee for transmission to the Governor with such comments or recommendations as the special licensee desires to make thereon. All such applications received by the special licensee shall be forwarded to the Governor whether or not recommended by the special licensee after the applicant has signed a contract with the special licensee in a form approved by the Governor:

Provided that the Governor shall not issue a Class B licence under the Banking Ordinance 1979, to operate within the in-transit area unless the application for the same has been submitted through the special licensee.

(2) The Governor, upon receipt of an application forwarded by the special licensee under subsection (1) shall deal with the application in accordance with the provisions of the Banking Ordinance 1979, and may require from the applicant such further information (if any) as he considers desirable and shall take account of, but shall not be bound to accept, any recommendations or comments made with respect to the application by the special licensee.

(3) The Governor shall not issue any Class B

licence in pursuance of any application submitted contrary to the provisions of subsection (1) unless at the date of the application no special licence is in force.

7. The Governor by order may designate an airport for the purposes of this Ordinance and in any such order shall define the boundaries of the in-transit area of that airport for the purposes of this Ordinance.

Designation of
airport.

8.—(1) The special licensee or any licensee may acquire, by purchase or lease as the Governor may determine, such area or areas of Crown land in the designated airport as appear to the Governor to be reasonably necessary for the purposes of their respective functions at such airport under the provisions of this Ordinance or the Banking Ordinance 1979.

Acquisition of
land for use of
special licensee
or licensee.

(2) The purchase price or rent payable, as the case may be, in respect of any land acquired under subsection (1) shall not exceed the fair market value, but if any dispute shall arise as to what is the fair market value, in any particular case, the value shall be determined by an independent valuer appointed by agreement between the parties, or, in default of agreement as to the selection of such valuer, the matter shall be referred to arbitration under the provisions of the Arbitration Ordinance 1974.

No. 4 of 1974.

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THE CONFIDENTIAL RELATIONSHIPS
ORDINANCE 1979.

(No. 3 of 1979.)

AN ORDINANCE TO GIVE SANCTION TO THE DUTY OF
NON-DIVULGENCE OF INFORMATION IMPARTED
UNDER CONDITIONS OF BUSINESS OR PROFES-
SIONAL CONFIDENCE, WHETHER EXPRESS OR
IMPLIED, AND FOR PURPOSES CONNECTED
THEREWITH.

[3rd July, 1979.] *L.N. 20/1979.*

1. This Ordinance may be cited as the Confidential Relationships Ordinance 1979. *Short title.*
2. In this Ordinance, unless the context otherwise requires—
 - “bank” means any bank or other financial institution to which the provisions of the Banking Ordinance 1979 apply; *No. 1 of 1979.*
 - “business of a professional nature” includes the relationship between a professional person and his principal, by whatever term the latter may be described, and also the relationship between a bank and a customer of that bank;
 - “confidential information” includes information concerning any property, or relating to any business of a professional nature or commercial transaction which has taken place, or which any party concerned contemplates may take place, which the recipient thereof is not, otherwise than in the normal course of business or professional practice, authorised by the principal to divulge;
 - “entitled to possession of confidential information” means so entitled, in the normal course of business or professional practice or by the specific consent of the party who, but for the

giving of such consent, would be entitled to require the preservation of the confidentiality of that information;

“Minister” means the person charged for the time being with responsibility for finance;

“normal course of business or professional practice” means the ordinary and necessary routine involved in the efficient carrying out of the instructions of a principal including compliance with such laws and legal processes as arises out of or in connection therewith and the routine exchange of information between professional persons;

“principal” means a person who has imparted to another person confidential information in the course of his business or professional relationship with that other person, and includes a customer of a bank in relation to his business transactions with that bank;

“professional person” includes an accountant, an attorney (or other legal practitioner by whatever name called), a broker or other kind of commercial agent or adviser, a bank or other financial institution, any public officer or other government official or employee, and such other persons as may be prescribed as being professional persons for the purposes of this Ordinance, and whether or not any such person was licensed or authorised, under any law for the time being in force, to act in that capacity; and also includes any person subordinate to or in the employment or under the control of any such person for the purpose of his professional activities;

“property” includes every present, contingent or future interest or claim, direct or indirect, legal or equitable, positive or negative, in any money or money's worth, real personal, moveable or immovable, rights, charges and securities thereover and all documents and things evidencing or relating thereto.

3.—(1) Subject to the provisions of subsection (2), this Ordinance shall apply to all confidential information with respect to business of a professional nature which arises in or is brought into the Islands and to all persons who come into possession of such information at any time thereafter, whether within or without the Islands.

Application of
Ordinance.

(2) This Ordinance shall not apply to confidential information given to or received by—

(a) any professional person acting in the normal course of business or professional practice or with the consent, express or implied, of the relevant principal;

(b) any person in the course of the taking or giving of evidence, whether within or without the Islands, for the purpose of or in the course of the trial of any person in respect of an alleged criminal offence triable within the Islands or which would have been so triable if it had been committed within the Islands;

(c) a police officer in the execution of his duties whether within or without the Islands, investigating any criminal offence alleged to have been committed within the Islands or which, if it had been committed within the Islands, would have been a criminal offence under the law of the Islands;

(d) the Minister or a person exercising powers of examination or investigation under any of the provisions of the Banking Ordinance 1979 or any law repealing or replacing that Ordinance.

4.—(1) Subject to the provisions of subsection (2) of section 3, any person who—

Offences and
penalties.

(a) being in possession of confidential information, however obtained—

(i) divulges it to any person not entitled to possession thereof; or

(ii) attempts, offers or threatens to divulge it to any person not entitled to possession thereof;

(b) obtains or attempts to obtain confidential information to which he is not entitled, shall be guilty of an offence:

Provided that it shall be a defence for a person charged with an offence under this subsection if he proves to the satisfaction of the court that, at the time when he divulged, attempted, offered or threatened to divulge or obtained or attempted to obtain (as the case may be), the confidential information in question, he did not know and did not have reasonable grounds to suspect that so doing would be a breach of an express or implied duty to preserve confidentiality or would be contrary to the provisions of this Ordinance.

(2) Any person who, being in possession of information which he knows or has reason to suppose is confidential information, makes use thereof, without the consent of the principal, for the benefit of himself or any other person, shall be guilty of an offence.

(3) Any person who commits an offence under this section shall be liable on summary conviction—

(a) in the case of an individual to a fine of five thousand dollars or to imprisonment for two years or to both such fine and imprisonment; or

(b) in the case of a body corporate to a fine of twenty-five thousand dollars:

Provided that where an offence under this section is committed by a professional person, that person shall be liable on conviction—

(i) in the case of an individual to a fine of ten thousand dollars or to imprisonment for three years or to both such fine and imprisonment; or

(ii) in the case of a body corporate to a fine of fifty thousand dollars.

(4) Any person who is convicted of an offence under subsection (1) and is proved to have solicited, received or offered (as the case may be), on behalf of himself or any other person, any reward for doing the act which constituted the offence, shall be liable, in addition to any penalty imposed under subsection (3), to a further fine equivalent to the amount or value of the reward solicited, received or offered and to forfeit the amount or value of any reward actually received by him.

(5) Where an offence under this section is committed by a body corporate and is proved to the satisfaction of the court to have been committed with the consent or connivance of, or to have been attributable to any neglect on the part of, any director, manager, secretary or similar officer (by whatever name called) of that body corporate, or by any person purporting to act in any such capacity, he as well as the body corporate shall be guilty of an offence and be liable to be proceeded against and punished accordingly.

(6) For the avoidance of doubt, it is hereby declared that, subject to subsection (2) of section 3, a bank which gives a credit reference in respect of a customer, without first obtaining the authority of that customer, shall be guilty of an offence under subsection (1).

5. Nothing in this Ordinance shall be deemed to affect or derogate from any rule of law or the rights of any person with regard to the civil liability of any person for any breach of any express or implied condition of confidentiality with regard to any business or professional relations or transactions between them.

Saving.

6. The Governor may make regulations for carrying into effect the provisions of this Ordinance and for prescribing anything which is required to be prescribed under any such provisions.

Regulations.

7. No prosecution shall be instituted under this Ordinance except by or with the written consent of the Attorney General.

Attorney General's fiat.

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