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ADDRESS BY

***THE HON. BERNARD J. NOTTAGE, M.P.***  
***MINISTER OF NATIONAL SECURITY***  
***&***  
***MINISTER RESPONSIBLE FOR***  
***RELATIONS WITH THE BAHAMAS TELECOMMUNICATIONS CO LTD***

***ON THE OCCASION OF***  
***LAUNCH BTC'S LTE NETWORK***

POMPEY'S PLACE, NASSAU, BAHAMAS

FEBRUARY 13th 2014

Thank you so much for your kind introduction.

**Salutations.....**

It was just last year April when I was asked by the Rt. Hon. Prime Minister to take ministerial responsibility for relations with BTC for the second time, notwithstanding that in the first dispensation it was BaTelco, a government corporation.

Then in 1989, I was Minister of Consumer Affairs and had the opportunity to introduce a number of new initiatives. The future was bright for youth in the fields of technology but I saw a shortage of Bahamian

engineers and at the same time Bahamian High School students were struggling then as now in mathematics, physics and the other sciences.

I was able to persuade the corporations under my supervision, The Bahamas Broadcasting Corporation (BCB), The Bahamas Electricity Corporation (BEC), the Water and Sewerage Corporation and The Bahamas Telecommunications Corporation (BaTelCo) to fund an after school program called The Technical Cadet Corps Program, .

Literally thousands of senior High School Students have graduated from The Technical Cadet Corps Program, many have been the beneficiaries of College Scholarships and I am told that this program is still going strong today in New Providence and in Grand Bahama.

I want to take this opportunity to thank the Corporations, and in this instance BTC, for their continued contributions to nation building. I also want to thank those employees of Batelco and now BTC who made the sacrifices over almost three decades to prepare syllabuses and teach our nation's youth in this after school program.

**Vendue House/Pompey Museum**

Ladies and gentlemen, it will be remiss of me if I do not say something about the place where this ceremony is taking place today, Pompey Place. It is named after a slave from one of the five Lord Rolle's Plantations in Steventon, Exuma and it is the place where our forefathers were auctioned as slaves.

Pompey Place is also a site that is connected to telephone development in The Bahamas. Some 122 years ago in 1892 the Government of The Bahamas joint ventured with Marconi of the United States of America and built a 120 mile Telegraph Submarine Cable from Jupiter Florida to Goodman's Bay now called Cable Beach at a cost of £30,000. The Cable was attached to wooden poles from Goodman's Bay along Bay Street and terminated at Vendue House which was later named Pompey Museum. In 1899, just seven (7) years later, a second Telegraph Outlet was opened next door at the Colonial Hotel.

A second floor was added to Vendue House and not only did it house the offices of the Telegraph Department from 1892 but also the Telephone Department when Telephones became available in 1906 and the Electricity Department when electricity became commercially available in 1908.

### **United Nations Millennium Development Goals (MDGs) Agenda**

Ladies and Gentlemen, The Bahamas along with 182 other countries in 2000 following the Millennium Summit, signed on to the Millennium Development Goals of the United Nations and committed to achieving those goals by 2015.

The Broadband Commission for Digital Development which was established in May 2010 established four goals:

1. All countries should have a national Broadband plan or include broadband in their Universal Access/ Service definitions. The last update to The Bahamas Policy was 2003.
2. Entry level Broadband services should be made affordable in Developing Countries through adequate regulation and market forces amounting to less than 5% of average monthly income.
3. 40% of households in developing countries should have Internet access; and
4. Internet user penetration should reach 60% worldwide, 50% in Developing countries and 15% in Least Developed Countries

2015 is less than a year away and, while we have made progress, there is still much work to do.

When I was first appointed as Minister responsible for telecommunications, The Bahamas Area Code was 809. There were no CLASS calling features like Caller ID, Call Waiting and Star 69 etcetera. There were no inter-island fiber optic cables connecting this archipelagic nation of ours. There were no fiber optic cables connecting us to the outside world and analogue Cellular service had just been launched in 1988.

Between 2002 to 2007 while the Progressive Liberal Party was the Government BTC spent over \$353 million on Capital Development Projects that deployed the following:

- (i) an ubiquitous 2.5G GSM/GPRS/EDGE Cellular Network,
- (ii) a 3G CDMA/EVDO Cellular Network;
- (iii) a DSL/ATM/Multi Services Platform for High Speed Internet;
- (iv) a 10 Giga Bit Self-Healing Ring Fiber Optic Submarine Cable connecting fourteen (14) Islands of The Bahamas with a Spur to Haiti (BDSNi);
- (v) a 10 Giga Bit Fiber Optic Submarine Cable connecting Bimini to Grand Bahama; and

- (vi) Cellular services to all major islands of the nation and grew the Cellular subscriber base from 100,000 to well over 300,000.

During those five years, BTC introduced Pre Paid Cellular, Blackberry Services, VIBE Services, improved Data services and, at the same time, reduced Rates and Tariffs.

With the large capital investments and the reduction in rates, BTC's revenues grew from \$226.4 million in 2001 to \$356.9 million in 2007. BTC's monies in the bank grew from \$4.47 Million in 2001 to \$135 Million in 2007 and it was as high as \$170 million in 2008.

Ladies and gentlemen, the OECD has stated that broadband is the crude oil of the 21st Century and that data is the currency of the 21st Century. The Inter-American Development Bank (IDB) in its report *"Bridging Gaps, Building Opportunities: Broadband as a Catalyst for Economic Growth and Social Progress in Latin America and the Caribbean"* dated May 2012 states that a 10% increase in broadband penetration in the region could boost Gross Domestic Product by an average of 3.2% and raise productivity by 2.6 %. Notwithstanding these correlations the Caribbean as a region lags the developed world.

The IDB also noted in its report that although prices have dropped in the Caribbean, prices are still six times higher than in the Developed world.

The International Telecommunications Union (ITU) in its Facts and Figures Report of 2013 shows that Fixed Broadband Prices in the Developed World is 1.7 times Gross National Income per Capita (GNI p.c.) and in the Developing world is 30.1 times Gross National Income per Capita (GNI p.c.).

A Report by the Broadband Commission sanctioned by the ITU (International Telecommunications Union) and UNESCO (United Nations Educational, Scientific and Cultural Organization): "The State of Broadband 2013: Universalizing Broadband" dated September 2013 provides the following insights.

- (i) The **percentage of individuals using the Internet** in Iceland, Norway, Sweden, Denmark, Netherlands, Luxembourg and Finland are all above 90% and that there is only one Caribbean Country above 80% which is Antigua & Barbuda ranked as number 20<sup>th</sup> in the world with 83.8%. The Bahamas is rated in 40<sup>th</sup> place in the world or 4<sup>th</sup> in the Caribbean with 71.7%.
- (ii) In the category of **"Percentage of Households with Internet"** Korea is number one with 97.4% in the world. Barbados leads the way in the Caribbean as number 15 in the world with 57.9% followed. The Bahamas is not even listed because no Data was available.



- (iii) In the category of "**Mobile Broadband Penetration per 100 Population**" Singapore leads the way with 123.3% followed by Japan 113%, Finland 106.5%, Korea 106.0% and Sweden 101.3%. Barbados leads the Caribbean again with 36.4% in 45<sup>th</sup> place. The Bahamas in 116<sup>th</sup> place with 2.8% or third place in the Caribbean.
- (iv) In the category "**Fixed Broadband Penetration per 100 inhabitants**", Switzerland is number one with 41.9% The Caribbean Region is led by St. Kitts and Nevis in 22<sup>nd</sup> place and The Bahamas in 105 place with 2.8% or 9<sup>th</sup> place in the Caribbean.

The ITU's Report "***The World in 2013 ICT Facts and Figures***" that Trinidad & Tobago is the only Caribbean Country providing more than 20 percent of its customers Fixed Broadband Rates of greater than 10 Mbit/s and 60 percent of its customers between 2 Mbit/s and 10 Mbit/s.

I note that on Wednesday 29th January 2014 the majority Government owned Telco in Trinidad, TSTT which is 49 percent owned by C&W, launched its first ever Gigabit Community through its Fiber To The Home Technology (FTTH). This is the first such accomplishment in the English speaking Caribbean. The Chairman of TSTT stated at the Launch that:

- A 1Gigabit connection transfers what is equivalent to using 100 DVD players at the same time.

- A 1Gigabit connection downloads 125,000 basic emails or 250 emails with large attachments in one second.
- A 1 Gigabit connection downloads 25 songs in one second.

As of 20<sup>th</sup> January 2014, the Global Mobile Suppliers Association (GSA) confirms that 260 LTE networks have been commercially launched in 95 countries, 13 of which are in the Caribbean and 5 of them are in the Dominican Republic.

Digicel Antigua and Barbuda launched its LTE Network in November 2012 more than a year ago. Digicel Anguilla, Setar Aruba and C&W and Digicel in Cayman Islands all launched at the end of 2013.

Ladies and gentlemen, The Bahamas economic pillars of Tourism, Banking and Financial services are under fierce competition from our Caribbean sister countries. I want to underscore the significance of Superfast Broadband and the importance of The Bahamas being ahead of the curve.

While I congratulate you, I must also dutifully remind you that this historic launch, which is the first for The Bahamas, is 4 years after Verizon made its first launch. It is the fourteenth in the Caribbean and the 261<sup>st</sup> in the world and it ranks The Bahamas the 96th Country in the world to launch LTE.

My remarks are by no means intended to minimize your great accomplishment and or to dampen your spirits. I was once told that if a student has DSL (Digital Subscriber Line) he can see way down the road. On the other hand, if a student has Superfast Internet, not only can he see far down the road, he can also see around the blind corner.

I am rooting for that student who can see far down the road and around the blind corner to be a Bahamian student in Inagua, Exuma, Andros, Abaco or any Island not just the student that lives in New Providence.

I am rooting for that Bahamian entrepreneur with a dream to move back home to Acklins or Ragged Island who requires Superfast Internet to improve his innovation and productivity and reduce his cost so that he can have a competitive edge.

I am rooting for all the businesses in The Bahamas and individuals whose lifeline is the Internet on every inhabited Rock and Cay.

And so, on behalf of the Rt. Hon. Prime Minister Christie, I wish to congratulate you Mr. Houston and all the BTC staff on this momentous occasion and with that I declare this LTE (Long Term Evolution) Network launched.

Thank you and Good evening.