

**STATEMENT MADE BY THE CHIEF MINISTER, HONOURABLE RALPH T O'NEAL, REGARDING THE "MILLENNIUM BUG" AT A SITTING OF THE LEGISLATIVE COUNCIL ON TUESDAY, 6TH OCTOBER, 1998**

Mr. Speaker, I am sure that most, if not all, Honourable Members are quite aware of the situation facing all countries in the world with the approach of the year 2000, and popularly called the "millennium bug". Very briefly, as I understand it, at one minute past midnight on 1st January, 2000, many computer systems worldwide could generate incorrect data, and even fail, simply because the date has changed. This problem is based on the way dates are recorded, and computed, in many computer systems. For the past decades, this has been done by using the final 2 digits of the year in order to save space in the computer data storage and to reduce operating costs. Thus, "98" represents 1998 in these systems. This format, however, makes the year 2000 indistinguishable from the year 1900. Hence the incorrect data and failures, to which I referred, could happen across a wide spectrum of information technology. Unless corrected, the impact of these failures could be costly and even dangerous.

Furthermore, many computer systems, both relatively new and those originally developed 20-25 years ago, use a variety of computer languages, several of which are now obsolete. The systems can contain hundreds or even millions of lines of codes which must be examined for data problems. So correcting the problem, and achieving year 2000 compliance, will not be easy or cheap.

The Government's response to this situation is to launch a programme along three main tracks: awareness or understanding, assessment and implementation. The programme aims to spread awareness and understanding of the problem throughout

the Government service and the entire Territory. At the same time, assessment of the scope of the problem has already started within Government and the private sector. Such assessment would lead to planning for response which could involve conversion or replacement of certain items or equipment or software. The assessment would also, of course, reveal where systems are already 2000 compliant. In this regard, Mr. Speaker, I am assured that I can tell this House that the Government's main frame AS 400 and the programmes on it are so compliant.

As soon as assessment and planning are complete in respect of any system, implementation can begin. At every stage funding is going to be necessary, and Honourable Members will have the opportunity to vote on these budgets. At this point it is not possible to give an informed estimate of the eventual cost of the public purse for such a programme.

The machinery to be set up by Government to coordinate its response, Mr. Speaker, consists of an overall Steering Committee or Task Force, broadly based, comprising private and public sector membership, a Programme Co-ordinator and various sub-committees. The public sector will be represented by the Chief Minister, Deputy Governor, Director of Financial Services, Financial Secretary, all Permanent Secretaries, Head of the Development Planning Unit, Chief Information Officer, Manager/Information Systems Unit, Telephone Services Manager, Clerk/Executive Council, Director/ BVI Social Security Board, Director/BVI Ports Authority, General Manager/BVI Electricity Corporation, Manager/Development

Bank of the Virgin Islands, Acting Director/BVI Tourist Board and the Director/National Parks Trust. The private sector will be represented by the BVI Bar Association, BVI Banking Association, BVI Hotel and Commerce Association, The Registered Agents Association, Cable and Wireless (WI) Ltd.

The advertisement for the recruitment of the Co-ordinator is to be published this week. The Deputy Governor is to chair the Steering Committee, more detailed information on which will be shortly published. Invitations are being sent to private sector organisations to nominate representatives to the Committee. The whole programme is to be run out of the Chief Minister's Office. Executive Council will be receiving updates regularly, at intervals of two months in the first instance.

I have mentioned the private sector, and noted that action is already underway there. I wish here to pay tribute to Cable and Wireless (W.I.) Limited which has led the way in awareness building, and to the BVI Hotel and Commerce Association and Banco Popular which are also contributing significantly in educating business persons in this matter. The Government commends these and all other private sector organisations which have taken steps to confront the problem and share their knowledge and approaches with others. We urge them to continue, and the Steering Committee will be one avenue for doing so. We urge all persons in the Territory to take note of the year 2000 or "millennium bug" problem, to pay close attention to the information put out and to take corrective action where necessary. With even the best plans and execution, however, we necessarily will not be able to prevent all problems. We must therefore also devise a number of contingency plans in case certain failures happen.

Mr. Speaker, we are, of course not unique in facing this dilemma. Many, indeed most governments elsewhere have set up such programmes, as have regional and international organisations. It affects everyone in the modern world. We are keeping abreast of developments elsewhere. Here in the Territory, the problem should be more manageable since most of our technology is of more recent vintage. But we can minimize the impact within our borders if we all pull together and confront the problem in a mature and responsible manner. For my part, I will be keeping this Council and the Territory informed of progress in the measures I have outlined.