

# National Assembly Debates

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

10TH SITTING

14.00H

Tuesday, 23 January 2007

Part 1 of 2

## MEMBERS OF THE NATIONAL ASSEMBLY (71)

### Speaker (1)

**The Hon. Hari N Ramkarran, SC, MP.** - *Speaker of the National Assembly  
(Absent on Leave)*

### Members of Government (42)

(i) **People's Progressive Party/Civic (41)**

(ii) **The United Force (1)**

- |  |   |
|--|---|
| The Hon Samuel AA Hinds, MP,               | - <i>(Region No. 10 UpperDemerara/<br/>Upper Berbice), Prime Minister<br/>and Minister of Public Works and<br/>Communications</i> |
| The Hon Clement J Rohee, MP.               | - <i>Minister of Home Affairs</i>   |
| The Hon Shaik KZ Baksh, MP.                | - <i>Minister of Education</i>  |
| The Hon Dr Henry B Jeffrey, MP.            | - <i>Minister of Foreign Trade and<br/>International Cooperation</i>  |
| The Hon Dr Leslie S Ramsammy, MP.          | - <i>(Region No. 6 – East Berbice/<br/>Corentyne), Minister of Health</i>   |
| The Hon. Carolyn Rodrigues-Birkett, M.P.,  | - <i>(Region No. 9 - Upper Takutu/<br/>Upper Essequibo), Minister of<br/>Amerindian Affairs</i>                                   |
| *The Hon Dr Ashni K. Singh, MP.            | - <i>Minister of Finance (Absent)</i>   |
| *The Hon S Rudolph Insanally, OR, CCH, MP. | - <i>Minister of Foreign Affairs<br/>(AOL)</i>  |
| The Hon Harry Narine Nawbatt, MP.          | - <i>Minister of Housing and Water</i>  |
| The Hon Robert M Persaud, MP.              | - <i>(Region No. 6 – East Berbice/<br/>Corentyne) Minister of Agriculture</i>   |
| The Hon Dr Jennifer RA Westford, MP.       | - <i>(Region No. 7- Cuyuni-Mazaruni)<br/>Minister of Public Service</i>   |
| The Hon Kellawan Lall, MP.                 | - <i>Minister of Local Government<br/>and Regional Development</i>  |

- \*The Hon Doodnauth Singh, SC, MP. - *Attorney General and Minister of Legal Affairs*
- The Hon Dr Frank C.S. Anthony, MP. - *Minister of Culture, Youth and Sport*
- The Hon Brindley H.R. Benn, MP. - *Minister of Transport and Hydraulics*
- \*The Hon Manzoor Nadir, MP. - *Minister of Labour*
- The Hon Priya D Manickchand, MP. - *(Region No. 5 – Mahaica/Berbice) Minister of Human Services and Social Security*
- The Hon Dr Desrey Fox, MP - *Minister in the Ministry of Education*
- The Hon Bheri S Ramsaran, MP - *Minister in the Ministry of Health*
- The Hon Jennifer I Webster, MP - *Minister in the Ministry of Finance*
- The Hon Manniram Prashad, MP - *Minister of Tourism, Industry and Commerce*
- Mr Donald R Ramotar, MP
- Ms Gail Teixeira, MP
- Mr Harripersaud Nokta, MP
- Mrs Indranie Chandarpal, MP - *Chief Whip*
- Ms Bibi S Shadick, MP - *(Region No. 3 – Essequibo Islands, West Demerara)*
- Mr Mohamed Irfaan Ali, MP
- Mr Albert Atkinson, JP, MP - *(Region No. 8 – Potaro/Siparuni)*
- Mr Komal Chand, CCH, JP, MP - *(Region No. 3 – Essequibo Island, West Demerara)*
- Mr Bernard C DeSantos, SC, MP - *(Region No. 4 – Demerara/ Mahaica)*
- Mrs Shirley V Edwards, JP, MP - *(Region No.4 – Demerara/Mahaica)*
- Mr Mohamed F Khan, JP MP - *(Region No. 2 – Pomeroon/ Supenaam)*
- Mr Odinga N Lumumba, MP
- Mr Moses V Nagamootoo, JP MP
- Mr Mohabir A Nandlall, MP
- Mr Neendkumar, JP MP - *(Region No. 4 – Demerara/ Mahaica)*
- \*\* Mr Steve P. Ninvalle, M.P. - *Parliamentary Secretary*
- Mr Parmanand P Persaud, JP, MP - *(Region No. 2 - Pomeroon/ Supenaam)*
- Mrs Philomena Sahoye-Shury, CCH, JP, MP - *Parliamentary Secretary*
- \*\* Mrs Pauline R. Sukhai, M.P. - *Parliamentary Secretary*
- Mr Dharamkumar Seeraj, MP
- Mr Norman A Whittaker, MP - *(Region No. 1 – Barima/Waini) (Absent)*

**Members of the Opposition (28)**

**(i) Members of People's National Congress Reform - One Guyana (22)**

Mr Robert Corbin, MP	- <i>Leader of the Opposition</i>
Mr Winston S Murray, CCH, MP	
Mrs Clarissa S Riehl, MP	- <i>Deputy Speaker performing duties of Speaker of the National Assembly</i>
Mr E Lance Carberry, MP	- <i>Chief Whip (AOL)</i>
Mrs Deborah J Backer, MP	
Mr Anthony Viera, MP	
Mr Basil Williams, MP	
Dr George A Norton, MP	
Mrs Volda A Lawrence, MP	
Mr Keith Scott, MP	
Ms Amna Ally, M.P.	
Mr James K McAllister, MP	
Mr Dave D Danny, MP	- <i>(Region No. 4 – Demerara/ Mahaica)</i>
Mr Aubrey C Norton, MP	- <i>(Region No. 4 – Demerara/ Mahaica)</i>
Mr Ernest B Elliot, MP	- <i>(Region No. 4 – Demerara/ Mahaica)</i>
Mrs Judith David-Blair, MP	- <i>(Region No. 7 – Cuyuni/Mazaruni)</i>
Mr Mervyn Williams, MP	- <i>(Region No. 3 – Essequibo/Island/ West Demerara)</i>
Ms Africo Selman, MP	
Dr John Austin, MP	- <i>(Region No. 6 – East Berbice Corentyne)</i>
Ms Jennifer Wade, M. P.,	- <i>(Region No. 5 - Mahaica/Berbice)</i>
Ms Vanessa Kissoon, MP	- <i>(Region No. 10 Upper Demerara/ Upper Berbice)</i>
Mr Desmond Fernandes, MP	- <i>(Region No. 1 – Barima/Waini)</i>

**(ii) Alliance For Change (5)**

Mr Raphael GC Trotman, MP	- <i>(Absent)</i>
Mr Khemraj Ramjattan, MP	
Mrs Sheila VA Holder, MP	
Ms Chantalle L. Smith, MP	- <i>(Region No. 4 – Demerara/ Mahaica)</i>
Mr David Patterson, MP	

**(iii) Guyana Action Party/Rise Organise and Rebuild (1)**

Mr Everall N Franklyn, MP

**OFFICERS**

Mr Sherlock E. Isaacs - *Clerk of the National Assembly*  
Mrs Lilawtie Coonjah - *Deputy Clerk of the National Assembly*

*23 January 2007*

**PRAYERS**

**The Clerk** reads the **Prayer**.

**ANNOUNCEMENTS BY THE SPEAKER**

Issue of Identification Cards to Members of Parliament

**The Acting Speaker:** Honourable Members, it has been brought to my attention that some of the younger Members, particularly of Parliament, have had difficulty recently with the Police in getting over the barriers. At least two Members have complained today to the Clerk. I have instructed the Clerk to issue Letters of Introduction for them, short letters; to the younger Members particularly and anyone who so wishes.

That is just the interim arrangements. We will continue in the Parliamentary Management Committee to look at the possibility of the issuing of identification cards to MPs. So, in the interim we would issue letters to those who request it.

**MOTIONS RELATING TO BUSINESS OR SITTINGS OF THE NATIONAL ASSEMBLY AND MOVED BY A MINISTER**

**SUSPENSION OF STANDING ORDER NO. 28(1)**

23 January 2007

*Whereas it is provided by Standing Order No. 28 (1) that Government Motion shall not be placed on the Order Paper for a day earlier than seven days, for which the Notice was given to the Clerk.*

*And Whereas, the Motion has been given to the Clerk on 19 January 2007 to be moved on Tuesday, 23 January 2007 for the suspension of Standing Order No: 54 (1), for the Assembly to receive a Second and Third Readings of the Value-Added Tax Amendment Bill 2007, Bill No. 3/2007*

*Be it resolved that Standing Order No. 28 (1) be suspended to enable the Assembly to proceed with the Motion to suspend Standing Order No. 54 (1).*

**The Acting Speaker:** The Honourable Prime Minister and Minister of Public Works and Communications.

**The Hon Samuel AA Hinds:** Mde Speaker, I wish to move the Motion standing in my name be passed as printed on the Order Paper.

**Motion proposed, put and agreed to**

**Motion carried.**

2        **SUSPENSION OF STANDING ORDER NO. 54 (1) (a)**

*BE IT RESOLVED:*

23 January 2007

*That Standing Order No: 54 (1) (a) be suspended, to enable the Assembly to proceed at its Sitting on Tuesday, 23<sup>rd</sup> January 2007, with the Second reading and the remaining stages of the Value-Added Tax (Amendment) Bill 2007 - Bill No. 3/2007.*

**The Acting Speaker:** The Honourable Prime Minister and Minister of Public Works and Communications

**Hon Samuel AA Hinds:** I wish to move that Standing Order No 54(1) (a) be suspended to enable the Assembly to proceed at its Sitting today, with the Second Reading and the remaining stages of the Value-Added Tax (Amendment) Bill 2007 – Bill No. 3/2007

**Motion proposed, put and agreed to**

**Motion carried.**

## **PUBLIC BUSINESS**

### **(i) GOVERNMENT BUSINESS**

#### **BILLS – Second Reading**

#### **1. VALUE-ADDED TAX (AMENDMENT) BILL 2007 – Bill No.3/2007 published on 2007-01-17**

*23 January 2007*

A Bill intituled, an Act to amend the Value-Added Tax Act 2005

**The Acting Speaker:** Honourable Members, we will now proceed with the Second Reading of the Value-Added Tax Amendment Bill 2007, Bill No: 3/2007 published on 17 January 2007.

Honourable Minister of Finance

**Hon Jennifer I Webster:** Mde Speaker, I beg to move that the Value-Added Tax Amendment Bill 2007, Bill No: 3 of 2007 be now read the second time. This Bill, which amends the Value-added Tax Act No. 2005, seeks to amend Section 98 of the Value-Added Tax Act Sections 1 and 2, by replacing it with what is contained in this Amendment Bill. Mde Speaker, to this end, this is a relatively short, straightforward Amendment Bill.

The Government, since the introduction of the Value-Added Tax on 1 January 2007, has been monitoring the impact of VAT on its citizens, businesses and the wider populace. The Government during the year 2006, prior to the implementation of VAT, held various consultation throughout Guyana with different Bodies, including the Private Sector Commission, Tourism and Hospitality Association, Forest Products Association, Organizations, Groups and Individuals. That culminated in a comprehensive, subsidiary Legislation in December 2006 to amend the existing VAT Regulation.

I wish to remind this noble House about the debates which benefited from spirited and enriched contributions in this House on those Regulations for VAT. Mde Speaker, in this regard, now that we have had the benefit in the last three weeks of the implementation of the Value-added Tax, we, the Government, have been able to make preliminary assessments. I wish to commend those businesses that have been able to implement Value-added Tax in accordance with the Law, and have taken cognizance of the adjustments and have passed the benefits down to the consumers.

23 January 2007

However, this behavior is at variance with those who have used the opportunity to contribute to some of the problems which have arisen as a result of VAT implementation that had seen an unjustifiable rise in prices of a large range of commodities and which has now created hysteria among the populace, many of whom are supportive of VAT, since it should lead to the reduction in overall prices. However, if the benefits of this implementation are practiced, we have noticed the merits and the arguments put forward for revision, adjustments and amendments to be made in certain areas. I am sure that as we continue this process, there will be other areas which may arise.

His Excellency the President has already committed the Government to serious examination of all of the issues as they are represented. Wherever there is merit, the Government is prepared to make the necessary adjustments to the VAT Law or Regulations, or to provide alternative methods of relief. As the Law is currently worded, every time there is a need to make an adjustment the Government would have to present a Bill in the National Assembly, to which the proceedings could be relatively lengthy.

Based on this fact, there is an urgent need since the issue of VAT implementation is urgent in Guyana. There may be situations which would arise and would require the provision of immediate relief. In fact, representation has already been made in respect of a genuine case, where VAT has impacted on the cost of hinterland travel. Thus, there is need for some flexibility in the implementation of Value-added Tax.

The fact of the matter is, no country in the world has implemented VAT without transitional changes and glitches. Indeed, we have anticipated that some of these issues and we have continually maintain that we should address these as they arise. Mde Speaker, this bill is therefore the realization of that commitment.

With those words, Mde Speaker, it gives me pleasure to commend this bill to the house for consideration and approval. *[Applause]*

23 January 2007

**The Acting Speaker:** Let the bill be now read a second time.

Mr Winston S Murray.

**Mr Winston S Murray:** Thank you, Mde Speaker. May I first of all, congratulate the honourable Minister for a very clear presentation;, even though I believe they are parts of it that I do not agree with. Nonetheless, I think it has been a very good, clear and coherent presentation. I want also to say, Mde Speaker, the Honourable substantive Minister of Finance who is not here today, did do the PNC/R the courtesy of indicating, through me, that there was a contemplation of bringing amendments to this Honourable House.

I have indicated that, because I do sense in the new Minister, there is someone who values the process of consultation and with whom I shall always *[Interruption: ... 'in Office']* I seem to be upsetting my colleague in this House, Mde Speaker, and I really do not understand why. I want to place on record Minister Rohee through you, Mde Speaker, if there is no objection, the fact of the willingness of the substantive Minister of Finance to engage in consultation ... I cannot speak with those with whom I have no consultation.

Mde Speaker, I say that, because we had a very engaging conversation on this matter. We spoke frankly and I did say to the Minister when he asked whether we would support the amendments, that the People's National Congress Reform - One Guyana would be willing to support an amendment which makes it clear that the recourse to Regulation subject only to Negative Resolution should be limited to those cases in which the Government will expand the list of items to be zero-rated and/or, exempted from VAT in their respective Schedules 1 and 2.

Now, Mde Speaker that is not what is before us here. I would like to indicate right at the outset, the Minister used the word *hysteria in the populace*, which is stronger than what I at proposed to used, in terms of what has followed on the heels of the implementation of VAT. I have in my notes here *'harsh consequences for the consumers.'* So, it was pleasing to note, no lesser person

*23 January 2007*

than the President and indeed the Minister herself referred to this VAT, commented on this running period of its implementation.

Mde Speaker, what he said then as reported in the Stabroek News 14 January 2007 was that, >the Government would review this situation and would be making amendments this week, to ease the burdens on consumers. There is nothing inherent in the Law as it exists, which requires an Affirmative Resolution that would prohibit the Government from to this National Assembly, proposals for alleviation of the hardships that has obviously occurred since the running of VAT and its implementation.

It is arguable indeed and I believe with some justification, that there are some in the business community who would have capitalized on the opportunities, as they see it, to make windfalls. But, it is also the case evenly; I believe that there is great deal of uncertainty at this point in time. I have no doubt that a proper relation between the Executing Authorities and relevant Stakeholders, this could be ironed out.

The one thing I want to caution against, which is something that seems to have raised its head, is the arrogance and presumptions on the part of the Authorities that everybody is engaging in scams. You see the Government, at the time it introduced VAT, predicted that the cost of living would decrease and officialdom used every opportunity on Channel 11 most of all and in this State Newspaper – Guyana (propaganda) Chronicle, to sell that position.

The fact of the matter is whether or not there will be a cost of living decrease; this will be the something of empirical fact and would be dependent on what constitutes the basket of goods of each individual consumer. Therefore, I do not believe that they did themselves or the Guyanese public a service by trying to sell it as something that would definitely have had a predictable, positive, downward effect on cost of living and, maybe, it is the overdoing of that, that is in fact coming back to haunt us at this time.

*23 January 2007*

Having said that, Mde Speaker; I wish to comment on the Legislation that is before us. I listened very carefully to the words of the Minister, which suggest that the Government has been undertaking preliminary assessments of what have been going on in these first weeks of implementation. She has talked about the unjustifiable rise and she has talked about reduction in prices that should have taken place, which have not taken place. In all of this, what I gather her essentially to be saying is that it is the motivation for bringing this amendment, is that there seems to be some need for there to be some justified amendment, in what exists in the Law at this time. And I hope that I am fully accurate.

Mde Speaker, if that is so, then in keeping with the President=s words of bringing proposals within the week, published on the 14 January and Today is the 22 January already, a week has gone. One may say, >what is in a day?=  
Not much. But the point is, there was not the need to bring this Legislation, which I will comment on, that existing Legislation could have been used to bring proposals here for Affirmative Resolution, to give the necessary relief to the consumers.

Well, such proposals have not been brought. What has been brought to us instead, is a proposal that the National Assembly must now endow in the Minister, the right to make Regulations and bring them into force, as it were, before he comes to National Assembly. And he would simply lay in the National Assembly, those Regulations after they shall have come into force and leave it up to the process often Negative Resolution, to determine whether the House wishes to undo that which he would have implemented, put in place and put into effect. The Law, as it currently stands, would not allow the Minister to make any Regulations and give them effect, by simply laying it in Parliament and putting the onus on Parliament to negative the decisions that he has made.

The Law as it stands requires the Minister to bring his proposals and get a positive affirmation from the National Assembly, for him so proceed with the execution of any adjustments he wishes to make. The Minister has argued, as I

23 January 2007

understand it, of the need for expediency in decision-making. Now we would be the first, to applause the need for expediency if the adjustments that are being proposed in respect to the two Schedules that are to be affected, namely Schedules 1 and 2, if the amendments that are proposed would limit the Minister's ability to bring into being Regulations to those cases where he proposes to expand the range of items under the respective Schedules.

So that, under Schedule 1 which deals with Zero-Rating of supplies, if the Hon Minister wishes to add other supplies to the base that would benefit from Zero-Rating? We say 'yes,' grant him expediency, all the expediency he needs so that he could bring that into being and if the Minister also wishes to expand the number of items subject for exemption from Vat? We say 'yes,' grant him the ability to make such regulations and bring them into effect immediately. In those circumstances, Mde Speaker it is clear that the consumer stands unequivocally to benefit and the National Assembly should in no way inhibit the Minister's ability to act expeditiously in those cases.

Unfortunately, given the Minister's cart-blanche to amend Schedule 1 and Schedule 2, has the former implication that the Minister may use such authority to reduce the number of items subject to Zero-rating and subject to Exemption. [*Interruption - Why would he want to do that?*] You say, 'why would he want to do that?' You see, Mde Speaker, we know that the Minister promises one thing and does something else. So, if Minister Rohee wants to in engage me, Mde Speaker, we can do this subsequently after the debate. And we can have examples of that. I am saying, we have a legitimate concern that there exists the possibility, however remote it is in the Honourable Members mind. The Minister could use the authority also to reduce or cutback on the number of items that are benefitting from either Zero-rating under Schedule 1 or Exempt Status under Schedule 2.

So, in keeping with the desire to give the necessary authority to the Minister, but without giving him the authority to contract the list of items, we have proposed amendments that are simple and straightforward. The amendments suggest that the Minister=s powers to make Regulations subject to Negative

23 January 2007

Resolution in respect of Schedule 1 and Schedule 2, be limited to those cases where the Ministers is expanding the list of items to be placed under those two Schedules. *[Applause]*

However, where the Minister proposes to remove items from either of those two Schedules, then the current Law should stand and the Minister should come to the National Assembly through the requirement of an Affirmative Resolution, to seek the prior assistance of the House to remove items from the list, from either of those two Schedules. We believe that is the desirable thing, since you would be removing in those cases, benefits that consumers would have already enjoyed under the present Law. I believe, the Minister should see it as in the National interest.

In the interests of transparency and accountability, which are so-called 'hallmarks' of this Administration, that bringing them to the House for Affirmative Resolution, will in fact facilitate those same objectives which the Government talks about, as being objectives it would like to achieve. So, if the Hon Minister thinks that I dream of transparency, Mde Speaker, then he is right. I am very worried, because I dream about it every night. There is a lack of it in this system, and I yearn for the day, when true transparency would be brought and the country can benefit from a more accountable and transparent Government.

Mde Speaker, the Peoples National Congress Reform - One Guyana wishes to say it supports expedient action aims at bringing immediate relief to the consumer. But what we find strange, if the representation has already been made that there exist cases, why the one or two or three have not been brought? In my consultations with the substantive Minister, I said, 'the PNCR-1G would be encouraged to support your amendments, if you bring to the House items that you propose to add to the List of Zero-rated or to the List of Exceptions. Because it would be indicative, of how you intend use the power that you are asking for, in the future.

23 January 2007

He declined to bring such items and that would cause my antennas to go up. Because if it is the case of what is being considered, as the Honourable Minister Rohee would have me and others to believe, then I am questioning, 'why were not these measures brought here today for us to see and to make them transparent?'

Mde Speaker, I end by simply saying, we believe that whatever will facilitate the consumer's interests in Schedules 1 and 2, which is the expansion of the list, we wish to give the Minister the power he seeks. But we wish to amend the Bill, to limit it to those cases and to allow the Minister, where he wishes to remove items from this list, to maintain the current position of bringing those matters to the House for Affirmative Resolution. Thank you, very much.

*[Applause]*

**The Acting Speaker:** The Honourable Minister of Labour.

**Hon Manzoor Nadir:** Mde Speaker, firstly, on behalf of this side of the House and on my own behalf, may I offer our compliments to you, for weathering the baptism of fire and controlling the proceedings in the House. I know in one of our religious scriptures, when a wicked person took a person into the fire, the good person came much rejuvenated and the wicked person died. Shortly, we are going to be hearing of that story, as we approach to Hindu festival of Phagwah.

Mde Speaker, congratulations to you. This side of the House reaffirms its commitment to working with you, to ensure that you can justly, expeditiously and in a manner befitting the Chair, execute your duties to the House.

Mde Speaker, I rise in support of the Amendments to the Value-Added Tax Act and to also lay my case, for us to pass this Amendment and gives the Hon Minister the authority to amend the Schedules, Schedules 1 and 2 by Affirmative Resolution.

*23 January 2007*

The basic issue here, as was stated before by two previous speakers, is expediency. What the Government has always said is that the introduction of Value-Added Tax ought not to increase the Cost of Living. We never mentioned, as the previous speaker said, that it will decrease the cost of living. What the Government said over and over, VAT was intended to be revenue neutral and not intended to increase the cost of living. During the Elections Campaign this issue was also put on board and His Excellency the President assured the Guyanese Nation, that he would, and the Government, if re-elected, would do whatever they can to ensure that Value-Added Tax will not increase the cost of living.

What this Government has done since the Elections was to continue to monitor VAT, the Law, the Regulations, and to make the adjustments. And as we know, one of the first pieces of Legislation passed in the House was the substantive Amendment to the Schedule, bringing in a range of goods which was committed to in the Eighth Parliament as we examined ... and I think Minister Baksh would have been at one time involved in that Committee, when we gave the commitment to look at these goods in the Parliamentary Subcommittee.

So the issue here is, Mde Speaker, as we now come into the execution of VAT. Right now, we are just two weeks and three days into the execution and here, the Government continues to monitor and respond positively to the charges of driving up the cost of living. The Honourable Member Mr Winston Murray did mention that there are pluses and negatives on both sides with respect to the business community. We note that and we also note the gray areas. That is why the Minister needs to have this ability to make those adjustments.

Let me give you one example, Mde Speaker, let us take milk. Milk was included as an item that was Zero-Rating, cow's milk and milk powder, baby formula were also Zero-Rated. But here is a gray area, some people is defining baby's milk as a gray area. Some of our reputable Importers are putting on VAT on baby's milk, whereas cow's milk and powdered milk are

*23 January 2007*

Zero-Rated. Then we had another very reputable businessman in the country, who, in the first two weeks of the implementation of VAT, was charging VAT on milk. Because their lawyers had interpreted, once the milk went to some form of processing - pasteurization or conversion into powdered form, they ought to charge VAT. That was clarified.

But we are going to have over and over again, these examples of gray areas. Where the gray areas exist, we need to ensure that the Minister has to power to ensure that the intent of the Law has to effects on the consumer. Mde Speaker, there is no justification whatsoever that because of the implementation of VAT, Sugar will move from \$40 per pound to \$60 per pound, a fifty percent increase. Brown Rice will move from \$280 per pound to \$360 per pound, almost a thirty-five percent increase. These are items that are supposed to be Zero-Rated. In fact, there are Zero-Rated. They are no reasons why these items should move.

So that this issue of expediency, the issue of the necessity for this amendment, and I am speaking in particular, to Amendment 2 - Subsection 1, which allows the Minister to make the adjustments by Negative Resolution. Mde Speaker, there is an amendment that is being proposed which seeks to tie the hands of the Minister, that he can only add items to the list for Zero-Rating and Exemptions on these two Schedules.

Remember, the Government had promised a comprehensive review of VAT within six months of its implementation. In fact, we are committed to an even shorter period now, for this comprehensive review. I ask the question, why would we want to tie? The comprehensive review can bring almost anything on board. What we would want to do then, is to make these substantive adjustments especially to Schedules 1 and 2, with expediency also.

If we tie the hands of the Minister of Finance now, we tie the hands of the Government now, I am sure we are going to go through a very lengthy process in the National Assembly, while at the same time and the Government want to

*23 January 2007*

ensure that it can present the Bills that the new Standing Orders provides to the National Assembly. We at the same time have to be able to govern.

There is a principle in Democracy that says Money Bills which the Government brings to the Assembly; there is a fundamental principle invested in Democracy in Parliament like ours, which says that money Bills introduced by the Government ought to proceed. The rationalization there is that the Government has the Mandate and the government should govern. The government, a responsible government, would seek the good suggestions are good to implement them. If there are gray areas, leadership have to be provided and the Government has the right to provide that leadership.

What we are arguing here, with rejecting the amendments proposed, especially to Schedules 1 and 2, is that we need that amendment as proposed by the Honourable Minister and we need to be able to exercise the ability to make those changes whenever necessary.

Mde Speaker, the issue of transparency is there. Once a Negative Resolution is introduced, any member has, I think it is 25 days in the Standing Orders, to bring a Motion in the House to debate it. It is not saying that it cannot be debated. A Negative Resolution could be brought to the House within a certain period of time, once that order is signed. All I am saying is that it is not preventing that amendment from being debated in the House that is what it is doing. So any Member, once the Minister signs that order which has the Negative Resolution, they can raise that matter in the National Assembly within the prescribed time and according to the Standing Orders.

Mde Speaker, the other issue is Section 2.2. Where we are now saying, any increase or decrease in the monetary amount set out in this Act and we are talking about the rates in particular here, we shall seek an Affirmative Resolution for Threshold Rates or what it is. We are coming to the House for Affirmative Resolution, so too with respect to Amendment B and those in Schedules 3, 4 and 5. The matter is quite clear in that regard.

*23 January 2007*

Mde Speaker, as I said, VAT implementation is three weeks. When I look at the experiences of the hundred-odd countries with the introduction of VAT, Guyana has been doing exceedingly well in terms of the introduction of the Value-Added Tax System. And the reason why we are doing well is because of the Government's willingness to respond positively and favourably to the concerns raised.

Honourable Member Mr. Winston Murray made mention that if there are two or three more instances, why did we not bring them today? In fact, the Government publicizes them. We did mention the of the hardship caused in respect to Hinterland travel and the issue with the crossings at the Ferry and the unreasonableness of some operators, in terms of dealing with increases that are supposedly tied to VAT.

One glaring example is the issue of crossing at Mango Landing to Mahdia, where the Tax of crossing increased the operator's cost by \$2,000. What operators wanted to do was effectively raised the price for the commuters by \$1000. So that operator of the bus would have been getting \$16,000 from Georgetown to Mahdia and then when he comes back, it is an additional \$16,000, a net-gain of \$24,000 he was trying to gain, because of a \$2,000 VAT increase.

We have said that is one of the areas we intend to look at. There are quite a few that are popping up, as the VAT Team goes out there to do their work. We see the good work that they are doing, day after day and night after night, working with people and so people understand that the introduction of Value-Added Tax can benefit the entire community. I have had the personal experiences of going throughout the communities in West Demerara and explaining to people, and the average person understands.

I agree with Honourable Member of Mr Murray, of course, that we have to work closer with the business community. That is exactly what the VAT Team is doing, working even closer and closer. But I want to reemphasize the

23 January 2007

point that after only three weeks, the Government has proven itself extremely responsive, to the needs and the calls of the people of Guyana.

Mde Speaker, I thought, one of the better examples to look at, was the implementation experience of India, where VAT was introduced over one year ago. They had problems and after one year of working, as we are doing, with the business= communities and the people in at least 21 States, VAT is now producing the results that are going to accrue to the benefit all of the people of those states. *[Interruption - What is their percentage of VAT? I think it is about eighteen percent. [Interruption - No!]* There are only two States in India that have VAT in excess of thirty percent. I think one is forty-one percent and I they had problems in terms of revenue because they had a lower rates.

This Government has committed itself to the principle of revenue neutrality. This Government has committed itself to the principle of Comprehensive Tax Review, of which the Value-Added Tax is one. This Government has committed itself to the constant review of the implementation of the Value-Added Tax. Mde Speaker, what we have today here is a sufficient amendment, a necessary amendment, so ably moved by my colleague, the Hon Minister of Finance.

I urge the entire National Assembly to supports this Amendment without amending it. Thank you, very much. *[Applause]*

**The Acting Speaker:** Thank you, very much.

Honourable Member Mr Khemraj Ramjattan ...

**Mr Khemraj Ramjattan:** May it please you, Mde Speaker. I am rather taken-aback by the fact that Hon Minister Manzoor Nadir is tapping himself and the government on the back, and responded so hastily on what is absolutely a crisis and a catastrophe out there. Indeed, Members of the

23 January 2007

Alliance for Change were indicating that there was a period that is required for further education of all and sundry about this thing we call 'VAT'

It was a requirement that could have facilitated, as they are saying, the seamless transition into being of the VAT Legislation and all of the Regulations we had up to that point in time. So, we must not take kudos and say, 'Oh yes, we are responsive', as a lot of people was telling the Government that there was going to be trouble. Michael Correia did that and then he was chastised, presidentially. The Private Sector Commission indicated as much and what you did? You treated them as the Religious Community and the Casino Bill. You condemned them.

Now you come and you say, *we are going to ask this Honourable House that since it is a money Bill, we must ensure there is a passage that is not hazardous*. Well, I do not want to make this Amendment hazardous. But I want it to ensure that it is known to the public out there, that there were warnings about what will come and you did not take heed. That is the culture that is keeping in and encroaching: the erosion of the culture of wanting this Parliament to be the final scrutiny of so many Amendments coming here.

Mde Speaker, essentially then the point I wish to make, is that when we have Legislation like this, which seeks to make emergency regulations, it is as if we are in a time of emergency situation. So, we could be detained people without just cause and all of that. We could capture them for a couple of weeks without any bail. That is what we are having here. They are in a crisis and an emergency. Now, they want us - Parliamentarians, to hand over the Executive Branch of Government, that which is principally a Taxing ability. That is what it is.

We must dig deep, to see the profound nature of how they are trying to do damage, to the Constitutional Doctrine of the Separation of Powers. Mde Speaker, I see in this Amendment here that erosion happening. They do not want to bring it in a further to amendment to the Bill. They are begging us, *look this thing needs quick treatment, so we must hand the power over to the*

23 January 2007

*Minister.* That is what they are doing here and a lot of people do not understand that. So they are now going to say, you know what, we love the poor people out there to the extent that, we will now let the Minister have the power and then, the Minister can do as he posited to the poor people, as they like because he has the power.

My dear, Minister Rohee, you are doing the same thing here just like Mr Sharma, talking about poor people. That is what you are doing. But you did not remember poor people, when you had to Zero-rate Chicken, Tampons and a whole host of other items. Now, you want to give it to the Minister. Yes, but what happens to Parliament, what happens to the Doctrine of Separations of Powers? We are supposed to be here to see out of these things. Yes, we are going to see by Negative Resolution and we are going to see by Affirmative Resolution. When those concepts as we know them, conventionally, we do not debate those Regulations in Parliament. The Policy Statements behind Regulations are never subject to debate. So what you are going to do now, executive authority, transfer from Parliament the ability to scrutinize Taxing Laws and send it to the Minister. [*Interruption - The PNC used to do it*] Well, whatever Mr Corbin and others used to do some time ago, we must learn from that. We must not continue it under the PPP/C. Why would you want to continue it? I am saying by bringing in here, you are doing exactly that and that is not a good thing.

We are always talking about transparency; we are talking about, oh yes, *proceedings would be lengthy*. As the Honourable Minister opposing the Amendment said, *proceedings are very lengthy in this Parliament* and so now to give her emergency power, we must literally hand it over. Well, I am not a Parliamentarian who is going to stand here and abdicate that function. I am saying, even if it was there in the Consumption Tax, we must not make the mistake of denying Parliament that power.

Because as we have noticed and we mentioned it up to last night in the Casino Bill, this culture of wanting to de-gut the main Act of the entire framework of the policy and then put it in regulations, where the Minister would be in

23 January 2007

charge is an extremely dangerous precedent. That is what he is doing. And you have to appreciate, not because the Honourable Member Mr Murray did not say it ... I can say it because I see it. You can see the PPP hands in this. *[Interruption : 'Those are good and glorious hands' "It is the good and glorious hands that caused the catastrophe over the last sixteen days"]*. Yes, that is what they want and it is important for the people to understand that.

Why do they want not to simple say that they are going to decrease monetary... Why are they not increasing it? Why didn't they put a cap? Nobody wants the power to increase any monetary amount without, of course, coming back to Parliament so that we can debate the policy of it. When it comes to Affirmative and Negative Resolutions, I want to inform Minister Manzoor Nadir, you do not generally debate the policy behind it. You cannot and that is what they are taking away here.

Indeed, I can understand the crises that have loomed large as a result of what they, in a sense, have tricked the Public into believing: *VAT is going to bring down the cost of living*. They proudly went up there and even up to today, they are doing their propaganda exercises saying that we have done 406 items, from thirty percent Consumption Tax to sixteen percent, so the cost of living will come down. But they do not educate the people, that 126 items went up from zero and five percent, which were the consumption rates, to now sixteen percent. So you must have a cost of living increase.

By the way, Mde Speaker, those 126 items ... Do you know what they include? They include all the items which the ordinary people, what the PPP always proudly say, the working-class people ... What they include? Toothpaste from zero and five percent, it has now gone to sixteen percent, school clothes, biscuits, bicycle, all soap and detergent, salt, salted fish, butter, bread, margarine, shortening, all of that. So these are the people who are saying to this Parliament and to the entire Country that we know the cost of living is going to go down but it was not true!

23 January 2007

They should have known that these 126 items, by volume, are fifty times the value of the 409 items which they proudly boast about that they brought down. These items are the items that the middle, lower-middle and the lower working class of people use. That is the Government that talks so much about a middle-class. Even last night, I was surprised that Minister Rohee was talking something about class associated with Casino Gambling in Hotels. You know *when money talks, ideology walks*. That is what is happening over there. They proudly go and miseducate the people and tell them, but they literally speak untruths. The untruths that they have talked, that is what is causing this now.

What do they do? They come here and say, you know, there should be Executive Decrees instead of Parliamentary consensuses. How do we know that they are going to do the things, to ensure that the ordinary folks out there have a cost of living that they could live with? Did they not know that Chicken was not going to be Zero-rated? Do you have to wait for catastrophe that these? And they are talking about working-class people? They did not know that beef and all those other items that were not Zero-rated would affect, largely those people who supported them? No, they did not care, because it came after the Elections results.

So now after that, they come here pouring their hearts out to us, *Oh yes, we want the thing to happen quickly; take it away from Parliament and put it in the Executive Authority - the Minister*. It is an extremely dangerous precedent. Notwithstanding, in other countries my research has proven, where sometimes you have these Regulations, but not generally in Taxing matters. In taxing matters, you must bring it to Parliament. When you wanted the Lawyers to raise their practicing License Fees from \$10,000 to \$150,000, you brought it in a Fiscal Enactment Amendment. [*Interruption: ... 'which was taken to Court' ... "Of course ... because it was unconstitutional..."*].

So knowing that it could go to Court now, Mde Speaker, you see what they are doing? They are arranging for the bypass of a Court action for anything that could be unconstitutional, let us make it to the Executive Branch. So they

23 January 2007

can rule there now by the Minister putting it into Negative Resolution or an Affirmative Resolution. That is what this thing is all about. The Alliance for Change would like to condemn this manner of bringing Taxing Legislation. It has to do a lot with money and moderate dealing with money, whereby now we are going to erode the power that Parliament has. It is a stampede encroachment on the power of Parliament, so that we hand it over to the Minister.

So, if the Minister does not want to extend the list of zero-rated items, saying *I have the power and I will not do it*, we cannot raise it here. That is my power; it is like the President's power. We have to understand, Mde Speaker, that this Doctrine of Separations of Power is an important doctrine. Yes, indeed Parliament is well known for delegating authority to Ministers. But in matters like these, matters in which Taxing abilities and capacities are going to be given to the Ministers, we should not be doing it like that. We would be abdicating our duties in doing that. I want to urge that this Parliament not go that way. We must not go that way.

I am urging at this stage that we bring, whatever items they want to increase or decrease in monetary amounts or whatever they want to make Zero-rated, they must bring it to Parliament. Why is it that you want this thing? You want to make it an Executive Decree? That is not the proper way and that is the main criticism here.

Minister Rohee indicated, why would the Government want to increase Taxing or decrease? Why do they want to, in a sense, make life a little more difficult? Why is it they did not do that which they should have done, on those 126 items? Why? They did not know that the ordinary poor people who buy those items? So it is important, Mde Speaker.

I would take my seat, Mde Speaker, because indeed this is an important encroaching on the guarantee of Parliament. The fact is that this is about the Doctrine of Separation of Powers which I hold strongly, because when they start doing things, they will start behaving like Burnham. That is exactly right

23 January 2007

... *[Interruption]* ... This is not Burnham; this is AFC, and you would be feeling the pinch of it, because you must educate your people very well to the extent that you can, as you mentioned yesterday ... *We've got a big mandate now ...*

Sometimes it acts subconsciously and I want to urge that we do not abdicate our responsibilities as Parliamentarians to create these powers or shift them across to the Executive Branch of the Government. Thank you, very much. *[Applause]*

**The Acting Speaker:** Honourable Minister of Health.

**Hon Dr Leslie S Ramsammy:** Mde Speaker, I feel a little uncomfortable speaking after my friend, the Honourable Member Mr Khemraj Ramjattan. I want to say this, Mde Speaker, that I am not uncomfortable in saying this, however, that day in and day out in this Country this Government defends and promotes the rights and welfare of the working-class people of this Country ... *[Applause]* ... That I am not uncomfortable in saying.

And I am not uncomfortable in saying this, that the ninth Parliament in which we bring this Amendment is a Parliament that is far superior to any other Parliament in this country. The Ninth Parliament functions with greater freedom and more privileges, than any other in this country.

The long anticipated introduction of VAT in Guyana is now a reality. Guyana is now among about 120 countries around the world that has implemented VAT. VAT is not something we disagree with, I think that is one thing we have consensus on, VAT is a recommended type of Tax for our country. On both sides of the House we supported the introduction of VAT.

Yes, we had disagreements. I was in the Special Select Committee with, for example, Honourable Member Mr Murray and some of the things that we talked about as a Committee, we were quite aware of; none of us, then and now, thought that the implementation of VAT in Guyana would be a seamless

*23 January 2007*

one. None of us were deluded into thinking that we would not have some difficulties in its implementation.

Indeed, now that we are into the fourth week of VAT's implementation, we see that there are some difficulties, and we see that there is some confusion. But we also see in this support week that some of the difficulties have been eased. We also see that some of the initial confusion has begun to ease also. I travel Guyana too and I do not see the catastrophe that some people predicted. I also see that Guyana Revenue Authority is growing in confidence. The Government is confident that now VAT has been implemented ... we have succeeded in its introduction. Arguably, there are some difficulties.

Mde Speaker, the Amendment we introduce Today is to allow us to do what we have always promised. That is, as the implementation proceeds we will make the necessary adjustments. Indeed, in terms of whether people can believe us or not, we have demonstrated even before the implementation that we keep our promises.

One of the things we talked about in this Special Select Committee, for example, was whether food should be Zero-rated. Minister Baksh, Minister Nadir, Honourable Member Mr Murray and others raised the issue. We knew then from the rationale of the original Bill and the Act that we passed for not zero-rating, because in the analysis which was done to determine the rates it was concluded that we would not be able to maintain a rate of sixteen percent if food was also zero-rated.

At the time of the passage of the Bill, at the time the Act came into place, the Government had indicated that whilst we were passing that Act without food not being zero-rated, we will continue our analysis and continue to evaluate the situation. And after further careful assessment, we came back to this Parliament to amend the original Act, to make food Zero-rated. We expanded the Zero-rated List. That is the kind of adjustment that we had promised and that is a kind of monitoring that we had promised. Now that the Act is being enforced we continue to monitor to see the need for further adjustment. Some

23 January 2007

of the adjustments that we will make, Minister Nadir referred to them. They have been in the newspaper.

Looking at travelling in the Interior, for example ... [*Interruption : 'This has anything to do with Gouveia?' [Laughter] "This has nothing to do with Gouveia"*]. There are other things as we go on that are emerging, which we should be looking at. There is a favourite one that the Leader of the Opposition always refers to. I do not know why it is something so close to his heart. I always hear him talking about Dec-Salt [*Laughter*] I keep hearing the Leader of the Opposition saying, *what about Dec-Salt*. Well, I am concerned about Dec-Salt because at the moment Dec-Salt is something that attracts VAT. I am one of those advocating that that should be Zero-rated.

We are also looking at other items, because one of the Zero-rated items is an over-the-counter medication. Viagra is a prescription drug, so we do not have a problem with that. [*Interruption – 'But it is not helping you' [Laughter] "How do you know that?" [Laughter] ]* But around the country, for example, we see things like Aspirin and Ibuprofen and so on, where some people are putting a VAT to them. But that is an over-the-counter prescription and hopefully, within a short period of time people will see that these things should not attract a sixteen percent VAT. As we go, we want to make these things clear and clearer that there is no doubt; the implementation has not been seamless for many reasons.

As we, the Government Ministers and others travel around the country and as the Personnel from GRA travel around, we see startling things. Some of them are flagrant violations while some of them are due to people who do not know the right thing to do, and so on. So these are the things we have to work on. But I am glad that my colleague, the Leader of the Opposition is using those words. It is quite clear that some persons are not complying with the Law. Minister Nadir talked about sugar. Sugar is Zero-rated, but some people are putting VAT to it. There are other people ... because they do not know ... Just to test, the other day I stopped at the street corner, saw a Lady selling tamarind-balls and her price had gone from \$40 to \$60, because, she said, *it is*

23 January 2007

VAT. [Laughter] I saw a man walking by selling brooms and his price had gone up, because there is VAT.

It is important that as we go, for people see not everyone should be charging VAT. The persons, who charge VAT, must put up their certificates, for example. Sometimes that is not being done. If our consumers could understand and learn that, there would be further protection. Some Villages in the Corentyne, for example, I know that when people are now going into the shops and they say VAT, they say *show me your certificate*.

Together with the consumers and all of us working together, we can teach people so that together we can make this thing work for all of us. We are all in this thing together.

Mde Speaker, there are some things that we all would have to let people understand. Let us take, for example, why do we say 'prices should go down?' Before 1 January, a business paid Telephone Tax on their telephone bill and that one was passed on to the consumer. With the C-Tax or the Telephone Tax, or any of those, there was no input credited to the business. Now there is an input credit to the business, because the Tax that the business paid should not be passed on to the consumers; because the business can reclaim that as an input credit. That is an example and that is what should happen.

For example, let us take a manufacturer, a baker, to do Bread like Bakewell, the Flour that they used to pay ten percent C-Tax on, that tax was passed on to the consumer. Now the VAT is not passed on to the consumer, because it is the business input. So that is the difference. So this Tax actually improves the business environment. That is just one example, of where there is a friendlier environment for the business.

**The Acting Speaker:** Honourable Members, may we have a little order in the House.

23 January 2007

**Hon Dr Leslie S Ramsammy:** My colleague on the other side, Honourable Member Mr Khemraj Ramjattan, talked about the fact that prices have gone up for 126 items. There are a hundred and twenty-odd categories of items that have gone from ten percent to sixteen percent. But there are also four hundred and fifty-eight categories that have gone from thirty percent to sixteen percent. And so overall there should be a decrease. What has happened, as Honourable Member Mr. Murray himself has said, some people have taken the opportunity to put a mark-up on their price before they applied VAT. That is a reality. We all know that. And as Minister Nadir said, it cannot go from \$280 to \$360 with a sixteen percent VAT ... somebody marked it up someplace. That is what we see happening.

Initially, the Minibus drivers and so on, increased their prices because of VAT, but there was no VAT on Gas. That was their original excuse, that it was VAT. But they were exposed that there was no VAT on Gas, and then they said *Tires*. But then, Tires drop from thirty to sixteen percent and the prices went down. Then they said it was *parts*. The truth is, used parts have gone from ten percent C-Tax to sixteen percent, but new parts have reduced from thirty percent to sixteen percent.

And, therefore, what we all need to do is to appreciate and to learn what the changes are. I believe in this respect, in spite of the hard work that the GRA has done and in spite of the efforts by many Organizations, there is still not enough knowledge in the communities. Some businesses, indeed, are doing the wrong thing, not because they are badly informed, not because they are using it as an opportunity for a windfall, but some of them are genuinely not sure of what to do. Others have used it as an opportunity. In that respect we have to intensify our education and awareness.

But having said that, I want to commend GRA and those Organizations that have made an effort to ensure that people know what the Law is, what are the goods affected, going up or coming down and we must continue that. Some businesses have adjusted well and have made the necessary changes, for example Singers, Beepat, Bakewell, Barron's Food, Nanda's Boutique and

*23 January 2007*

others. There are many others who are doing an excellent job in making people aware.

One of the things we must not neglect is that through VAT we are improving our record keeping. And I am not going to refer to it. I am leaving it up to Minister Baksh to talk about, how businesses can improve their record keeping and so on. But our consumers are becoming more aware. In the previous regime, people paid a sum for a product, they did not know what that sum was composed of. That it was actually the cost of the product the person was selling to them, their mark-up and the C-Tax.

Now suddenly ordinary people around the country are demanding to know, what the prices they are being charged are? Suddenly they know what component of that goes to Taxes. There is an improved environment of people shopping around. When you have something like that happening in our environment, the end result would be, we would have more informed consumers and the market forces will begin to control the prices and remove some of the opportunism that exist. We know of the examples in Regent Street, you walk down and you buy the same product for \$16,000 and you go another place it is \$9000. Some of these things people are now finding out ... they are being revealed. Because of VAT, people are being more careful and more analytical in their approach to purchasing.

Mde Speaker, this Bill in front of us has no ulterior motive. It seeks to give the Minister the opportunity to make these adjustments rapidly. The Honourable Member Mr Khemraj Ramjattan, is wrong. It is not given us a cart -blanch. Yes, it is allowing us to act quickly. But the Opposition Members must not abdicate their own duties. If they believe that the Order made on Negative Resolution, is something they need to highlight and question, our Standing Orders and Laws give them that right to question it and bring it to this House. So what we are seeking here is not a cart -blanch. Because a cart -blanch would mean, we do anything without ever bringing it to this House to be questioned.

23 January 2007

This version that we have and a process that we are putting in place to make these changes, on the one hand, would allow us to act rapidly, but on the other hand, allows the Opposition Members to question that action by the Government and if they can convince enough Members of Parliament, they can reverse it. [*Laughter: 'You can do that. That will never happen' 'Maybe that will never happen, but you have the right to try'*]

In the meantime, the Members on this side of the House will continue to do their job, that is to make this Country better, to defend rights and welfare of the people of Guyana, all of the people including the working-class people and including our colleagues on the other side.

We will ensure that Guyana is a better country and develops into the country that we all desire it to be - a better country, bringing a better standard of living for all our people.

I commend this Bill for passage. [*Applause*]

**The Acting Speaker:** Hon Minister of Education.

**Hon Sheik Baksh:** Mde Speaker, this is a simple Amendment to the Value-Added Tax Amendment Act. I think so far, the debate has gone below my expectations because I was hoping that so many other matters may have been raised by the Opposition to add some political dynamism to the debate, but that is not forthcoming. So my time here would be a bit shorter than I anticipated.

The Honourable Member Mr Murray was to the point and treated the debate very well. He did not deviate and bring in a lot of extraneous items. I thought he would have gone back to look at VAT Rates and other such matters. But I am glad, he realizes we have passed that stage and we are at the implementation stage of VAT.

23 January 2007

But you know we have had ripples and difficulties. This is to be anticipated. If you do a comparative assessment of what transpired in the other Caribbean countries, you would see also that they had some of these difficulties, especially Barbados. The Government managing the affairs the way it has always done, has really set up monitoring mechanisms and within three short weeks, the Government could have stated it was time, to review the implementation realities of VAT. This is what the population expects of a caring Government, nothing less. We are responding. We have to respond to the people=s needs out there.

I want to tell you that we have not been sitting down in our offices. We have been moving around this Country. We have been going to communities in the various regions, getting the pulse of the population. This is how we govern. It is not that we go to the Cabinet Retreats, as you said before the Elections, for political purposes and for electioneering purposes and so on. But we have got the pulse of the various communities and we want to respond.

We expeditiously brought this Tax Amendment Bill. But what happens? What happened on Friday? Instead of supporting this move to bring relief, because we have seen all the articles in the Newspapers, to bring relieve to the consumer. We did that before, we Zero-Rated so many items and we know, we have to review the situations and bring further relieve. The population out there must know it was not publicized enough, this stand of the Opposition Parties to oppose the Amendments and take all the Readings of the Bill, on the same day. By now the people of this Country would have been reaping the benefits of the changes that we intend to introduce. You would be hearing about it very shortly. Before the end of the week you would be hearing above the changes and the relieve measures that we are going to bring to bear.

I noticed the AFC, the Honourable Member Mr Khemraj Ramjattan, was looking for zombies in the cupboard. [*Interruption: 'What?'*] Instead of looking for zombies in the cupboard, he saw all kinds of things. He is saying *what?* He is saying here, *the abuse of power by the Government*. It is more bogey talk; I do not know what has happened here. *'Erosion of the role of*

23 January 2007

*Parliament ...'Executive Decrees instead of Parliamentary Sub-Sectors ... Shifting of power from Parliament to the Executive Branch ...* all of these things. I do not know where is his vision, because this is a simple Legislation to bring further relieve and to put it into Regulation. So I do not know whether he has looked at that or several of the other Regulations of the various Acts to see how comprehensive the Regulations can be.

This Government, because it cares for the people and wants to bring expeditious relieve to the people of the country, the consumer, wants to quickly make adjustments. This implementation of the VAT and this review, monitoring will be on a continuous basis. It will not end now. Because you believe, this is the once-for-all adjustment. There would be continuous adjustments as we go along. This is expected of a Government which manages the affairs of the country for the people. We will be doing that from time to time.

Now, in Kaieteur News, in the AFC Column, they have made the essential points. So, I do not know where Honourable Members Mr Ramjattan was. Let me quote. We have responded. It would therefore seem appropriate that as suggested in the press, by various organizations and individuals 'that the Government revisits the basic goods and services that are purchased, primarily by the lower-class consumer and ensure that they are Zero-rated'.

This Bill wants to put flesh to that. *[Laughter]*

There have also been appeals from, for example, the Red Tread Organization for the Government to revisit the Zero-rated items and to look at measures that would bring relief to the working-class and the lower income people in this country. We will so proceed to do.

Mde Speaker, what we have had over the past few weeks and I must allude to that, is instead of taking the principled stance of the AFC to call on the Government to review those hundred-plus items, as the case may be which did

23 January 2007

not attract Consumption Tax before and to which VAT is now being applied to bring relieve to the population,

what have they done? With the PNCR-1G, in particular, it was protest marches, with the Justice for All Party ... marches. But how many people responded? *[Laughter]* Two dozen people to the Justice For All Party and the PNCR-1G marches. Let me quote again, *there was a small turnout for the VAT March and Rally*. Why this is happening? The people in this country recognize that the Government is acting in their interest. *[Applause]* So they have not turned out. That is what this Legislation is about. I quote from Kaieteur News, this is not what Hon Sheik Baksh said, it is the Kaieteur News and the Stabroek. *Only a small number of people, small, turned out yesterday to march against the Value-Added Tax*. Look again how the people are responding, I want you to listen. *Speaking to the damp Protesters, the two political leaders said, the marches wouldnot only be to protest the position of the VAT.*' Imagine that is their excuse. Rain or no rain, they came out in the past. Remember that? They would not come out now, this is not 1962. Then you had *axed the Tax* and *axe the VAT* of 2006. There is that changed political culture in this country. So the people are not going to come out and do those things. *[Interruption - They are frightened.]* No, they are not afraid.

So Mde Speaker, what has been happening? The prices are going to come down. The prices are stabilizing already. I have talked to a number of Supermarket owners this morning and prices have started to stabilize now. People are now understanding the full ramifications of VAT. That is what is happening. With more Goods due to come into the country, especially foodstuffs, over the next months when people would have started to import, the prices will plummet further.

There is no doubt that there has been a generalized price increase and we know the reasons for all of that. I would be the last person to say... and I do not think the Government has categorized all of the businesspeople into one category ... we have never done that as a Government. There are unscrupulous businesspeople. There can be no doubt about this ... they have

*23 January 2007*

been indulging in price gouging; there has been a quest for super profits and so on; people have been adding VAT onto the Consumption Tax and they have been adding on VAT even on Zero-Rated items. This has been happening and we understand that. It has been affecting the cost of living of the people out there.

Therefore, the Guyana Revenue Authority has a lot of work to do, and perhaps, I am being very frank, the PR and Education Programme, maybe it could have been more extensive than expensive. I will not deny that. But there is time now to remedy these things. I think the GRA is out there now. They are a working people trying to educate the Stakeholders in this process. I would suggest to them that they arrange an in-depth workshop for Members of the Political Parties, the Opposition. They should have that. Of course, Honourable Member Mr Murray would be able to be a lecturer there.

Right now the prices are stabilizing and this relieve, perhaps, depending on what happens over the coming months or so, there would be need to quickly, through the Regulations, implement other measures to bring relieve to the people. This will happen, because time is of the essence to bring relieve to the people here. Do not worry; you must have a greater amount of trust in your Government. You know, we would have to try to build this trust relationship. Do not try to see negativism in everything we do. You should not do that, just for cheap political objectives.

Mde Speaker, this Amendment to the Value-Added Tax Bill, can only be to the benefit to the people out here. They are great expectations. Many people are probably waiting for the 6 o'clock News, to hear that we have passed the VAT Amendments and relieve is on its way.

I do not want to go into the other issues, but there can be no denying the fact that there has been some amount of resistance by the businesses. There have been and this is the point that the GRA has been trying to make, for over the last two to three weeks. There have been ... and I do not want to call names. The Guyana Revenue Authority, as an Institution, has to look at where the

23 January 2007

resistance is coming from, from certain businesses. And Red Tread has said it. The Red Tread Organization has captured it very well. This is an NGO. I am not saying this to myself. I have my own views on this too. Red Tread said it and I am reading from Sunday's Stabroek News, 21 January 2007, ... *increased prices are not only due to business exploiters ... [Interruption]*

**Mr Robert HO Corbin:** Mde Speaker, could we have the Hon Minister just quote from where he is reading. He just said, 'Red Tread.' But I would like to know, where he is quoting from and which letter it is. *[Laughter]*

**Hon Sheik KZ Baksh:** Mde Speaker, I did mention Stabroek News just now. It is Stabroek News 21 January, 2007. *[Interruption - Which letter you are reading from?]* I am quoting from Stabroek News. I do not have to give the Leader of the Opposition... I am saying this is a Letter in the Sunday Stabroek News and signed by Members of the Red Tread Organization. This is coming from the Red Tread Organization:

*You will never have to teach any grass-roots woman that some businesses exploit consumers. We are the main consumers that they exploit and there have been many instances since VAT was introduced, where we have refused to buy from such people.*

The point I want to make, is this situation that has confronted us since the introduction of VAT, there have been a lot of unscrupulous people, who have been resistant, because now there would be a level playing field. And we will now minimize the tax evasion and broaden the tax net. This is what the modernization of VAT is all about. These are the objectives which we want to achieve as a Government, for the people of our country. *[Applause]* Mde Speaker, this is the situation.

I am quite sure and from the information that is coming in, the various businesses are getting their Books together, they are adhering to the various rules that are set down to display their Certificates of Registration and so on.

23 January 2007

All of these things are happening. Mde Speaker, so we expect over the next coming weeks, you will see improvements for the implementation arrangement for VAT and reduced hardship to the consumers and the people of this Country. On that note, I wish to commend this Value-Added Tax Amendment Bill to the House. Thank you, very much. *[Applause]*

**The Acting Speaker:** Honourable Leader of the Opposition.

**Mr Robert HO Corbin:** Mde Speaker, the Hon Minister Baksh, said he was disappointed that there was no political dynamic. I do not know that this Bill requires political dynamic. We have to deal with economics and social realities that exist in Guyana today.

The fact that we are in this House today, dealing with an Amendment so early in this Value-Added Tax Bill, is yet another example of the arrogance, the irresponsible behavior which we have seen on the part of the Administration, over the last months. Mde Speaker, we have seen this Value-Added Tax debated in this House. The Government comes before us like Rip Van Winkle, as though these realities which we now experience were not foreseen. They come to this House like Knights in shining armor ... *[Laughter]*... claiming to be brave representatives of the poor when in reality it is an illustration of how difficult it is for us to get an Administration that ought to be concerned about the views of the people, to take those views as they are expressed in this Chamber, from time to time.

I believe that if this Government were to adopt that approach, then we would have this Parliament functioning in a much more responsible way and you would not have to worry, whether you are having street protests or not. Whether the marches are large enough or whether the people have to call for the shutting down of the city or our country, before you can come to Parliament facing the reality of what you knew all along.

Mde Speaker, in the debate in this House, Honourable Member Mr Murray, spent a great deal of time advising this Administration on a number of things.

23 January 2007

First, he said the rate was too high. This is not new, Minister Baksh, so we did not have to repeat what we said. He said the Studies, which you have in your possession, indicate that you can have a lower rate than sixteen percent. He said that and that it was not going to be revenue neutral, it was going to result in a windfall for you.

We went to the Special Select Committee; we had to remind you that you were going to put burdens on the poor people of this country. You come out boldly as you always come out, 'it does not matter.' The fact is, you were persuaded at the Special Select Committee that you had to Zero-rate certain basic food items, so that the poor people of this country - the working-class, would not bear the adverse effects of the introduction of this Bill.

What more could this Government asks, Mde Speaker, than to have a responsible Opposition that would say to them, 'we agree in principle with Value-Added Tax.' It was in our Manifesto some time ago. As a principled Party we said, there is nothing wrong with Value-Added Tax. It could be spread over a wider Tax base; you could bring more people into the tax net - those who were evading the payment of Taxes. All of that is good, but we said to them, 'you could have a good tool and if you do not know how to use it, you could make a mockery of the job you are doing.' [*Laughter*] That is what we said to them.

One aspect of the Tax Reform was being introduced, and the Government had the support of the Opposition, at least the People's National Congress – Reform and we said to you, look, make these few adjustments and do not wait until it is too late:

- (i) Have a vigorous educational campaign.
- (ii) Do not carry the Rate up so high.
- (iii) Zero-Rate basic commodities.

23 January 2007

Mde Speaker, what is more is that at that Special Select Committee, I was not there, but I see the notes and I have great confidence in those reports provided me by the PNC/R Representatives that were on that Committee that having persuaded the Government that certain items must be Zero-rated, and it is in the Committee's Reports, there was a commitment given that the items identified would be Zero-Rated. *[Pause]*

The Honourable Members shouts, *we did*. The question is, *when?* After weeks of public exposure of your dilatoriness, when the Officers who are supposed to implement this Tax cannot give people proper answers. All they could give were political answers; 'we were told that items would be Zero-Rated in time.' The Officials, who are supposed to implement this system, do not have the information that we said to you, '*give them early*.' So the Government again after all kinds of public exposure, criticisms and the treat to march, they finally said with statements from the President's Office and Minister of Finance, '*items would be Zero-Rated*.' It had to come like a Christmas gift from the Government. That is so ... it was handed out as though it was some favour.

I think it was 5 December, that we finally get something printed in the Gazette, of some of those items that will be Zero-Rated. This scheme is supposed to be implemented on 1 January. Businessman and companies that are supposed to be participating, people whom you are asking to collect this Tax on your behalf, set up systems, so that they can comply with these new Regulations ... You wait until 5 December and then to tell to tell them, *these are the Zero-Rated items, finally*. Even then, the difficulties which businessmen and companies would naturally have, with respect to rearranging their pricing arrangements, could have been foreseen. This is not rocket science.

People have been trading for generations, and if you are going to import a new system on a group of people, who in the past had no obligation to keep certain

23 January 2007

kinds of records, then that places an obligation on you to give them adequate time to make the necessary preparations. So now that you find they can claim that they do not understand, whether they understand or not, this system was introduced too late, they did not have any proper answers to some of the problems. As the price of the consumer rises, you look for a scapegoat and you say, 'there is banditry in the system.'

I say, 'you, the PPP/C Government, have been responsible for the astronomical rise in the cost of living, which the consumers have been facing.' [Applause] Now you seek to blame the Tax people. He puts it very nicely, Mde Speaker, maybe the educational programme could have been more extensive. [Laughter] Why during the Elections Campaign, you did not tell them to start the Educational Campaign? Or did you instruct them, look, please do not tell the consumers that prices will go up. After the people cooperated with you, they did not warn consumers that prices will go up, you keep telling the people 'prices will go down.'

If you were so confidence, as you seem to be over the last few weeks, telling all of the consumers that prices will go down and the cost of living will drop, why you did not do that in the campaign? So, the main fact that you hid that under the carpet and never mentioned a work about Value-Added Tax, you waited until after that, it shows that you yourself were not convinced that cost of living will go down.

So, Mde Speaker, we are faced with a dilemma of ordinary people in this country - the taxpayers, the workers, the poor people of this country, are now paying for incompetence, irresponsible behavior and arrogance on the part of this Administration. That is what has happened. One would have thought, Mde Speaker, that after going through this monitoring process; we were not told that they were going to monitor, before they introduced the Zero-Rated items. We were told, it would be announced. [Pause] The Special Select Committee was not told about monitoring. That is a sight distortion. We were told that it would be done, but it was not done on time.

23 January 2007

We were told about education. The People's National Congress - Reform, tried cooperate with you. We held a Public Symposium at Tower Hotel and we invited the Minister of Finance. I would have thought this his concern; I would have thought the Minister of Finance being pleased that he is having the cooperation of a major political party in this exercise, would have been anxious to accept an invitation to a Public Forum, whereas we did not even have the courtesy of a response. *[Interruption - We got a response]* We got? I am sorry, I apologize. I would not like to mislead this House. I am advised that we got a reply. You know I always give accurate information ... *[Laughter]* ... that is why I would correct myself on it. I apologize for that. I am told that he did respond, but he gave no explanation other than he could not attend.

He did not say, let me send a representative. One would have thought he could send a representative. I was told the decision was taken to advise and to request the Head of the Guyana Revenue Authority so we couldn't hear, as they say, 'from the horse's mouth.' So I was told. That is a mistake I had that they did not reply. We got a response from the Minister; I had my facts a little mixed-up there that we did not get a reply.

Therefore, you now come and lament, why is it the people of Guyana do not understand what is happening? And you want to know, why people are protesting and are on the streets? I want to say to you, seriously, if the institutions provided for in a Democracy do not work, history has shown that people take action into their own hands. You can boast and shout, about whether it is the large or small, but if it really explodes you would not be able to hold it. So thank God, there is some level of control.

I say this to you seriously that you must consider why in this Parliament, which is supposed to be an institution representing the people, we have this building like a fortress when we were debating Casinos, and like a fortress now, creating a lot of chaos around these major parts? So, we have to put the place now like a Fortress. I do not need protection, I walk the streets any time ... any time. We must ask ourselves, if we are so confident that the business

23 January 2007

of the people which is to be discussed here has to be hidden and protected from them? You must seriously ask yourself why people have to vent their expressions elsewhere ... Because we have an unresponsive, arrogant and uncaring Administration. That is why it happens. *[Applause]*

**The Acting Speaker:** Honourable Member Mr Corbin, it is now 16:00 hrs. We have to take a suspension of the House at this time. *[Pause]* We are now suspended for one half hour.

## **16:00H - SUSPENSION OF ASSEMBLY**

## **16:38H - RESUMPTION OF ASSEMBLY**

**The Acting Speaker:** Honourable Leader of the Opposition.

**Mr Robert Corbin:** Mde Speaker, when we took the adjournment, to give our colleagues on the other side of the House some more opportunity to test the pulse of the Nation, as we understand they have been doing throughout the length and breadth of the country, I was pointing out that what we have is not accidental but a man-made dilemma.

The Ministers who spoke this afternoon, would have us believe that these things could not all have been foreseen. I have here a Trans-Guyana Air Ticket from Ogle to Mabaruma, the airfare was \$15,000. Now with the sixteen percent that airfare has gone up to \$17,000 plus. I could understand the Minister coming to this House and saying that some of these things could not have been foreseen, because they did not understand what might have been the extent of Value-Added Tax on sweetbread as distinct from bread, or to pine tarts as distinct from bread. I believe it was easily calculable to work out

23 January 2007

that if you put on a sixteen percent VAT on Hinterland travel, it would ultimately result in an immediate rise in the cost of transportation of all the people of the Hinterland who are coming into Georgetown.

So to come now and to say that we are now discovering these things, either tells us that the Government has not the foresight or the vision, or they were unconcerned about the imposition that these increases would have on the lives of the people of this country. One would have thought that the Hon Minister coming to this House today, particularly Minister Baksh, a few moments ago, elaborating how he was sorry that NCN could not report that we on this side of the House delayed the relieve measures, which the Government was brining to the people, because this Bill was not tabled and taken through all its stages last Friday. It is another example of the grand standing, I would like to use another word but I do not want to be ruled 'un-parliamentary,' we have in this House today.

Because if the Minister wanted to impress the poor people - the working-class of this country, that the Government was so concerned about bringing down the cost of living, the Government did not have to wait until today to let the taxpayers - the workers know, what are the items that would be reduced, what are the items or the new items that would be brought into the net of this Zero-Rating. They did not have to wait until this afternoon after the debate, as the Minister claims, *the people would be waiting after this debate, to see what items will come down.*

I am very intrigued, Mde Speaker, because after the Minister spoke, I again perused this Bill that I read last night, to see what it is the consumers of Guyana would read about in the Newspapers tomorrow that this debate or this Parliament passed today, to bring them relieve. I looked at this Bill and I see something a little smaller than the Casino Bill. It did not have to be passed first, since you were so certain the present Law that we passed, which is in existence, have provisions. Therefore, under that Law, instead of looking at this flimsy piece of paper called Legislation, we would have seen a proper amendment to the Schedules telling us that in the first instance, Parboiled Rice

23 January 2007

would no longer be taxed sixteen percent, because a lot of people, for various reasons have not been using White Rice. They use Parboiled Rice and they have to pay sixteen percent for that.

You can understand, perhaps, some exotic Rice Products that are imported with all the additional things added to it, but Parboiled Rice is no luxury item in this country. Margarine is no luxury item. School clothes for children, uniform that children have to wear to go to school, those items are not in the Bill ... Bicycles are also taxed. Beef and Peas are items that fall, in what I would call, the *poor man's basket*. If the Minister was so concerned about the consumer reading tomorrow about relief, he did not have to wait on political grandstanding to say, 'the people are looking for this tomorrow.' It would have been here before us and there would have been some modicum of respect paid to this Parliament, so we would have, as Legislators, seen the responsiveness of this Administration to the cries of the people. But what do we have?

I did not want to repeat what the Honourable Member Mr Ramjattan stated, about the way we have gone in terms of Delegated Legislation, but I endorsed those sentiments, about the manner in which we have been making Legislation in this Parliament, where we are passing Laws to delegate away from this Parliament the business of Lawmaking in this country now. That is the trend of the recent Enactments that we have been having.

I am surprised that some of my legal colleagues on the other side of the House don't pull the Government to their senses and explain that while Legal Drafting and Legislation take account of subsidiary legislation, and that there is always room for delegated legislation, it was never intended that subsidiary and delegated legislation should take the place of substantive law.

Therefore this Bill that we are asked to pass this afternoon, give the Legislators in this House absolutely no idea of the intentions of the government; but again, Mde Speaker, I sat in my seat very quietly, except when the Minister invited political dynamics, waiting to hear from the

23 January 2007

Speakers on the other side of the House, if at least having not placed those items or the items that are in their contemplation at this moment, which was not placed in the bill, then at least some respect would have been created in Parliament. And in their presentations, we would hear from them, well in the future, we will have these things passed by Order. We might agree to Negative Resolution, as the Bill is seeking to have us approve, but we want to assure you in response to the cry of the people right now or by tomorrow morning that we would not have to pay anything more on Chicken, Beef, Parboiled Rice, Margarine, Toothpaste, Bicycle, School Uniform and so forth.

You need not tell me, these things had a thirty percent or forty percent Consumption Tax. I know that might be the explanation. It was the sort of explanation that we had, when Honourable Member Mr Murray suggested that Black-eyed Peas be Zero-Rated like Split Peas and so the justification for maintaining it, is that since it was thirty percent and you get a sixteen percent that was all right. The fact is, if we are concerned about the cost of living and the rise in prices, which the VAT has initiated, then that kind of logic does not fit within the context of what we are trying to do in keeping with the commitment which this Government has made, that is, that the VAT will not result in an increase or rise in the cost of living in Guyana.

Mde Speaker, I had a conversation only last week with the Executive of the TUC; and during the break I was asking Honourable Member on the other side of this House from GAWU what they were doing, whether they were not concerned about the workers of GAWU ... I have not heard their voices. He said, well, they talked about it and told their members that the cost of living would go down. That was the answer ... that *they spoke about it*. But I do not think that people have heard you. The people have not heard you. Your Members have not heard you. That is why people have to go to the streets, because they recognize that nobody was listening. Listening, listening ... that is the paradox of this Country. We are forcing people to take extreme actions before the Government responds.

23 January 2007

Instead of recognizing that people have a legitimate concern to protest, which the Constitution of the Cooperative Republic of Guyana provides for them to do, you come to this Parliament shouting, '*it was not sufficient.*' This is your response. So you are saying, and I want to understand you clearly ... I see the Minister of Home Affairs is not here. I want to know whether the Hon Minister Baksh is saying that in order for you to listen and take note that people must really mobilize and close the country down. Is that what you are saying? I want to know whether it is what will make you tick.

It seems to me, a Government which boasts of always being out there in the forefront, Minister Ramsammy himself said, *we are always representing the poor* ... Well, why is it people have to take to the streets before you listen to them, if you are in the forefront? I want to suggest to this Government that if they want this country to progress, here is an opportunity where there was no disagreement on the Bill. We all supported this Administration but out of share arrogance, you decided you are not listening to anybody. Well, we heard of the Casino Bill and all of that. We have seen that already.

Mde Speaker, I want to recommend to this Government that it is not only the Zero-rating of items which ought to be considered. We need to have a reduction on the Rate of VAT. That is the first Recommendation that, I repeat, which was made to you during the debate and in the Special Select Committee. I could tell, notwithstanding the attempts to answer me by Technocrats, as distinct from Politicians. The very Report that you have suggests that at the present sixteen percent you are still going to make a windfall.

The second thing I want to suggest to the government is that in reviewing this list special attention has to be paid to the basket of goods, which poor people and the working people of this country have. It would have helped the very people you claimed to be representing, to know today in this Parliament, what are those items.

**The Acting Speaker:** Honourable Member Mr Corbin, your time is up.

23 January 2007

**Mrs Deborah J Baker:** Mde Speaker, I rise to ask that the Honourable Leader of the Opposition be given fifteen minutes, to conclude his presentation.

**The Acting Speaker:** Honourable Leader of the Opposition, you are given fifteen minutes to conclude.

**Mr Robert HO Corbin:** Thank you, Mde Speaker. So I want to recommend that not only the reduction of the Rate from sixteen percent but also a careful consideration of the basket of goods which the poor people of this country use, including some of the items I have just mentioned, because we have no way of knowing what those items would be ... We heard that Interior travel would reduce, but as I said before we have no way of knowing that. I do not know if because the Head of the Tourism Association, the Head of the Manufacturing Association and the Private Sector Commission raise their voices and some of their friends shouted before they responded that it was unnecessary if you were planning properly, so I want to suggest seriously, that you look at the basket of goods and include those items that I have mentioned.

Mde Speaker, I want to recommend that the government takes into consideration the fact that the workers of this Country had an imposition of only five percent in December and the reality is, with a botched, and I say *botched* implementation of VAT ... I do not blame the Guyana Revenue Authority, they have been trying to cover-up for you folks and that is their mistake. They should have loosed you to the wolves. But the botched implementation of VAT has, in fact, caused the cost of living to rise. That cannot be denied. It cannot be denied ... Show your bills ... sweetbread, Pastries.

The Member laments that he saw someone selling brooms and the price had gone up. It must go up, because so far as the small man is concerned he is doing a bit of trading and you cannot understand his economics. Why not? ... because of us. Yes, cost of living has gone up and he, by his own small-man-economics decides that since he has to pay a little more for the

23 January 2007

things he had to acquire ... it may be that it had nothing to do with the broom. The fact is, he wants to pass on his increased cost of living unto the people who are purchasing the broom. That is the reality and it has nothing to do with any sophisticated economics. It has to do with the reality of our condition. If the smaller vendors find that they have to pay more for living, they will pass it on, whatever you say. They too have to pay VAT. I agree with the Prime Minister, they will put on a little more. But you have created the conditions for them to do that.

If you had taken our advice again and delayed the implementation of the VAT because we said, *delay it a little longer* ... But no, you did not want to listen. We said, since you waited so long to decide on the items that you are going to Zero-rate, since you waited so late to tell the businessmen what you are going to do with their stock and how they are going to recoup the Consumption Tax that they had already paid and you took so long to give them a decision, you, in fact, were creating an environment where those things would happen. *So delay it a little, put your house in order and then implement it.* But no, the Opposition is speaking nonsense. You went ahead. Then when you are getting problems, you want to call them bandits and all kind of things.

So I want to recommend, Mde Speaker, that in the review of the Consumption Tax, not only the Tax should be looked at, but also the Wages and Salary of the workers of this country, particularly the people in the Public Sector [*Applause*] because we do not know, when things would come back to normal. We can have all kinds of assurances, like the assurance that the cost of living would not raise at all, but it has risen. We can have all kinds of explanations about policing, inspectorate visits, but we do not know when the small man will go into the shop and find that the cost of living has gone down.

In that context, we need to have a careful review of Wages and Salaries. There should be an immediate interim relief payout at the end of this month, January, to cushion the cost of living for January [*Applause*] for the Public Servants, just like you gave the Police and the Army a month's pay, since the workers of this Country have had to face a very bleak January, because they

23 January 2007

had no way of submitting to Mr Sattaur or anybody else at the Guyana Revenue Authority any bill for a rebate of the taxes they had already paid. They had to pay it in order to survive. They had to purchase school uniforms for the children. They had to pay for the pointer-broom and the tamarind ball that the Hon Minister spoke about; they had already paid VAT. The school children had to get that for lunch. *[Interruption: 'That is cheap, man. They do not buy uniform every month' "What do you want, Tampons?"]* *[Laughter]* They had to pay it, and if they had to pay it, how will they recoup it? Fancy words could not give that relief to the workers of this country.

What tangible way of showing that you are concerned about workers? I would like the Minister to get up and beat her chest and say 'yes', we love the workers and we would give them one month's Salary at the end of January, to offset the effects of VAT which they paid in January of this year. *[Applause]* If by next month, you have failed to demonstrate that the cost of living has gone down, as you have promised it would happen, then in February once you do not succeed, you give them another month's payout, *[Applause]* Cost of Living allowance for the month of February.

It may sound as though I am being facetious, but it is not impossible; we can improve our salaries by one hundred percent. What is impossible? We find \$1 million to give to sports teams, several millions here and there. I am not decrying it. The Lotto Funds ... the Lotto Funds are being used for all kind of things. I want to say that the PNCR-1G would support you, if you use the Lotto Funds to pay the Public Servants one month's Salary in January or February of this year. *[Applause]*

Mde Speaker, I want to recommend also that the whole question of Income Tax Threshold, be examined; because while workers are now experiencing, a sixteen percent increase in the cost of living, and it does not matter what fancy economics you tell us, the reality is, ask your supporters and they will tell you that people are paying on an average of sixteen percent or more increase in the cost of living. That is what has happened. We can debate the reasons why there are unscrupulous businessmen or not, and there are; we do not deny that.

23 January 2007

That is why in Burnham's times, they had price control. You do not remember that? We had price controls against unscrupulous businessmen. So, we do not believe that you would have a society where they do not have unscrupulous businessmen; that is a given.

If you are implementing a new Tax and a new system, you have to factor that in, in whatever plans you have. The society does not change. That is a given. *[Interruption - Do you want price control?]* No, I am not saying that you should introduce price control. I am referring to what we had in Burnham's times. I am saying, we recognized it and therefore, we had price controls. It might not have been the best method, but it was a recognition that you had to put in some safety measure, to protect the consumer. *[Interruption: You were too small to understand that]* *[Laughter]* The fact is, if we recognize that there would be unscrupulous people out there, the question must be asked, what measures are you putting in place to deal with that situation, to protect the consumer?

I want to recommend that you set up some kind of Consumer Center for complaints, in the Revenue Authority, some organized system so that consumers who have problems of that kind can have some institutional arrangements to protect them, not empty speeches on the television that this businessman should not decrease his price and that businessman should not increase his price. That is not how it is going to be done. It has to be dealt with by a proper, organized approach by the Government, to ensure that they deal with issues that affect the consumers of this Country. If you do that, then we would believe that you are representing the working-class, as you say, in Guyana today.

Mde Speaker, I hope that the Public Education Programme would be enhanced and increased; I would not do like my honourable friend who said, 'it could have been better' *[Laughter]* This is a slight-of-hand; he wanted to attack the Revenue Authority but he did it very dramatically, 'it could have been better.' The fact is, if it gives them a bucket with holes in it, the water would leak out. That is what you give them to fetch water, a bucket with

*23 January 2007*

holes. You decided late, you curtailed their Advertising and Educational Programme; there was no time for them to explain to the Business Sector what was happening; you stopped them from interfering with your elections campaign and you wanted to rush into VAT without giving adequate time to the people, both the consumers to know what to expect so that they can protect their own interests, when they are being robbed, and the businessmen to understand clearly what had to be done, so they would not have the excuse that they did not know what they had to do.

So, I want to suggest that they engage in a very comprehensive Education Programme, so the people of this country can understand what is happening. I want to recommend that you look seriously at the Telephone Tax. Because the Hon Minister, maybe in hindsight, recognizes that it was a bad example. I hope he recognizes that by telling us, with the businessmen, the Telephone Tax used to be ten percent and he used to pass it on but now he gets a chance to recoup. That is not going to be the real cost to the consumers and the workers of this country. It is when the consumer receives his individual Telephone Bill that used to be ten percent, and now he has to pay sixteen percent ... That is where the majority of the Bills are going, to individuals.

So to come to this House and to give us an inappropriate example of how the cost of living would be reduced with the Telephone Tax passing on ... I want to suggest to you not to try that in Your Outreach Programme. It is not going to sell. The people will see through you. Think of another example, because as far as those people are concerned, they were paying ten percent on their telephone bill and now they have to pay sixteen percent. The bank's safety deposit boxes and all of that attract sixteen percent. All of that attract VAT. Services everywhere attract sixteen percent. The overall effect is that the costs of living will rise.

So when you are looking at the basket of goods, do not think of revenue neutrality as relating only to those areas that you collected thirty and so on and balance out. You have to look at those new areas which will pull revenue. So that it will prove to you that it would not be any great concession, to reduce

23 January 2007

those commodities that I have mentioned, like school clothes and all of that, because you would be collecting a windfall in areas where you never collected Tax before. What is more, according to the whole objective of VAT ...  
*[Interruption]*

**The Acting Speaker:** Honourable Member Mr Corbin, you are running out of time.

**Mr Robert Corbin:** I am concluding, Mde Speaker. When you look at it very carefully, Mde Speaker, you would find that the overall effect of VAT should bring into the net, according to you, a number of companies and individuals who were evading Tax. So, in those circumstances there can be no excuse why tomorrow morning instead of reading about his flimsy Bill in Parliament that has absolutely nothing inside we see tomorrow morning in the Newspapers a complete list of items, which shows that the people will not have to go out and shutdown this town but they will see that they have a responsible Government capable of responding to their needs. Thank you, very much. *[Applause]*

**The Acting Speaker:** Honourable Minister in the Ministry of Finance.

**Hon Jennifer I Webster:** Mde Speaker, in response to some of the issues raised here, I want to say as explicitly as I can that indeed this Bill seeks solely to amend Schedules 1 and 2 of the Value-Added Tax, by Negative Resolution.

Mde Speaker, we have put in place a Tax regime which is new to Guyana and at the same time transparent to the consumer. I wish to remind this House that long before this Bill the President had indicated that the Government will review the VAT and Tax regimes. I want to make reference to one of the problems found which was that some wholesalers and retailers were attaching the incremental portion of the Value-Added Tax, that is, their input credits to their cost of goods. They were adding and then adding the VAT, as an expense. This has caused prices to escalate.

*23 January 2007*

However, the GRA is working to sensitize and educate those business people more. The Government acknowledges publicly the support given for the provision of relief to the citizens of this country. *[Applause]* Mde Speaker, the Honourable Leader of the Opposition, spoke about the arrogance of the Government but I want to rebuff that argument to say, the Honourable Minister of Finance Dr Ashni Singh, did consult with the Honourable Member Mr Winston Murray on the proposed amendments. I want to say, that the Honourable Member did exercise the right of consultation, so far as bringing this Bill to this Honourable House.

Honourable Member Mr Murray, earlier indicated that Government court have used existing Legislation, to bring proposed changes to the National Assembly. We fell that this is the right time. Now, we bring this Amendment here today. It was mentioned also that this Legislation would give the Minister carte-blanche authority, as it relates to Schedules 1 and 2. I want to reassure the Honourable Member and this Noble House, it is never ever government's intention to contract the list of Zero-rated items and Exempted items, nor for the Honourable Minister of Finance to abuse his authority but through a transparent process bring to this Honourable House through Negative Resolution, the Amendments made to the Bill in Schedules 1 and 2.

The Honourable Leader of the Opposition also alluded to the issue of 'windfall in revenue collection.' Mde Speaker, we have no indication as yet and we have no reason to say that Honourable Member Mr Murray is not intuitional, but we have to wait on the realities. We did Zero-rate some items which attracted no Consumption Tax and this Amendment seeks to further extend that list. I want to inform this House about reference made in the Debate, to the Public Educational Programme. In fact, this Public Awareness Programme commenced early, in the year 2005 and was intensified in September 2006. Initially, Seminars were held to assist businesses to enable them to become more compliant and effectively assist in the transitional process of VAT implementation. However, the GRA has introduced hotlines where consumer

23 January 2007

complaint and business clarification are being recorded and the necessary actions are being taken by that compliant unit.

In response to the position alluded to by, Honourable Member Mr Ramjattan I want to assure Mr Ramjattan that we are not taking executive power, but merely giving the Minister powers that already exist under the Excise Law, Customs Duties and Fiscal Amendment Acts which already have Provisions to increase or reduce Taxes. There is no precedent being created here; we are not creating new laws, but merely amending the Schedules.

The Honourable Leader of the Opposition also made reference to the fact that the Government had indicated that VAT would be Revenue Neutral. I want to say that government will ensure that there would be no undue headships placed on the citizens of this country. I alluded earlier that the Government was committed to expedient action, to bring immediate relieve to the citizens of this country. There must the flexibility to allow for Government to make changes wherever necessary.

Mde Speaker, the Government has maintained and will continue to monitor and study how VAT will affect consumers, the cost of living and take appropriate action. The Staff of GRA's VAT Team continues to travel throughout the length and breadth of Guyana, to assessed the VAT implementation process and I wish, to commend these efforts. Further, we the Members of the Government will continue also to travel around and address concerns relating to VAT implementation.

Mde Speaker, with those few words I remain committed, as it relates to the Amendments moved and I remain convinced as to their appropriateness at this time. With these few words, Mde Speaker, I move that this Bill be read a second time and be presented by this National Assembly. *[Applause]*

**Question put and agreed to**

23 January 2007

**Bill read the Second time.**

**Assembly In Committee**

*Clause 1*

I think there is an Amendment to Cause 1; no it is Clause 2. Okay.

**Question put and agreed to.**

Clause 1, as printed, agreed to and ordered to stand part of the Bill

*Clause 2*

The Honourable Member Mr Winston Murray

**Mr Winston S Murray:** Mde Chairperson, I beg to move the Amendment standing in my name, in relation to Clause 2 (1).

**The Chairperson:**

Amendment –

*Immediately after the words amend Schedules I and II add the following words to expand the list of supplies to be zero rated and exempted respectively*

23 January 2007

**Mrs Deborah J Backer:** I second the Amendment

**Question put and negatived.**

**Amendment not carried**

**The Chairperson:** There is another Amendment to Clause 2 - Clause 2 (2).

**Mr Winston S Murray:** Mde Chairperson, I beg to move the Amendment standing in my name in relation to Clause 2 (2)

Amendment –

*After the words amend Schedules III, IV and V at (b) delete the words and add the following under (b)“(c) amend Schedules I and II for any purpose other than that set out in section 2(1) herein”.*

**Mrs Deborah J Backer:** I second the Amendment

**Question proposed, put and negatived**

**Amendment not carried.**

**Clause 2, as printed put and agreed to and ordered to stand part of the Bill**

23 January 2007

## Assembly Resumed

**Bill reported without amendment, read the third time and passed as printed**

**The Acting Speaker:** Honourable Members, we now move to the Motion.

### MOTION

#### **ITEM 2: CONSTRUCTION OF A BRIDGE ACROSS THE BERBICE RIVER**

*Whereas 12 Presidents of South American countries met in September 2000 and agreed on the Initiative for the Integration of Regional Infrastructure in South America (IIRSA) which has a portfolio of 335 infrastructural projects organised in ten Integration and Development Hubs and a Consensus Agenda comprising 31 integration projects which are to be executed between 2005 and 2010*

*AND WHEREAS the Guiana Shield Hub, of which Guyana is a part, has a number of projects including bridging the Takutu River; the Boa Vista-Bonfim-Lethem-Linden-Georgetown Highway; Venezuela (Cuidad Guayana)-Guyana(Georgetown)-Suriname(Paramaribo) Highway; and a deep water port in Guyana; which projects will allow for the full integration of the Guiana Shield Hub Territories and result in*

23 January 2007

*the creation of massive volumes of transnational high payload containerized road traffic that would require bridges designed for live loads in excess of AASHTO HS25;*

*AND WHEREAS the Government of Guyana signed a Memorandum of Understanding with Ballast Nedam International for the construction of a fixed pre-stressed concrete bridge across the Berbice River to carry design live loads in excess of AASHTO HS25, which Memorandum was abandoned, and subsequently signed another Memorandum of Understanding with Berbice River Bridge Consortium for the construction of a similar bridge;*

*AND WHEREAS the Government of Guyana contends that it opted for a steel floating bridge designed for AASHTO HS25 live load between D' Edward and Crab Island as a result of a feasibility study done by the Louis Berger Group that suggested that such a bridge at this location was most economical;*

*AND WHEREAS Patricio Millan Development Consultants Inc. conducted a review of the feasibility analysis done by the Louis Berger Group and provided the IDB and the Government of Guyana with independent estimates of cost that established that the Louis Berger Group grossly underestimated the cost of construction and maintenance of the steel floating bridge and that a fixed concrete pre-stressed bridge between Providence and Augsburg is the only possible economically viable alternative,*

***BE IT RESOLVED:***

That this National Assembly calls on the Government to review its decision to build a steel floating bridge between D' Edward and Crab Island;

***BE IT FURTHER RESOLVED:***

23 January 2007

*That this National Assembly directs its Economic Services Committee to investigate and identify all factors that influenced the Government's decision to proceed with the construction of a steel floating bridge between D' Edward and Crab Island as against a fixed pre-stressed concrete bridge at other locations and report to the National Assembly within three months;*

**BE IT FURTHER RESOLVED:**

*That this National Assembly directs the Honourable Minister of Public Works and Communications to instruct the Berbice Bridge Company Inc to suspend all works pending the outcome of the investigations by the Economic Services Committee*

*(Notice Paper No. 42 (M12 Opp 5) published on 3 January 2007)*

**Hon Samuel A A Hinds:** Mde Speaker, I want to say something here, on a point of order. If we look at Standing Order 26 (i), on the question of admissibility of Motions, it reads:

*In order that the Motion be admissible and shall satisfy the positions, namely, it shall not relate to matters with which the Government is not officially concerned.*

I want to raise this and say that the Berbice River Bridge Company Inc.  
*[Interruption]*

**The Acting Speaker:** Honourable Prime Minister, where are you?

**Hon Samuel A A Hinds:** Standing Order 26 (i)

**The Acting Speaker:** Which sub clause?

**Hon Samuel A A Hinds:** Sub-clause (i).

23 January 2007

**The Acting Speaker:** Sub-clause (i)?. Yes ...

*It shall not relate to matters with which the Government is not officially concerned.*

Yes, you could proceed.

**Hon Samuel A A Hinds:** I want to say that the Berbice Bridge Company Inc. is a separate Company from the Government and it is a Company that is the owner of the Bridge that is to be built, the bridge for which building has commenced.

So, on this side we may want to argue on the basis that this Motion is not admissible. But we, recognizing that this may be a close argument we are prepared to debate and allow it to pass through. But we thought that we should make a note here that matters to be raised need to be in accordance with Standing Order 26, particularly 26 Act.

**The Acting Speaker:** Honourable Prime Minister, I do believe that this Motion was passed. Usually the Clerk consults with the Speaker and I think, if I am not mistaken, that the Speaker of the House, not myself, had okayed this. That is why it was put on the Order Paper. *[Pause]* I have further been advised by the Clerk that the Government was sensitized about this matter, because some written advice was given.

**Hon Samuel A A Hinds:** Yes. Mde Speaker, I did say that we are prepared for the debate. We welcome the debate on the matter, but we thought that we should signal that there is this Standing Order.

**Mr Winston S Murray:** Mde Speaker, it appears as though the Hon Prime Minister is attempting to sound as if he is being gratuitous to us. We do not believe that is the case. We believe that the Speaker in his wise judgment is satisfied that Standing Order 26 (i) does apply to this Motion and that the government, in fact, is officially concerned with this. The fact that the

*23 January 2007*

company has been created, does not remove the Government from its official concern and involvement in the construction of the bridge. So, I do not see the Prime Minister as having a point.

**The Acting Speaker:** Honourable Members, I think that the Speaker had in fact researched it. I know he is very methodical and that he consulted MAYs and so I think it is a matter of whether the Government is primarily concerned or even in a subsidiary fashion is concerned with the matter. And so, he passed it and placed it on the Order Paper.

So I will now call on Honourable Member Mr McAllister, to proceed with the Motion.

**Mr James K McAllister:** Mde Speaker, I rise to propose the Motion 'a Bridge across the Berbice River' that is standing in my name. Before I go into it I must mention that I am aware there is the Berbice River Bridge Act, in which the Government has certain rights and responsibilities in relation to the construction of the bridge and in relation to its authority over the Concessionaire.

Therefore, the Government is officially and directly concerned, as it relates to the construction of the bridge. So, the Standing Order cited by the Hon Prime Minister is therefore not applicable.

Mde Speaker, this Motion seeks to achieve three basic things. Firstly, the Motion seeks to have the Government revisit the decision to build a floating bridge between De Edward and Crab Island. I wish to clarify here that the desire to have a revision in no way suggests that we should not have a bridge. We believe that the process needs revisiting for there to be a determination as to whether that particular decision is in the interest of the country.

Secondly, it seeks to initiate a bipartisan investigation by the Economic Services Committee and review the processes and procedures that resulted in the decision to build a floating bridge at the mouth of the Berbice River.

23 January 2007

Thirdly, the Motion seeks to have the Minister of Public Works and Communication instructs, as he has the authority under the Act, the Berbice River Bridge Company Inc. to suspend the work, until the investigation is complicated by the Economic Services Committee.

Mde Speaker, I have noticed certain comments by the Head of the Presidential Secretariat Dr. Roger Luncheon about the objectives of this Motion. The HPS has offered certain views and I am sure, it is shared by others on the other side of the House that this Motion has sinister objectives. I wish to reject this contention and to state categorically, that this Motion is patriotic in nature and it seeks to promote the interests of this and future generations of young people in Guyana ... [*Applause*] ... and the people of Berbice [*Applause*]

Mde Speaker, the various Clauses give some insight into why this Motion was brought before this Honourable House.

The first Clause speaks of the initiative for the integration of Regional Infrastructure in South America. IIRSA seeks to promote the Transportation, Energy and Communication Infrastructure from a Regional viewpoint, aimed at the physical integration of the South American Countries and the achievement of equitable and sustainable territorial development patterns. IIRSA also has great implications for the acceleration of the development process in Guyana.

The IIRSA document shows a design, a strategic vision for the physical integration of South America. It addresses the Guiana shield hub of which Guyana is a part and from a consideration of the information presented there it is clear that this Hub would result in an integration of a population of over 10 million people. We know the implication of this, for the escalation of trade and of trafficking in commodities and manufacturer goods, to and from Brazil through Guyana's port and by extension, over land along Bovista, Bomfin, Lethem, Linden, Georgetown and Georgetown – Linden Highway. In addition, trade between Suriname and French Guyana on one hand and Brazil and/or Venezuela, can transit Guyana's open land. This increasing trade and

23 January 2007

movement of goods will have a great impact on job creation and the evolution of the Guyanese economy and Guyanese business.

Mde Speaker, the Berbice River constitutes a bottleneck in this whole scheme of things. It constitutes a bottleneck in the trade between Guyana and Suriname on one hand, and Guyana, Brazil, Venezuela on the other. It is from this standpoint that the bridge across the Berbice River is of the utmost importance to the development of Guyana. *[Applause]*

However, it cannot be just any bridge. The bridge we build, must take into consideration our National Development Agenda. We cannot put down any bridge at whims and fancies. I wish to stay at this point, Mde Speaker, the PNCR-IG supports the construction of a bridge across the Berbice River that would stimulate economic growth in Guyana and would bring about lasting development. We support such a bridge, not just any bridge.

Mde Speaker, it is against this background that I call upon this Honourable House, to address the issue of a bridge across the Berbice River. The efforts of the PPP/C Government to build the Berbice River Bridge, dates back to 1996 when the Government initiated discussions with the Government of India. Between then and now, the Berbice River Bridge has been on a roller-coaster ride, powered by uncertainty and the lack of a clear policy agenda.

In August 1997, Figg Engineering Inc. of the USA presented a pre-feasibility study for the bridge across the Berbice River. The Figg study identified four Routes - A, B, C, and D, for crossing the Berbice River and proposed one bridge site for Route A, three for Route B, four for Route C and one for Route D. Locations A and D were downstream of Everton and B and C were located upstream of Everton. In this report, Figg stated, and I quote:

On the bases of this inquiry, the least cost solution would be a 450 feet cantilever bridge along Route B and a 225 feet cantilever bridge along Route C.

23 January 2007

As stated earlier, Mde Speaker, both of these least cost options as identified by Figg were upstream of Everton. However, Figg went on to say, Mde Speaker, and I quote:

*In order to develop more accurate Cost Estimates, various factors would be required for development such as Navigational Traffic, Regional Development, Vehicular Traffic, Geo-Technical, Hydrology, Shore and Environmental Impact.*

The Report went on to say:

*These could be undertaken in a feasibility study of the entire concept.*

Figg then presented an outline of the areas which the feasibility study should cover. Here is a little of what Figg states in this outline, in Part 1 under *Review of Current Information*:

*We should review the information and conclusion developed in the conception and prescribed study for two recommended alternatives.*

So Figg proposed that there should be a feasibility study to further develop the two alternatives that were identified in the Figg Report. In Part 2, the feasibility study requires the development of a report that evaluates the economic feasibility of a bridge in the Region.

Mde Speaker, on 18 March 1998 the Government of Guyana and the IDB signed a Loan Agreement for the Main Road Rehabilitation Programme - Phase 2. One component of this project was the funding of a feasibility study of the proposed Berbice River crossing and the partial financing of a new bridge if found feasible. However, in August 1999 the Government invited expression of interest for the design, construction, and financing of a bridge across the Berbice River upstream from Everton using the B and D Routes.

23 January 2007

As a result bids were received by February 2000. Ballast Nedam International was ranked No. 1 and was invited to negotiations. Ballast Nedam then proposed a reinforced concrete bridge out at C. However, for approximately two years, June 2000 to March 2002, the negotiations were in a deadlock. As a result Ballast Nedam walked.

Mde Speaker, for the record I wish to state that Ballast Nedam International did not walk because they were removing from the region as a whole, as was erroneously stated by the Government. As it was, Ballast Nedam is currently expanding in Suriname. Information is, they are prepared to come here to participate in the building a high-level bridge across the Berbice River, whenever that is going to happen. But the Government said previously that Ballast Nedam walked away from the Berbice Bridge because they were withdrawing from the region. *[Interruption: 'Yes that is true'. "That could not have been further from the truth"]*.

Mde Speaker, as a result of Ballast Nedam's exit, the GOG, the Government of Guyana, entered into negotiations with the No. 2-ranked bidder, the Berbice River Bridge Consortium. The Consortium proposed a pre-stressed concrete bridge that would be, again, upstream of Everton. Negotiation with the Consortium culminated with the signing of a development agreement in 2002 which imposed certain obligations on the Government. The Government failed to fulfil its obligation and subsequently, discontinued its efforts to finalize an agreement with the Consortium.

Again in 2004, the Government invited Diwydag International to submit a proposal for the bridge across the Berbice River, a preliminary design for a pre-stressed concrete bridge. Much to the dismay of the Government, at Route C, again upstream of Everton, was submitted to the Hon Prime Minister by Diwydag International in June 2004 the cost of which was supposed to be US 34.6 million. Nothing happened! Three attempts, Mde Speaker, and nothing happened! Three attempts, all upstream of Everton and on all occasions, the Government dilly-dallied. The big question is why?

23 January 2007

My colleague, Dr John Austin, would examine this in some detail. Mde Speaker, in accordance with the IDB Loan Agreement, the Louis Berger Group was engaged to conduct the feasibility study as reported by Figg. The first significant thing about the Berger Report is that it did not consider the economic feasibility of sites B and C as was contained in the Figg Report. Here is it we have a situation where the other feasibility studies identified two sites that were supposed to be of the lowest cost. You know the other feasibility study ignored all of those things. We must ask ourselves, why?

Mde Speaker, locations C and D, the lowest cost options in the Figg report, magically fell off the radar. The third option on that would take traffic to Ithaca and New Amsterdam were not considered by Berger. This becomes mind-boggling, when one considers Item 1 (7) of the terms of reference of the feasibility study, which states:

*The proposed study is supposed to incorporate the data and analyses of earlier preliminary studies and add to it, at least, as follows ...*

Then they go on here with the bullets, I will not read all. I will just read one that says:

*Analyze the potential of the proposed bridge to induce economic growth in the Berbice - New Amsterdam region;*

*Analyze economic and development benefits that would derive from the observed transportational benefits.*

This analysis should at least:

- (i) Identify economic sectors relying on passengers  
such as, Tourists and freight movement that would  
be significantly affected.*

23 January 2007

(ii) *Access the impact of the bridge on these sectors.*

Mde Speaker, when you consider that this was in the Terms of Reference and when you consider the fact that the Louis Berger Group excluded Routes C and D, you would wonder who spoke with Louis Berger and how was the report approved, if Louis Berger did not comply with the terms of reference? But the thing is, the terms of reference had to be sanctioned by the IDB, but when the report was submitted there was a new term that is being bandied about right now, '*it is a done deal*' ... It was a done deal after Louis Berger left out Routes C and D, the routes that are upstream of Everton.

Mde Speaker, in this multi-ethnic society, taking into consideration the demography of the area *et cetera* and given the impact that the bridge location would make on communities, both positively and negatively, a very serious question must be, why was the lowest option in the Figg Report not considered in the Louis Berger Study? Why? And some people in this multi-ethnic society would want us to sweep this under the carpet and say, *it is not an issue*. But I am saying here it is an issue. And the Government should be manful enough to come forward, to be subject to an impartial and bipartisan investigation on this matter. *[Applause]* Mde Speaker, I am of the view that something really, really wrong is going on. However, we can settle all of this, by having a review of what went on.

Now, Mde Speaker, the Berger Group in their Report declared that a floating bridge between De Edward and Crab Island is the most economical option. The Reports states and I quote:

*A floating bridge appears to be the most adoptable structure as it is the least expensive option and allows, at least a short term solution to bridging Region 6.*

It goes on to say:

23 January 2007

*A floating bridge near the mouth of the Berbice River has healthy financial returns. It is the only bridge option under study with an internal rate of return greater than twelve percent, the threshold used by the IDB.*

Mde Speaker, the Report on another location states and again, I quote:

*The floating bridge is a temporary structure.*

And I repeat 'the floating bridge is a temporary structure.' Mde Speaker, this is the solution that is being proposed by the Government. I want two things to be noted here, based on what was reported by Berger. One, the floating bridge even though recommended by Berger, it was presented as a temporary solution to bridging the Berbice River. Two, the floating bridge at Site F was presented as the only option, with an economical rate of return greater than twelve percent.

With respect to Site F, Berger advanced the argument that Canje Bridge was inadequate to put the trappings over, since it has neither shoulders nor walkways. At this point let me say this, I now understand that the bridge being proposed to be built over the Berbice River has no shoulder and has no walkway. So therefore, you locate the bridge, because it disqualifies Canje since it has no shoulder or walkway, but still the bridge you are building has no shoulder or walkway. We wonder what is the logic or the absence of it, in the report being made by Berger. But let us suppose somewhere; somehow, someone saw these things and then we have, Mde Speaker, for reasons best known to the Government and the IDB, Patricio Milan - Development Consultant, engaged to review the Berger Report.

Milan submitted independent Estimates of Cost that established that the Berger Report grossly under-estimated the cost of construction and maintenance of the floating bridge. Milan recommended the construction of a fixed concrete pre-stressed bridge between Providence and Augsburg, as the only economically viable alternative. Based on the cost estimate presented by

*23 January 2007*

Milan, Mde Speaker, the internal rate of return of the floating bridge at Site F, was now brought down to 10.9 percent. It was held by Berger, as the glorious reasons why the bridge was put between D'Edward and Crab Island. Suddenly, the whole bases for the economic argument for locating the bridge at that point, went out of the window.

On the other hand, the pre-stressed bridge at Site A, had an internal rate of return of 14.3 percent. Therefore, Mde Speaker, that argument that we would have located a bridge at D'Edward, because it was the most economic and most viable, was no longer valid. But subsequent examination of the Berger Report, because after reading Milan you wanted to know what you missed in Berger, so you go back to Berger and you find that the relative cost of maintenance of the steel and concrete option, was highly suspicious. The low operating costs of the floating bridge, as compared to the concrete bridge, was quite worrying.

Mde Speaker, Berger's departure from the Terms of Reference to exclude sites C and D, as opposed to Figg, can be described as nothing short of scandalous. When all these things are taken together, one might be moved to ask the question, was the Berger Report doctored to ensure a bridge was not constructed upstream of the Berbice River or to ensure a Steel Floating Bridge. But the big question is why the Louis Berger Group would want to do this? Do they have interest locally that would cause them to Doctor their own Report, to achieve the aforementioned objectives? Louis Berger - Dr Louis Berger has no interest locally, so why would he want to do that? And we must now ask ourselves who asked him to do that?

The implications of not putting the bridge upstream of the Berbice River are well-known. The Communities on the West Bank of the Berbice River as well as New Amsterdam will suffer. What kind of person, what kind of people would push for this kind of hogwash? With respect to the issue of ensuring the outcome is a steel floating bridge we must take into consideration that one cannot walk into one hardware store and buy a steel floating bridge. There were two manufacturers of the aqua-panel components. One of them has

23 January 2007

international reputation for making joints. These companies normally work on a commission to persons who bring business to them. Normally, they pay a commission to persons who bring business. So the question is who is receiving the ten percent commission, if any, for the \$25 million components that you would be buying for this bridge? Who is receiving this commission, if any?

Mde Speaker, I know the Government side is going to vehemently deny that they asked Berger, to ensure the outcome is a floating bridge at Site F. They would deny it. But to pre-empt that, Hon Minister of Foreign Trade, I wish to point you to the Patricio Milan Report. Now recall that in the body of his Reports, Milan stressed that the pre-stressed bridge at Site A was the most economical option. However, in the Appendix 6 this is what Milan says:

*If these offers are below US \$37.3 million, the construction of the bridge should proceed without delay.*

This bridge he was referring to here was a steel floating bridge. I understand the Government intends to hold on to this, to say that Milan gave them the opening to ignore his recommendation in the body of his report because in the Appendix he says:

*If the construction of the bridge is below U.S. 37.3 million then proceed ...*

But then I decided to check this thing a bit because something looks strange. I am familiar with the Cross report, Mde Speaker. After we had this thing in 1997, when the clause was sticking out like a sore-tongue, so this particular thing was sticking out like a sore-tongue. So, you would want to investigate and when you check, you would see this is what Milan had to say:

*In our visit to Guyana, to discuss the preliminary portion of this report was conducted between 14 December and 16 December, 2004. Mr Bharrat Jagdeo, President of Guyana and his team,*

23 January 2007

*raised the issue of receiving 13 offers to construct a floating bridge at a cost approximated to the U.S. \$25 million, as the bridge standard of cost of the Florida Department of Transportation was much higher than those that had applied in Guyana.*

So here it is, we are having the Government say to Milan, ‘do not bother with your study and what you have found, we want to build a floating bridge’. Milan goes on to say:

*Based on the Government's preference for Site F ... [Interruption: ‘Where did you get that?’ “It is here; let me find it” [Pause]*

Anyway, I will come to this in my response, because it is here. I read it but I do not want to use up too much of my time. You can check and you can see. [Pause] Okay, I will deal with it in my closing statements because, Mde Speaker, I would really like to cause the Honourable Member Mr Donald Ramator, to close this month at this point in time. Okay, I have it now, Mde Speaker. Here is what Milan had to say:

*The analysis undertaken in the study indicates that both floating bridges at Locations A and F, have a similar rate of return. Since the Government indicated a preference for Site F, the data of this alternative is included in Table 2, et cetera, et cetera.*

It is here. The Government told Milan, *do not worry with all of things you found*. Do not worry with the fact that you have found Site F not viable. You come and submit something to us. Mde Speaker, Patricio Milan was asked to ensure that the outcome was a Steel floating bridge between Crab Island and De Edward. However, Milan did not adopt the approach of Dr Louis Berger; he presented what were the real results. He presented what was the real result of the report and then he said, if you want to proceed with your own hair-brain scheme, then there is a situation. [Interruption - *Where did you get that?*] No, no. I am not quoting him; I am interpreting what he said. And here is my

23 January 2007

interpretation again, he presented the real results to you and then he said, if you want to proceed with your own hair-brain scheme then go right ahead.

Mde Speaker, it should be noted that the internal rate of return for this option that the Government will champion very shortly is below the twelve percent or the IDB threshold. I am of the view, Mde Speaker, that after the submission of Milan Report, we had a very straightforward situation. However, someone somewhere decided to proceed as recommended by Berger.

The Milan Report was ducked and a number of persons directly involved in the Berbice River Bridge Project did not even know of its existence until long afterwards. I know that for a fact and if you have noises in this House ... I can say which Members from that side had sat in a meeting and then ...  
*[Interruption]*

**The Acting Speaker:** Honourable Member Mr Mc Allister, your time is up.

**Mrs Deborah J Baker:** Mde Speaker, I rise to ask that the Honourable Member be given fifteen minutes, to continue his Presentation ...  
*[Interruption: 'No, no']* That is my motion.

**The Acting Speaker:** Honourable Members, I have just been informed, sorry, that he is a mover of a Motion and he can have forty-five minutes.

**The Acting Speaker:** There is a mover of a Motion. Go ahead Honourable Member Mr McAllister.

**Mr James K Mc Allister:** Mde Speaker, I am aware of forty-five minutes. Now, I have lost my trend. I am saying that people higher up who were involved in the Berbice River Bridge Project, did not know of the Milan report. *[Interruption: "You are asking?"]* Mde Speaker, even the Government behaved as if it did not exist. In fact, when the Hon Member Mr Harry Narine Nawbatt, then the Minister of Transport and Hydraulics and Mr

23 January 2007

Winston Brassington, Head of the Privatization Unit, appeared before the Social Services Committee they behaved as if there were no Milan Report.

All reference was to the Berger Report. In fact they walked with the Berger Report. They supplied the Berger Report and at no point in time, did they inform this Parliamentary Sectoral Committee that there was a subsequent report that really de-gutted the Berger Report that they had given to us. Mde Speaker, it would appear that the Government decided to abandon the most economical option and to opt for a floating bridge at the mouth of the Berbice River.

I wish to now turn to this floating bridge. Mde Speaker, I am aware that by a Letter dated 2 March 2005, the Harbour Master wrote the Government objecting to locating a floating bridge between De Edward and Crab Island. In his Letter, the Harbour Master contended that the bridge in this location would make the Harbour unsafe and that this would impact on insurance and other rates, which would have to be paid by ships going to the Harbour.

The Harbour Master also called for his own feasibility study that looked at both, the Harbour development and bridging the River, at the same time. That was not done, as it is, of the other one. Because there was a view, that the bridge across the mouth of the Berbice River, would impede the development of the Harbour. I want to applaud him, because it is a fact. Of course, the Harbour Master was ignored.

You know, Mde Speaker, the Government likes to speak of responsiveness. I want to tell you that when the Demerara Harbour Bridge was being considered, the first location was at Princess Street. The Harbour Master objected on the basis that it was too close to the Sugar Terminals. You know what? The PNC Government moved the bridge, even though it had to be about six hundred feet longer. The Government in response to the advice of professionals moved the bridge. But this Government here, even though the Harbour Master has objected to the location of the bridge, sticks with it.

*[Applause]*

*23 January 2007*

Mde Speaker, the present location has a number of negative impacts:

- (i) Ships from coastal shipping ferrying Sugar would have to transit the Canje at low tide because of the Canje Bridge. However, when they get into Berbice River, they would have to wait on high tides.

They would have to wait for six hours, at least. But when you take into consideration that the bridge is going to be opened once per day, as recommended by Berger, you could understand what kind of waiting we are talking about. A demurrage of US \$5,000 per day for plying the Berbice River, so you can understand the kind of costs we are talking about for putting a bridge at the mouth of Berbice River. Of course, it would be higher for larger vessels.

Other ships, Mde Speaker, that use the Harbour would also have to wait because like I said before, it is a one-time per day opening and the question is who is going to pay? Is it the bridge? Because I know if the bridge is going to pay the demurrage, but then really and truly, it is the Berbicians that it would be costing. This bridge would have to pay this cost because the cost would be passed on by the private investors, they are not keeping it for themselves. Or is it a local importer/exporter and how would it impact his ability to compete?

- (ii) The Movement of Bauxite from Aroima, at its transshipment point has been affected.

I am quite sure that the Honourable Members know, now the company is moving in the direction of 3000-tonne barges, because they anticipate that the 6000-tonne barges that they used before would not be able to cross under that low-line bridge. How would this impact the economy of scale, Honourable Prime Minister?

Then we come to the more serious issues.

23 January 2007

- (iii) Because the Berbice River has one Channel, Berger proposes a change in the retractor span and the high span, at the same place.

All of this proves problematic, since retracting a span that is 11 meters high or 30 feet in the air, has presented a number of technical difficulties and resulted in the high span having to be shifted east, where a Channel would have to be created and maintained. This new location of the high span has resulted in a longer bridge and of course, escalation of costs.

The latest report that I have and maybe, it can be on form by the Honourable Members on the other side, is that it cost of the bridge which Milan said should not exceed US \$37.3 million and now stands at US \$46.5 million. Now you must tell us if this is true; because this has very, very serious implications.

Mde Speaker, I know that at the moment the projected toll to cross the bridge, using a bridge cost of around US \$37 million, is for instance over \$1000 for car, \$3200 for a Pickup and \$2000 for a 4-Wheel Drive. If you go up to US \$46.5 million or if we check the Milan Report - Milan estimated at US \$50 million. But if it go up to US \$46.5 million, we are talking now about cars at \$1,365, Pickup at \$35,00 and a 4-Wheel Drive \$2,540. This is a lot of money. When cost escalates, it is not a case where these Investors are absorbing these costs. So when you place the bridge at the place where the cost is going to runaway, it is the people in Berbice that we say we want to serve, who will have to pay.

Mde Speaker, I am also aware that when the Government was negotiating with the Consortium, the issue of cross subsidization of the bridge  
*[Interruption]*

**The Acting Speaker:** Your time is up, Honourable Member Mr Mc Allister.

**Mrs Deborah J Baker:** Mde Speaker, I rise to move that the Honourable Member, be given fifteen minutes to conclude his presentation.

23 January 2007

**The Acting Speaker:** Honourable Member, you have fifteen minutes to conclude.

**Mr James K Mc Allister:** I was saying I am aware, when the Government was in negotiation with the Consortium; the issue of cross subsidization was raised. Where it was taught that it was giving the consortium control of the Demerara Harbour Bridge and they would raise the Toll significantly, in order to help to pay them for the investment in the Berbice River Bridge. *[Interruption - Lies, you hear lies.]* I have it here. Mde Speaker, now that cost is approaching US \$50 million, we have to find out whether in fact the Government is again thinking of cross subsidization. This is a question that I think, is proper for Government to answer this afternoon.

- (iv) Locating a bridge at Crab Island has impacted the Crab Island Refinery Inc.

It has caused obstruction to the refinery there. It had to relocate and I understand, as a result of the relocation, the company is not proceeding with its total investment. Now if that is true, who wants this floating bridge so bad that they are going to the extent of affecting investments? Who wants a floating bridge at De Edward and Crab Island so bad? I suppose, the Government side would answer that.

It has also come to my attention, Mde Speaker, that Rusal admits certain objection, with respect to the bridge. Initially, the high span was shifted to the West and Rusal objected, since there would only be four feet of water at low tides and the barges would not have been able to transit. My understanding is that more objections are now on the table and Engineers have determined, that they cannot find a technical solution to address this problem and the matter is now back with Cabinet.

Well, you must send us, because I am not a Member of Cabinet. You must tell us, tell the Nation if you have, in fact you have. *[Interruption: 'How do you know that?' "How do I know all of that?"]* Mde Speaker, it is also true that

23 January 2007

the important thing to note is that the design of the bridge has not been finalized. So, when the Government side speaks about people coming here to delay the construction of the bridge, I wondered what they are talking about. The bridge has already been delayed by them, for technical reasons because the design has not been finalized.

Mde Speaker, I have a Fact Sheet produced by the Berbice Bridge Company Inc that provides for the matrix of the companies of the project. I see CLICO, Hand-in-Hand, the New GPC, et *cetera*, listed among the investors. I see also, Republic Bank, Scotia Bank and Hand-in-hand Trust Incorporation, listed among the investors. The total cost of the project, as presented on the Fact Sheet, is US \$40 million – above the Milan US \$37.3 million. The project cost, I understand, now stands at US \$46 million. I wonder if the Shareholders and other Investors saw the Milan Report. I wonder if they were shown this Report before they were invited to come on board.

Now, Mde Speaker, I am aware also that Milan did recommend in his Report, which disagreed with Berger when he said, you cannot sign up the Concessionaire before you finalized the design and have an understanding of what the real cost would be.= He said, *do not proceed in that direction*. The Government ignored this advice again and went ahead. So we have a situation here, where we have the Concessionaire Report and we are failing with the design, and the cost is running all over the place. Why is it so difficult, for this Government to take advice from competent professionals? [*Interruption - Louis Berger is a professional*] Louis Berger was discredited and his report was de-gutted. His report should be burnt. Louis Berger could be referred to as 'Dr Louis Berger.' He doctored his report.

Mde Speaker, the various plans to address the issue of weight ... one other aspect in this whole problem, is the design of the floating bridge which speaks to Act (8) (25); which would allow a gross weight of 21 tonnes per lane. The bridge in Coconame across the Coconame River bridging the Suriname River was built to a standard to cross 61 tonnes. What kind of network are we creating? If you are going to build a bottom like that across the Berbice, when

23 January 2007

tracks rolled up from Suriname and come here, the people would have to stop somewhere in Berbice, to offload, repack and so on. That is what we are talking about. Mde Speaker, I believe this would have to be reconsidered.

With all of these negatives, we must ask the question, why was the Government continuing negotiation with the Berbice River Bridge Consortium, then to prepare to build a pre-stressed concrete Bridge upstream of Everton? Why did you not stop that? Mde Speaker, the logic of the Government's decision makes this project not possible.

The basic need to understand what has transpired or is transpiring, with respect to the Berbice River Bridge. It is for this reason that this Motion is seeking a bipartisan investigation into it. The Government, if it is saying that things are so much aboveboard, should not be afraid to have a review of the process so we can put this matter to rest once and for all ... *[Applause]* We must not be afraid. If you are sure that everything is right, prove us wrong. Let us send the matter to the Economic Services Committee. Let us call in all of the players and let us have a review of what went wrong, to make a determination as to whether what happened there was done genuinely in the interest of Guyana. You may not have been wrong, you know, but we want to know if at the time you were making this decision, you genuinely believed that you were acting in the interest of Guyana

Mde Speaker, on this basis I beg to move the Motion, 'Construction Of A Bridge Across The Berbice River' that is standing in my name. *[Applause]*

**The Acting Speaker:** Honourable Members, is there a second to the Motion?

**Mrs Deborah J Baker:** Mde Speaker, I rise to second the Motion.

**The Acting Speaker:** I propose the question ...

**Hon BH Robeson Benn:** Mde Speaker, I stand to oppose the Motion, which lies in the name of the Honourable Member Mr James Mc Allister. In many

23 January 2007

ways I am perturbed, Mde Speaker, because the display here this afternoon of facts or fiction indicates that one, Honourable Member Mr Mc Allister is an extremely poor juggler. He has been jumping fact and fiction to the extent that in the end he confuses himself. *[Applause]* He confuses himself and he confuses the other Honourable Members on his side of the House. Because, Honourable Member Mr Mc Allister, I believe is also an Engineer and

one recognizes that an engineer is one who looks for an optimal solution arising out of financial and economical considerations arising out of that which is available in terms of resources and that is going to result in a project that is a development on the ground. This is why I say, *Honourable Member Mr Mc Allister perturbs me and he is a poor juggler.*

Honourable Member Mr Mc Allister, if I speak to the issues on the Motion ... in the first instance he talked on issues relating to the American Association of State Highway Transport Officials, the Weight Loading.

Certainly, Mde Speaker, historically we have changed Track B to a lower design standard, the highway standard of 20-44, which allows for 32 metric tonnes on our roads. Our latter designs, the current designs which have just been placed in our bridge projects are HS 25. This allows for 40 tonnes loading going across those bridges.

But certainly, it would take some time before we would be in a position, as a country, in our budget and in the resources that we can garner, to convert all of our highways which would go across these bridges and they can all have the same standard. Certainly, we do not have the resources in a short space of time, instantaneously, as was suggested, we will be able to convert all of our resources even if we can maintain them at US \$75 or upgrade them from US \$75 per kilometre, to be able to convert all of those highways crossing those bridges to the new standard which the bridges already have in anticipation of higher loadings coming from overseas.

*23 January 2007*

The Honourable Member spoke about IIRSA. I am pleased to report that Her Excellency Ambassador Cheryl Myers recently attended the IIRSA Meeting in Bolivia and to advise that we remain involved in the process of integrating Guyana with a new development of infrastructure and new roads network throughout South America. So any notion that we are either disengaged or not paying attention, to issues relating to improving road networks, relating to allowing us to becoming a part of an international transportation network in South America, is unfounded.

Mde Speaker, the issues relating to the feasibility studies and studies relating to the development of the Berbice River Bridge In many ways I am surprised because, I do not know why anytime Berbice is mentioned it appears as though, on the other side, people get hysterical and they get histrionic, which is what we saw here this evening. I would have thought, giving all the interest they themselves should have in Berbice that they would be glad to try to encourage development in Berbice. I would have thought, given the efforts they themselves have made, even when they were in Government, particularly a 1763 Monument was established by the PNC Government, which was to commemorate the slave rebellion. So I am surprised they would take the point of attacking everything, which comes up with regard to Berbice.

The dream, the vision of a Berbice River Bridge, has been a long one in Guyana. It was a development, which has long been awaited by the people of Berbice and also, by the people of Guyana. This development would result in significant economic and social benefits, not only in Berbice but in the country as a whole. It is a significant project. The Honourable Member did say that since 1996 there were practical approaches, the beginning of a feasibility study with Consultants and so on, started with regard to implementing this project - to realizing this project.

The bridge, Mde Speaker has come through several studies and the number of studies which the Honourable Member referred to in fact highlights the point of several iterations at the pre-feasibility stage and the feasibility stage and in

23 January 2007

response to the feasibility studies several independent feasibility studies were conducted to know what was the best option for the bridge.

The Honourable Member mentioned issues with regard to the location of the bridge. The Honourable Member himself did quote from the Louis Berger Study which indicated that the best site for the bridge and the best mode for the bridge was a floating bridge at Site F downstream and at the mouth of the River. He, himself said so. He himself noted and we discerned that he said there was a hurdle raised of US \$37.3 million with respect to the money which was available for the construction of the bridge by itself. He himself noted that the two areas with respect to the floating bridge and the pre-stressed high-level concrete Bridge, which is downstream at the point nearest to Everton, at Providence, both of these locations at one time in the Louis Berger Report had similar internal rates of returns. But he did not say that, he was referring only to the financial study and not the economic, feasibility and viability report of having the bridge at either locations.

When you look at the financial studies it is clear, and it refers to the bridge only that the point just downstream of Everton and the point at the mouth of the River had similar internal rates of return but that was only on the bridge itself. At the project level which relates to the bridge, the roads and the money for the consultants, the added benefit which relate to the position of the bridge, the economics spinoff and aspects which relate to the development of the bridge and the Harbour itself at Berbice, the floating bridge at Point F was the best option.

Mde Speaker, as an Engineer too and one who read all of these reports, some of which have been waving around here, he himself is aware ... he himself is aware or in fact should be ashamed to suggest, first that the Louis Berger Group, which is a 34 billion Euro Group established since 1953, a 34 billion Euro annual turnover engineering company, he should be ashamed to impugn the engineering integrity and capacity of that reputable company ... *[Applause]* and further to suggest that people in the Government were involved in some malfeasance or some other things with respect to the

23 January 2007

construction of the bridge here. He said that Louis Berger doctored the reports, or was somehow induced to doctor the report. What a shameful thing to say!

Mde Speaker, the fact of the matter is that the floating bridge downstream and at the mouth of the River was chosen as the best site because it was considered that the bridge, as he mentioned, too was a temporary solution. Temporary in our time frame, is twenty years. I believe too that the Demerara Harbour Bridge was a twenty-year temporary solution. It has been with us for the last thirty years, thanks only to the extensive maintenance, which has been going on for the last ten years. *[Applause]*

We have not had the feasibility study with respect the optimal solution for the construction of a deep-water port in the Berbice River. We have not reached that point as yet. For us to, maybe, put a high-level pre-stressed concrete bridge upstream of the port close to the high-velocity, is one that could not be contemplated at the time. The Honourable Member should be aware, and I did point out before, that we had a hurdle race. We have US \$37 million to use for the construction of the bridge.

We are not attempting to create figments of imagination. I know the previous PNC Government did have projects - the Upper Mazaruni Hydro Power was one such mega project. Against all advice, when people were saying *>maybe you should downsize and not make it such a prestigious project,* = maybe people thought their names would have been emblazoned across the front of the project but the project was boosted to such an extent ... the project was given such a high profile that the thousands of megawatts we thought we would have gotten still remain the figment of our imagination. *[Applause]*

We needed to downscale at that point in time. We did not take care and pay attention to reality and prudence, to decide what could be done or what could be dealt with, with the resources at hand at that time from the international funding agencies. This project, Mde Speaker, has not only the support of local Corporate Entities including insurance companies and investment companies,

23 January 2007

it also has the support of the Inter-American Development Bank, and for the Honourable Member to suggest that the IDB, with its battery of Lawyers and Economists, Financiers, Bankers, have all those people who would study these projects and who have the greatest facilities for studying these developing projects all over the world, would support such a project by facilitating the construction of the access roads and other issues relating to this project ... So the Honourable Member should be ashamed to suggest that the Inter-American Development Bank is in cahoots with the Government, maybe it is mad or crazy or something to, after using or dealing with all of the human resource skills that they have to examine, determine and find a spot for this project, the Inter-American Development Bank after inviting the same Patricio Milan Group, to do an independent study, and after examining the independent study by Patricio Milan, could have opted otherwise. But they opted to support this project in a tangible way. It is a ridiculous and shameful thing to say! *[Applause]*

Mde Speaker, the Honourable Member refers to an escalation of cost. He appears to have all of the reports, somehow. He has all of the documents and it is a transparent thing, so of course he has all of the documents. The Honourable Member has been suggesting that there would be escalations in cost in respect of the bridge itself. The Honourable Member has to be aware that Rexford Bosch is locked into a figure for the construction of the build-own-and-transfer bridge and that variation in costs could not have been tolerated in the contract which has been signed. They are locked into a fixed price contract and he has to be aware too, as he suggests he is aware of many recent events, which maybe, he thinks are ongoing, elements of this bridge are being constructed, as we speak. He has to be aware too, that panels and significant sections of this bridge have been identified. He has to be aware too, that by April sections of this bridge would be arriving in this country. *[Applause]*

The Honourable Member is referring to issues relating to depths of water, the height of sections and so on, the movement of positioning of the bridge. The

23 January 2007

Honourable Member, must be aware as an engineer and I hope, has been involved in building and maintaining things. *[Laughter]* I hope in his experience, he has been involved in doing things – building things and maintaining things. Whatever you do, you always have to treat things to improve things, to find the most optimal solution and the best benefit scenario as you go ahead. So the thrust of his arguments could only be founded in perhaps and he did say that, Dr Luncheon did say something about sinister motive, but I will come to that just now.

Let me say it is now, if the Honourable Member is aware that construction of this bridge has started, we are locked into a fixed-price contract with regards to the bridge, because you find the best solution to acquire steel, metal and everything, at a time when the cost of steel is very high internationally. If the Honourable Member is also aware that we are in a position where contracts have already been let, where all things have to float together, so that this thing would happen ... The Honourable Member has to be aware that to delay and to run an inquisition on a private company, with respect to this bridge, would amount to stalling and killing this project. *[Applause]*

The Honourable Member, by his delivery here today, is involved in trying to ambush this project or to push back it. It could not be any other thing. There could be no other intent and purpose, for the kind of presentation that was delivered here today. Because as I pointed out, he has all of the documents, which give all the facts and he can make a reasonable and rational interpretation of that which was presented with respect to the conclusion on the site at Point F for a floating bridge.

So any attempt now, to try to go into a different mode with respect to this bridge, after a lot of the feasibility and other pre-feasibility, feasibility, post feasibility, all of the studies done by several international consultants, we also have an international group from NDSM which has been supervising the contractor. Any attempt right now to consider this project in the way he proposes, is to perform an abortion on the project, which can only be intended to do good by design, for Berbice and for Guyana by extension. *[Applause]*

23 January 2007

I indicated earlier that in his presentation, with respect to the costing of the bridge, the Honourable Member speaks only with regard to the financial modelling, in terms of the Louis Berger Report. I want to quote from a section of that Report:

*In terms of the base-case economics evaluation of the project, only the floating bridge option at Point F obtains a rate of return greater than the twelve percent threshold. As for the financial analyses, the concrete bridge structures are too expensive. They have also incurred a financial cost to the Bauxite and Oil Industries and Options B and F, by preventing the ocean-going vessels from passing.*

*Furthermore, the floating bridge option at Point F will perform to other floating bridge Sites at B and A, on all grounds in terms of time savings, operating cost savings and vehicle operating cost saving. Thanks to a shorter access road network, the overall cost of the investment is also one of the most attractive, only second to the floating bridge option at Site A.*

So the difference between, in terms of the bridge itself, if you only look at the cost of construction of the bridge itself, the site operation only comes into play at the narrow river section. In terms of when that comes into some competition maybe, if you look at the construction cost of the bridge itself. When you have to consider roads, I think there are 15 Kilometres of road on both sides of the River that one would have to construct to be able to bring the bridge upstream into the picture. And when you do bring in these additional 15 kilometres of roads into the picture with the bridge the project fails at the hurdle rate.

There is a blatant suggestion that maybe the bridge is being placed downstream because of ethnic-geographic considerations. I think that is shameful too. I found that the placing of the bridge at its location is founded on economical reasons and the fact that we also do not have the optimal

23 January 2007

resources as yet, which would also call for the development of Berbice Harbour. But Mde Speaker, I am not aware that any communities which were bypassed by the actual emplacement of the Demerara Harbour Bridge succumbed or suffered in any dramatic way as a result of where the Demerara Harbour Bridge is established now.

I am aware that emplacement of the bridge at Site F and North of the Canje River and Canje Bridge, reduces the load going over the Canje Bridge and reduces the congestion of traffic in New Amsterdam itself. And I may also say at this point in time that we are spending hundreds of millions of dollars to rehabilitate and redevelop the road network in New Amsterdam itself.  
*[Applause]*

The road to Mara on the East Bank of the Berbice River, is being done now by this government. I drove down to the end of the road at the end of November and people of all races there were so happy to see that the road was coming in. Also to say, after more than 20 years of the road being in disrepair, their children moved out and could not come to see them; they could not take their produce to the market because they could not farm anymore. They were so happy to see this project now ... *[Applause]* ... so how come there could be a suggestion that this movement of the bridge downstream affects the communities upstream, when we are now building significant roads to Mara, on the right bank of the Berbice River?

I note that the Honourable Member Raphael Trotman is not here. I note his absence, but I know that Honourable Member Mr Ramjattan is here. I am very interested to hear their response, to these careless utterances which have been made with respect to development *in Berbice* ... *[Applause]* *Maybe my patriotic pride; my Mother=s people planted rice* (they still plant a little) and grew coconuts. So it upsets me, when I hear a suggestion that building a bridge there and building it at that particular location is an attack on one particular ethnic group in this country and favours another group. It is highly irresponsible. Mde Speaker, the resort to racism is all of the resort of

23 January 2007

scoundrels ... [*Applause*] I just want to say, the ready resort to racism in this matter, is under the resort of scoundrels ... [*Applause*]

**The Acting Speaker:** Honourable Minister, I would like to call you to order. There are some words, some parliamentary no-nos that we are hearing here ... [*Interruption: ... 'Madam, I am speaking, please'*] The first one according to our list is malignant and that is not a parliamentary word. It has been banned from use. The second one is scoundrels. Those do not constitute parliamentary language, so kindly desist from using them.

**Hon Brindley H R Benn:** Thank you, Mde Speaker, for the correction. I withdraw the remarks. Mde Speaker, there may be an attempt by some people, to have Berbice remain poor and benighted, they want as the ancient county. Yes, some people have an interest in having Berbice remain as a feudal back-water in Guyana.

Mde Speaker, the development of the Skeldon Sugar Project, the development of the roads, going not only to Mara, but the rehabilitation of the roads going to Crabwood Creek, the establishment of the University, the rehabilitation of the roads in New Amsterdam itself, point to this Government's intention to develop Berbice on par with all the other areas of the country. [*Applause*] Berbice, at this significant point time, represents a pool of development for the country with respect to the projects that I just mentioned.

Therefore, Mde Speaker, any attack coverts, any ambush or otherwise, attempt on this project is not only an attempt on Berbice but also it is an attack on Guyana and the ordinary Guyanese people. [*Applause*] Any such attack is an attack on every individual Guyanese. I am reminded, Mde Speaker, there was a report in Stabroek News of Friday, 17 January, where they were also going along the lines that the 2004 Report on the Berbice River Bridge Proposal ignored.

But we have to thank, Honourable Member Mr Mc Allister for pointing out to us the Annex 6 that attempted to skew or to fit his own interpretation of the

23 January 2007

facts. The fact of the matter, Mde Speaker, is that after doing the main Report which was commissioned by the IDB, Patricio Milan came to Guyana and did a study. They continued their studies and discussions, they visited the Demerara Harbour Bridge and after visiting the Demerara Harbour Bridge, the arguments they made in relation to the cost of the maintenance of the bridge, were thrown out because they had initially used figures, of course they were using it in isolation in the United States- Patricio Milan in Florida; they use the Figure of Florida Department of Transportation.

Those bridges which Higher user rate, higher impart rates, which exists under different conditions and which in fact, was not the steel galvanized construction which we have for the Demerara Harbour Bridge and bridges were maintained by labourers and contractors - who had raised for labourers higher than those that exist in Guyana, he came out with much higher rates and after days of discussions and examinations of the records and the status of the Demerara Harbour Bridge on which the Louis Berger Report was founded, they stepped back from that position. The cost flew out through the window.  
[Pause]

Mde Speaker, I would like to as we go along, yield to other speakers on my side of the House to maybe lecture the Honourable Member, because he can only be lectured as he is also aware of the reasons as to the issues with regard to the choice of the site for the Berbice River. I think there is a quotation somewhere which says:

*There is a tide in the affairs of men when taken at the flood it leads on to fortune.*

It goes on to say:

*If you take it any other time, you are left to wallow in misery and despair (sic)*

23 January 2007

Mde Speaker, we intend to build the bridge in Berbice, in an optimal solution here and now. We are taking it on the flood. I state again, any attempts to ambush, any attempts to push back this development can only be seen in the worst light. Any attempt to take this issue along the path which the Honourable Members suggests would stall the bridge, would result in a loss of investors and development confidence in the country. It would sabotage the bridge and also sabotage development in the country.

I would like to request of this Honourable House that it does not take such a course.

I thank you, Mde Speaker. *[Applause]*

**The Acting Speaker:** Honourable Members, this is a convenient time to take the Suspension. I propose to suspend for only one half hour.

The Assembly is suspended for one half hour.

**... Suspension of Assembly**

**... Resumption of Assembly**

**The Acting Speaker:** Honourable Members, this Sitting is resumed.

The Honourable Member Mr David Patterson

**Mr David Patterson:** Mde Speaker, I must say, after the last speaker, I have ... *[Interruption: 'You have changed your mind?' "Exactly"]* ... I have changed my mind, because I have always been of the opinion, and I still am, that technical persons, Engineers *et cetera*, make poor politicians by the fact

23 January 2007

of their technical training, when we can actually stand up and distort facts for fiction as the Honourable Minister said.

I have to start by telling the Hon Minister of Public Works and Transport that I am even a worse juggler than the Honourable Member Mr James McAllister, because I deal in facts and figures. But I sympathize with the Hon Minister because I thought he had a difficult task. He is new to the job and he steps in to defend a Motion. *[Interruption: ‘I can set you up, he does not want to talk’ “That is alright, you can talk all you want”]*

Mde Speaker, I will not endeavour to repeat all the points made by Honourable Member Mr James McAllister, because it seems in the end that facts have no standing on this particular debate.

Mde Speaker, the Motion before us is on the location of the Berbice River Crossing. This bridge crossing *[Interruption: ‘This bridge man...’ “I had a parrot just like you”]* The genesis of this river bridge crossing started with the Figg Report, which was commissioned in 1997, when a pre-feasibility study was done, for a bridge across the Berbice River. The Figg Report identified four Routes, namely (A), (B), (C), and (D). Based on that Report that consultant recommended an option of a crossing over route (B) (ii) and option (C) (ii), which were both fixed cantilever structures, one of 450 feet length and the other of 225 feet length.

Subsequent to this Report the Government signed a Loan Agreement with the IDB in 1998. In this Loan Agreement, Item 1.3 was for the Berbice River Crossing and the total of that was US \$11.6 million, which was specifically for the Berbice River Crossing. The feasibility study was \$0.6 million and the Ferry Stelling and bridge component of that was \$11 million.

In August 1997, the Government of Guyana invited expression of interests from companies and consortiums to design and construct a bridge across the Berbice River. I am noting here, upstream of Everton using the BOT measure. Four of the five persons who responded selected Route (C) and one selected

*23 January 2007*

Route (D). All of these forwarded Tenders using the Figg Report as their bases.

Ballast Nedam was ranked No. 1. Now it is interesting to note that Ballast Nedam did not come in a consortium; Ballast Nedam came in as a construction company. They put in their bid to finance the bridge only. The other four firms put in bids to finance the entire project - the bridge and the roads. Ballast Nedam put in a bid in which they were putting up \$2.5 million and he wanted the Government of Guyana to finance \$7.5 million - the cost for constructing a fixed bridge. It is interesting to note, a company that did not put in a bid to finance the entire project would rank No. 1. That is a first calamity in the workings of this thing.

Ballast Nedam then proposed that they would construct the bridge. The \$11 million, which was earmarked in the IDB Loan for the Ferry Stelling to bridge, would go towards the construction of roads. The Government then sought and received permission from the IDB to change the head of the loan agreement from the Ferry Stelling and Bridge to finance the approach roads for this new proposed bridge. Negotiations with Ballast Nedam continued until 2002, when at that time as we heard, Ballast Nedam withdrew. For reasons stated before and it is true, Ballast Nedam is still operating in this region. They are still doing work from their Suriname yards, in the entire region and if the Government Members would like to challenge that, they are quite welcome to do so.

After the withdrawal of Ballast Nedam, the Government entered into negotiations with the second ranked bidder for this Berbice River Bridge consortium. These negotiations went on from 2002 to 2004. Up to 2004, there was no mention whatsoever of any floating ridge nor was there any mention of any other routes, to cross the Berbice River Bridge other than the four as is contained in the Figg Report. However, because of the issue of the change in funds, the IDB required a report; hence, the arrival of Louis Berger Firm. In 2004, the Government commissioned a feasibility study by Louis Berger, who in his Executive Summary states:

23 January 2007

*The evaluation is aimed at providing economic and financial results of the study, as well as the consultant's conclusion in terms of the investment proposal.*

Overall, the result indicates that a bridge should be built over the Berbice River, between Rosignol and New Amsterdam in order to link Region 6 with the rest of the country particularly Region 5, West Berbice and Region 4, Georgetown. This bridge should be a floating bridge between the village of D' Edward, just north of the village of Rosignol on the West Bank and Crab Island on the East Bank.

Interestingly, Mde Speaker, this Report now introduces a new Route - Route (F) Previously, no consideration was given, prior to this Report, for any other Route other than (A) to (D). Louis Berger Report goes on to state:

*The floating bridge is a temporary structure, with life expectancy of thirty years maximum. It can be built faster, it can be moved to a new location at anything in his life expectancy and it can also be opened in order to accommodate the flow oceangoing vessels and other large boats on the River. The concrete bridge is a non-opening and firm structure, with life expectancy of at least seventy years. Although it cannot be opened, it has greater vertical clearing allowing most river traffic to pass under it.*

Mde Speaker, this new route introduced in 2004, is up stream. Some of the concerns raised by this new location are:

- (i) The relocation of buildings;
- (ii) Siltation and of the Cotton Tree sluice, which is adjacent to bridge and which drains 100,000 acres of farm lands;
- (iii) Siltation of the Canje River;

23 January 2007

(iv) Siltation of the sluice which drains into the Canje, an area to the East;

(v) Restriction of barges travelling between the bauxite mines and the bauxite transshipment station;

(vi) Siltation of the shipping lanes and the Bauxite transshipment basin. As well as the contingency arrangement of transporting vehicles across the Berbice River in the case, where the floating bridge becomes non-operational, due to the collision of a vessel.

Mde Speaker, please note that this Louis Berger Report was funded by the IDB. However, when the IDB was presented with this Report, I think, like the rest of the country, they were taken by surprise. They then commissioned an independent report, undertaken by Milan. Mde Speaker, like us, the Inter-American Development Bank smelt a rat. Milan did an independent report, where in the background of the report, they stated on Item 4:

*The consultants of the Louis Berger Group undertook a new feasibility study for several alternatives in October 2004. This study recommends the construction of a floating bridge at a new location called (F), the most northern location downstream of the river. That result indicated a very low positive net-return value.*

They further when on to state:

*The purpose of the present analysis...*

which is their analysis

*... is to review the feasibility analysis conducted by the Louis Berger Group and to provide the Inter-American Development Bank and the Government of Guyana with independent estimates of*

23 January 2007

*costs and benefits and economic feasibility of the proposed bridge on the Berbice River.*

They provided their analysis of the study provided by Louis Berger. I just want to highlight the difference between the Honourable Member Mr McAllister's interpretation and this, because that total value of roads and bridges according to the Milan Report, for a floating bridge at Route (F) for \$58 million. While the Louis Berger Group's Report for bridge and roads were \$35 million. Hence, that sum in Appendix 6, which was referred to by both previous speakers arise. That actual cost of the bridge by Louis Berger is \$31 million and the roads were \$3.8 million.

They presented their report to the Government of Guyana, who did not accept the findings for whatever reason and they made a proposal which was never taken up. Their proposal was and I quote:

*Based on the above, it was decided to test the market and request Firm thirteen offer for a floating bridge at crossing (F). If the costs were below \$37.3 million, the construction of the bridge would proceed without delay. If they were not below that amount, the project will be stopped.*

This was their recommendation and it is Annexe 6 and Annexe 6 was inserted after the submitted their report to the Government.

So, Mde Speaker, there you have it. It is that through this journey, we have a Report done by Figg which recommended four routes, then one by Louis Berger which recommended a totally different route with a totally different bridge structure and then we have the McKinnon Report, which recommended that a Report done by Louis Berger was flawed and grossly underestimated. Mde Speaker, now we arrive where we are, debating which route would have been preferable and the decisions behind, why the Government has opted for Route (F)?

23 January 2007

At this juncture I would like to state our position before I actually go into the merits and demerits of Route (F) and the Louis Berger versus McKinnon Reports. Our position from the Alliance for Change is that a bridge is necessary; a bridge should be built, the earlier - the better. We are in no way proposing that work on a bridge should not be continued. We are only debating here, the merits of the route. We are not subscribing to any conspiracy theory as to why the bridge is located at Route (F) as opposed to of route (B) or (C). Now (B) and (C) were chosen and the recommended location downstream.

So, Mde Speaker, why would the Government agree to a project which two other researches have indicated least acceptable? A bridge, which in the end would be more costly, which would have a shorter life-span than a fixed bridge.

*Maintenance* - Note that at end of twenty-one years, when the bridge will be handed back to the Government, is about the expiration of the useful lifespan of this bridge. It will be the end of the economic lifespan of the bridge and upon the immediate assumption of this bridge; the Government will immediately have to expend vast amount of monies to maintain the bridge.

Just five days ago, Mde Speaker, (this is what it looks like) the Honourable Minister of Works came before this House requesting additional funds - I have it here - to facilitate the maintenance of pontoons on the Demerara Harbour Bridge and to support the Transport and Harbour Department with outstanding commitments. He sought and got \$143 million. And in getting up, in support of that request, he made a statement saying that steel has gone up almost two hundred percent and it continues to rise. In their regular maintenance programme, the Demerara Harbour Bridge is scheduled to replace fifty-two pontoons.

Mde Speaker, the Honourable Minister is very aware of the high cost of maintenance of a steel building, yet he gets up on supports the arguments for a steel bridge. I would just like to draw an example, both the Demerara Harbour

*23 January 2007*

Bridge and the Canje Bridge were opened around 1978, yet we do not spend one percent of the money we spent to maintain the Canje Bridge, as we do to maintain the Demerara Harbour Bridge. So we do not have to go to America to quote any statistics from them, right here in Guyana we have running examples of the maintenance and operational cost of the building of a steel structure.

The difference between the Demerara Harbour Bridge and the Berbice River crossing is that the Demerara Harbour Bridge has two navigational channels. One is located where the bridge is retracted and the other is located at the high-span, which everybody is well aware of. The high-span allows for vessels and barges of a certain height to traverse it at anything. However, the Berbice River only has one navigation channel. This is the point where Louis Berger Report recommends to put the high-span at that one Channel, which the Honourable Member Mr McAllister mentioned is thirty-three feet high in the air. Now the complexities of retracting the thirty-three feet high-span would recognize by the Government and the Ministry of Works as impractical. It is a question of lowering one end and swivelling the other end and they would recognize it within a year that the retractor span will give them problems. That is why they sought to put the high-span closer to Crab Island. But unfortunately, if you move it from there, you would have to build a new navigation channel; hence, the increase in cost of the project, which is estimated to be \$7 million. So the overall cost of this project now stands at around \$48 million.

Mde Speaker, the Government is in possession of a fixed cost from another company, to build a fixed bridge at a different location, access roads included, with a seventy year life-span for \$52 million. So therefore, the question asked, and the question should be, for an extra \$4 million, a seventy-year low maintenance building project. Why is the Government persisting to build a bridge at Route (F)?

Mde Speaker, I heard the Hon Minister mention that the contractor Marviar is locked into a fixed-price contract. But I would like to remind the Hon Minister

23 January 2007

that not because you are opposing a Motion that you can tamper with basic contract law, which is, the fixed-price only pertains if you do not change the design. You cannot lock anybody into a fixed-price contract, if you altered the design and, therefore, by altering the design you cannot come to this House and say, irrespective of the raised taxes ... : if you increase the scope of work, the price will go up. So you cannot use that as an argument.

*[Interruption]*

**The Acting Speaker:** Honourable Member, your time is up.

**Mrs Sheila V A Holder:** Mde Speaker, I rise to request that the Honourable Member be given ten minutes to conclude his presentation.

**Question put and agreed to.**

**The Acting Speaker:** Honourable Member, you may proceed.

**Mr David Patterson:** Thank you, Mde Speaker. The question is asked, what would happen to oceangoing vessels that are in distress with the current location of the bridge? What if the vessel needs to be moored? How will this be handled with the current location of the bridge?

Mde Speaker, I would like to contend that the decision to build this bridge at this location was not done on an economic basis. In my opinion, this decision was as what our visiting MPs from the United Kingdom were discussing, it was based on re-drawing our constituency boundaries. It appears that this decision was a deliberate decision to bypass the townships of New Amsterdam and Rosignol. Mde Speaker, when the bridge or road bypasses a town that town quickly dies. I am sure the Honourable Members on the other side, are fully aware of this.

The Berbice Bridge Company Inc. is a business venture. Any additional cost that they would incur in building this bridge will be passed on to the

23 January 2007

consumer, because they have a fixed time period with which to recoup the monies that they have extended.

Mde Speaker, I understand, as the Honourable Member Mr McAllister mentioned, to reduce cost, they have removed the shoulders and the walkway on this bridge. Therefore, the pedestrians and cyclists have to be aware; they have now become moving targets for minibuses and other vehicles.

Mde Speaker, it is not too late to reconsider this decision; it is not too late for us to sit in a committee and discuss the merits or demerits of this project. It is no use throwing good money after bad projects. The idea of the location is what is in question. This position is not irreversible.

Mde Speaker, I would like to propose that is Motion on be sent to a committee where it can be deliberated, to ensure that people of this country is not left holding a bill, when we have an opportunity now to resolve it. Mde Speaker, on these few points, I thank you. *[Applause]*

**The Acting Speaker:** The Honourable Minister of Health.

**Hon Dr Leslie S Ramsammy:** Mde Speaker, I stand here this evening as a Berbician and as a Parliamentary Representative of Region 6. I am delighted as a Berbician that our wait is over and that the Berbice River Bridge construction had started. I am aware that prefabrication and so forth, is going on right now and as Minister Robeson Benn has said that prefabricated sections of the breach will arrive very soon Guyana. For me, this is a dream come true; for all Berbicians it is a dream come true.

While we tease and joke, let us not under-estimate the importance, the significance of this dream to Berbicians in particular, people from Regions 5 and 6, but also to all of Guyana. Truly the Berbice River Bridge is a long awaited dream come through. *[Applause]* It has been a dream for decades. I grew up with this dream hearing my grandparents and others talking about it. The genesis of the bridge, Mde Speaker, and I would like to remind my friend,

23 January 2007

the Honourable Member Mr Patterson the genesis was not with the Figg Report of 1997. All of us who grew up in Berbice, the Honourable Member Mr Khemraj Ramjattan would know this. The genesis started with a dream. Dr Cheddi Jagan and the Honourable Member Mr Ramjattan, were on the campaign in 1992, as a much younger person talking about the Berbice River Bridge. It was not just a dream; it was a dream articulated by the PPP/C and by Dr Cheddi Jagan in 1992. That is why on the trip to India, arrangements were made for a partnership to build the Berbice River Bridge. My colleagues will talk more about that and that eventually led to this Government commissioning a report that we all now been referring as the Figg Report.

In any case, today we are at a stage where a bridge across the Berbice River is being built and it is closer to reality. We, in Berbice are disappointed that anyone can now come to us, when we have waited so long and when a bridge is actually in the process of being constructed to say stop it. The people of Berbice reject such a call. *[Applause]* And I in this House, reject such a call. I am sure that all of my colleagues here reject a call to stop the construction of this bridge, even if it is temporary. *[Interruption]*

**Mrs Deborah J Baker:** Mde Speaker, on a point of order, nowhere in the Motion does it states that. *[Interruption: ‘That is not a point of order.’]* I am correcting you. It is inaccurate for the Honourable Minister to state that Mr McAllister on this side of the House spoke about the stopping of the construction of the bridge. *[Noisy Interruption]*

**The Acting Speaker:** Honourable Member Mrs Deborah Baker, are you relying on any particular Standing Order to make this point? *[Interruption]*

**Hon Dr Leslie S Ramsammy:** The Standing Order is not justifying it; you are stopping it.

**Mrs Deborah J Backer:** It is only up to three months.

**Hon Dr Leslie S Ramsammy:** It does not matter, you are stopping it.

23 January 2007

[Uproar]

**The Acting Speaker:** Honourable Members, could you please have some display of order. I want to read from the Standing Order, particularly Standing Order No. 38 (4) and to remind this Honourable House that any issues that is challenged, the mover of the Motion, Mr McAllister has the right to reply and he has forty-five minutes to do so.

Let me read from Standing Order Standing Order No. 38 (4). It says:

*Any Member who spoke on a question may again be heard to offer explanation of some material part of his or her speech which he or she claims has been misrepresented, but he or she shall not introduce new matter.*

So, if there is any misrepresentation, Honourable Member Mr McAllister himself shall challenge it.

**Hon Dr Leslie S Ramsammy:** Thank you. Mde Speaker, and in case there is any doubt, I am speaking this evening on a Motion; on one of the Resolve Clause being:

*The National Assembly directs the Minister of Public Works and Communication to instruct the Berbice River Company Inc. to suspend all works pending the outcome ...*

That is stopping the construction of the bridge.

*... of the investigation by the Economic Services Committee.*

We reject either a temporary or a permanent stopping of the bridge. [Applause] This Motion is out of order in more than one way. It is out of order, because it seeks to tell the Government it must stop a construction that it is not undertaking. The construction of the Berbice River Bridge is being constructed by a private consortium - the Berbice River Bridge Inc.

23 January 2007

Consortium. We are coming here to move a motion to stop a legitimate business activity by a private company. That is not our purview.

It is out of order, because it seeks to interfere with a legitimate private investment. The construction of the Berbice River Bridge is an infrastructural project being undertaken by the BBCI, a wholly Non-Governmental Corporation. We have no right to ask a private company to stop its operation when it is involved in a legitimate business activity.

Mde Speaker, this Motion to suspend work, is out of order. It is seeking to frustrate. *[Interruption]*

**The Acting Speaker:** Honourable Minister, I must stop you; because this matter initially was by no lesser person than the Prime Minister. It obviously clarified it that this Motion is properly before the House, in the sense that it was not abridged any Standing Order. Although it was undertaken by a private consortium, the Government has in fact commissioned that private consortium to do its work.

**Hon Dr Leslie S Ramsammy:** Mde Speaker, I was not referring to your ruling, I was not referring as to whether it can be brought to this House; I was referring to its inappropriateness in terms of the development of Berbice; in terms of the Berbice people having a bridge.

Mde Speaker, we have to reject this Motion, because it is attempting to frustrate a partnership with a private sector to support development in our country. This partnership whether it is the Berbice River Bridge or the various roadways in the Hinterland, it is under this Government that the private sector has been given an opportunity to work with this Government to develop Guyana. We need to support such a partnership in development.

This Motion seeks to frustrate and defer the dreams and aspirations of the people of Region 5, Region 6 and indeed of all Guyanese.

*23 January 2007*

It seeks to extend the agony of frustration of thousands of commuters.

It seeks to delay the economic benefits that Guyana can derive out of this project.

Mde Speaker, the only way to move goods, services and people along the East/ West route from Georgetown to Berbice and vice-versa is presently through the Ferry system - a system that is cumbersome; a system that is time-consuming and a system that constitutes a bottleneck.

Mde Speaker, I and many, many thousands have suffered the frustration of crossing the Berbice Ferry System. This frustration and the agony of travelling between Regions 5 and 6, sometimes hides the real achievements of the Ferry System.

However, how many of us realize that the Berbice Ferry System moves more than 220,000 vehicles each year?

How many of us realize that more than 1.5 million tonnes of freight are moved across the Berbice River?

How many of us realize that more than two million passengers, outside of vehicles cross the Berbice River through this system?

This is a much more maligned system and yet it has some impressive achievements. Yet, in spite of the improvements we have made over the last decade, like my colleague the Honourable Members Mr Moses Nagamootoo, Mr Robert Persaud and others, who have travelled across that river and who knew of the experiences of another time in 1980s, for example would remember when there was one boat; when sometimes a vehicle is stuck on one side for days. There have been improvements and in spite of the impressive achievements of the Ferry, the Ferry remains an issue of frustration, of agony for all of us. No one can deny this frustration.

*23 January 2007*

At a time of our development, when time has become even a more precious commodity, the Berbice River crossings have forced thousands to waste precious time, waiting to cross the river. It is not unusual to wait for three hours. I know, I do it every week. Mde Speaker, consider the nurse is late for work, because despite leaving home two hours earlier than her start for work, the Ferry arrived late and inevitably she is late; for after her shift has been completed, she spent hours trying to get home and lose valuable family time. The teacher is similarly late and thousands of students are also late; people miss flight and so on. It is frustrating experience. Therefore, for people in Berbice and for people who need to cross the river, the bridge is something that we need now. It is a bridge whose time has come and anything that will delay it must not be encouraged.

This is a private venture. The BBCI has many of the major institutional and corporated investors that include the five Commercial Banks:

- Republic Bank,
- Guyana Bank for Trade and Industry,
- Bank of Nova Scotia;
- Citizens Bank;
- Demerara Bank;
- Major Insurance Companies -
- CLICO; and
- Hand-in-Hand.

Do you seriously believe that all these private companies would invest, up to US \$40 million in something - National Insurance Scheme and New Building Society too - would spend that without doing careful analysis? They have all

23 January 2007

done their analysis and they have all decided that this is a legitimate, feasible and hopefully profitable investment.

The investment by the Private Sector is a good example of the Private Sector being partners in development. The PPP/C has articulated that partnership. I say this in this House without any apology that it is only under the PPP/C Government that the private sector has merged. *[Applause]*

There was another time, when Private Sector Initiatives were frustrated. It was under a PPP Government before 1964 that the Private Sector flourished and 1980 since 1992, that the Private Sector has been expanding.

I listened to the Honourable Members Mr McAllister and Mr Patterson and I know Minister Benn dealt with this matter. We all have read these reports; we all have them. It is interesting how people pick parts of a report to read out of context. You know, a study was done by Louis Berger. The IDB brought in Mr Milan. Mr Milan himself said ... by the way, I want all of us to know Mr Milan did his evaluation of the Louis Berger projection, without coming to Guyana in the first place. It was afterwards that he came to Guyana. When he did it, he accepted all the figures from Louis Berger for fixed concrete bridge. When it came to the floating bridge, he used the figures from the Florida Bridging Authority and in fact, got higher prices for the floating bridge than the fixed bridge. It was later when he came to Guyana that Mr Milan conceded he was not aware that Guyana was operating a floating bridge and that is how he adjusted his figures. Those figures were tested, because the private consortium then opened up the bridge for tender and there was a fixed contract signed for \$36 million. I do not know where \$48 million and \$46.5million are coming from. I know there is a fixed contract bridge with the BBCI for \$36 million and this is a group arrangement.

Mde Speaker, I do not want to go into the details of the Milan and if the Honourable Members are honest, they would say that when it comes to certain aspects of the operation and maintenance of this bridge, he used different figures for the fixed bridge and for the floating bridge for certain things such

23 January 2007

as administration, toll collection, lighting, insurance and so on. These are common to either bridge. So we have to put everything in perspective; not one side, just a part of it.

Mde Speaker, this bridge that we build must also take into consideration, our developmental agenda.

The upstream development that the Guyana Government is pursuing, some with private investors - the Berbice Bauxite Industry, the investment of Rusal, the Deepwater Harbour, these are all on our developmental agenda and any bridge that we build across the Berbice River, must take these into consideration. All of these were taken into consideration by the Guyana Government; these are also things that the private sector took into consideration.

Much has been made, about the long time it has taken for us to build this bridge. This has been a frustrating experience, for all those of us who look forward for the day we can drive across the Berbice River. But it is an important project; it is a costly project and we have to think through this carefully. That is why so many studies were done unlike the project that the Honourable Minister spoke about - the Mazaruni Hydro Project.

Mde Speaker, the PPP/C did promise to build a bridge across the Berbice River during the Campaign in the 1992 Elections. It was in 2001 Manifesto and the 2006 Manifesto, the Berbice River Bridge is a promise kept by the PPP/C Government. *[Applause]* Mde Speaker, the Berbice River Bridge is a dream come true, we are proud that we will now complete this Bridge and the PPP/C will be in the forefront, as we forge more dreams for more people in our country and for all of Guyana. We urge our colleagues to support us, as we move forward in building this bridge, to give support to our private partners as they invest in our future.

This dream will help us to connect our country to our neighbours in East and West and bring us closer to our neighbours. It is a dream that brings us

23 January 2007

nearer, when we put it in the context of the facts also that the Takatu River Bridge will soon restart when we think of the roll-on/roll-off infrastructural project with over \$600 million being spent on Supenaam and Parika Stellings and new Ferries being designed for roll-on/roll-off. It is connecting not only our country, but also connecting our country to other countries.

Mde Speaker, I urge the Members of the National Assembly, not to be tempted in trying to interfere with our private partnership. Let us support the bridge across the Berbice River, now. *[Applause]*

**The Acting Speaker:** The Hon Minister of Health.

**Hon Dr Leslie S Ramsammy:** Mde Speaker, I stand here this evening as a Berbician and as a Parliamentary Representative of Region 6. I am delighted as a Berbician that our wait is over and that the Berbice River Bridge construction had started. I am aware that prefabrication and so forth, is going on right now and as Minister Robeson Benn has said that prefabricated sections of the breach will arrive very soon Guyana. For me, this is a dream come true; for all Berbicians it is a dream come true.

While we tease and joke, let us not under-estimate the importance, the significance of this dream to Berbicians in particular, people from Regions 5 and 6, but also to all of Guyana. Truly the Berbice River Bridge is a long awaited dream come through. *[Applause]* It has been a dream for decades. I grew up with this dream hearing my grandparents and others talking about it. The genesis of the bridge, Mde Speaker, and I would like to remind my friend, the Honourable Member Mr Patterson the genesis was not with the Figg Report of 1997. All of us who grew up in Berbice, the Honourable Member Mr Khemraj Ramjattan would know this. The genesis started with a dream. Dr Cheddi Jagan and the Honourable Member Mr Ramjattan were on the campaign in 1992, as a much younger person talking about the Berbice River Bridge. It was not just a dream; it was a dream articulated by the PPP/C and by Dr Cheddi Jagan in 1992. That is why on the trip to India, arrangements were made for a partnership to build the Berbice River Bridge. My colleagues

23 January 2007

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**Mrs Deborah J Backer:** Mde Speaker, on a point of order, nowhere in the Motion does it states that. *[Interruption: ‘That is not a point of order.’]* I am correcting you. It is inaccurate for the Hon Minister to state that Mr McAllister on this side of the House spoke about the stopping of the construction of the bridge. *[Noisy Interruption]*

**The Acting Speaker:** Honourable Member Mrs Deborah Backer, are you relying on any particular Standing Order to make this point? *[Interruption]*

**Hon Dr Leslie S Ramsammy:** The Standing Order is not justifying it; you are stopping it.

**Mrs Deborah J Backer:** It is only up to three months.

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23 January 2007

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**Hon Dr Leslie S Ramsammy:** Thank you, Mde Speaker, and in case there is any doubt, I am speaking this evening on a Motion; on one of the Resolve Clause being:

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*... of the investigation by the Economic Services Committee.*

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It is out of order, because it seeks to interfere with a legitimate private investment. The construction of the Berbice River Bridge is an infrastructural project being undertaken by the BBCI, a wholly Non-Governmental Corporation. We have no right to ask a private company to stop its operation when it is involved in a legitimate business activity.

23 January 2007

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Mde Speaker, we have to reject this Motion, because it is attempting to frustrate a partnership with a private sector to support development in our country. This partnership whether it is the Berbice River Bridge or the various roadways in the Hinterland, it is under this Government that the private sector has been given an opportunity to work with this Government to develop Guyana. We need to support such a partnership in development.

This Motion seeks to frustrate and defer the dreams and aspirations of the people of Region 5, Region 6 and indeed of all Guyanese.

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It seeks to delay the economic benefits that Guyana can derive out of this project.

Mde Speaker, the only way to move goods, services and people along the East/ West route from Georgetown to Berbice and vice-versa is presently through the Ferry system - a system that is cumbersome; a system that is time-consuming and a system that constitutes a bottleneck.

*23 January 2007*

Mde Speaker, I and many, many thousands have suffered the frustration of crossing the Berbice Ferry System. This frustration and the agony of travelling between Regions 5 and 6, sometimes hides the real achievements of the Ferry System.

However, how many of us realize that the Berbice Ferry System moves more than 220,000 vehicles each year?

How many of us realize that more than 1.5 million tonnes of freight are moved across the Berbice River?

How many of us realize that more than two million passengers, outside of vehicles cross the Berbice River through this system?

This is a much more maligned system and yet it has some impressive achievements. Yet, in spite of the improvements we have made over the last decade, like my colleague the Honourable Members Mr Moses Nagamootoo, Mr Robert Persaud and others, who have travelled across that river and who knew of the experiences of another time in 1980s, for example would remember when there was one boat; when sometimes a vehicle is stuck on one side for days. There have been improvements and in spite of the impressive achievements of the Ferry, the Ferry remains an issue of frustration, of agony for all of us. No one can deny this frustration.

At a time of our development, when time has become even a more precious commodity, the Berbice River crossings have forced thousands to waste precious time, waiting to cross the river. It is not unusual to wait for three hours. I know, I do it every week. Mde Speaker, consider the nurse is late for work, because despite leaving home two hours earlier than her start for work, the Ferry arrived late and inevitably she is late; for after her shift has been completed, she spent hours trying to get home and lose valuable family time. The teacher is similarly late and thousands of students are also late; people miss flight and so on. It is frustrating experience. Therefore, for people in Berbice and for people who need to cross the river, the bridge is something

23 January 2007

that we need now. It is a bridge whose time has come and anything that will delay it must not be encouraged.

This is a private venture. The BBCI has many of the major institutional and corporate investors that include the five Commercial Banks:

- Republic Bank,
- Guyana Bank for Trade and Industry,
- Bank of Nova Scotia;
- Citizens Bank;
- Demerara Bank;
- Major Insurance Companies
- CLICO; and
- Hand-in-Hand.

Do you seriously believe that all these private companies would invest, up to US \$40 million in something - National Insurance Scheme and New Building Society too - would spend that without doing careful analysis? They have all done their analysis and they have all decided that this is a legitimate, feasible and hopefully profitable investment.

The investment by the Private Sector is a good example of the Private Sector being partners in development. The PPP/C has articulated that partnership. I say this in this House without any apology that it is only under the PPP/C Government that the private sector has merged. *[Applause]*

*23 January 2007*

There was another time, when Private Sector Initiatives were frustrated. It was under a PPP Government before 1964 that the Private Sector flourished and 1980 since 1992, that the Private Sector has been expanding.

I listened to the Honourable Members Mr McAllister and Mr Patterson and I know Minister Benn dealt with this matter. We all have read these reports; we all have them. It is interesting how people pick parts of a report to read out of context. You know, a study was done by Louis Berger. The IDB brought in Mr Milan. Mr Milan himself said ... by the way, I want all of us to know Mr Milan did his evaluation of the Louis Berger projection, without coming to Guyana in the first place. It was afterwards that he came to Guyana. When he did it, he accepted all the figures from Louis Berger for fixed concrete bridge. When it came to the floating bridge, he used the figures from the Florida Bridging Authority and in fact, got higher prices for the floating bridge than the fixed bridge. It was later when he came to Guyana that Mr Milan conceded he was not aware that Guyana was operating a floating bridge and that is how he adjusted his figures. Those figures were tested, because the private consortium then opened up the bridge for tender and there was a fixed contract signed for \$36 million. I do not know where \$48 million and \$46.5million are coming from. I know there is a fixed contract bridge with the BBCI for \$36 million and this is a group arrangement.

Mde Speaker, I do not want to go into the details of the Milan and if the Honourable Members are honest, they would say that when it comes to certain aspects of the operation and maintenance of this bridge, he used different figures for the fixed bridge and for the floating bridge for certain things such as administration, toll collection, lighting, insurance and so on. These are common to either bridge. So we have to put everything in perspective; not one side, just a part of it.

Mde Speaker, this bridge that we build must also take into consideration, our developmental agenda.

23 January 2007

The upstream development that the Guyana Government is pursuing, some with private investors - the Berbice Bauxite Industry, the investment of Rusal, the Deep water Harbour, these are all on our developmental agenda and any bridge that we build across the Berbice River, must take these into consideration. All of these were taken into consideration by the Guyana Government; these are also things that the private sector took into consideration.

Much has been made, about the long time it has taken for us to build this bridge. This has been a frustrating experience, for all those of us who look forward for the day we can drive across the Berbice River. But it is an important project; it is a costly project and we have to think through this carefully. That is why so many studies were done unlike the project that the Honourable Minister spoke about - the Mazaruni Hydro Project.

Mde Speaker, the PPP/C did promise to build a bridge across the Berbice River during the Campaign in the 1992 Elections. It was in 2001 Manifesto and the 2006 Manifesto, the Berbice River Bridge is a promise kept by the PPP/C Government. *[Applause]* Mde Speaker, the Berbice River Bridge is a dream come true, we are proud that we will now complete this Bridge and the PPP/C will be in the forefront, as we forge more dreams for more people in our country and for all of Guyana. We urge our colleagues to support us, as we move forward in building this bridge, to give support to our private partners as they invest in our future.

This dream will help us to connect our country to our neighbours in East and West and bring us closer to our neighbours. It is a dream that brings us nearer, when we put it in the context of the facts also that the Takatu River Bridge will soon restart when we think of the roll-on/roll-off infrastructural project with over \$600 million being spent on Supenaam and Parika Stellings and new Ferries being designed for roll-on/roll-off. It is connecting not only our country, but also connecting our country to other countries.

23 January 2007

Mde Speaker, I urge the Members of the National Assembly, not to be tempted in trying to interfere with our private partnership. Let us support the bridge across the Berbice River, now. *[Applause]*

**The Acting Speaker:** Honourable Member Dr John Austin.

**Dr John Austin:** Mde Speaker, so many inaccurate statements have been made by previous speakers that if I try to correct them in any way I will be spending so much time that I will not be able to make my presentation. So, I hope that at the end of my presentation, persons who pay keen attention would realize that some of those statements were just dreams and wishes.

The formulation of plans to build a bridge across the Berbice River is nothing new. Since the early part of the 20<sup>th</sup> Century, 1931 to be specific, the government of that time saw the necessity for build a bridge across the Berbice River. This bridge was supposed to contribute to the process, of linking Guyana with the Pan-American Highway. The next attempt to bridge the Berbice River was by the PNC Government. In 1968 a feasibility study on building a bridge across the Berbice River was conducted. The Berbice River Bridge was not built by that Government.

Mde Speaker, why did these two previous Governments and this present Government, want to be the bridge across the Berbice River? The reasons are many. These reasons include, increasing the integration of Guyana with the countries of the Tectonic Plates of South America and countries further afield; hence, contributing to the modernization of Guyana. Also, the building of this bridge would increase the development of Guyana.

The Ferry Stelling across the Berbice River can no longer effectively cater for the volume of vehicular traffic across that river. The bridge would save many man-hours of farmers, businessman and many other categories of people. Also, the Berbice River Bridge would contribute to social and other benefits of Guyanese, as well as Non-Guyanese. This bridge would provide a faster

23 January 2007

movement of people, goods and services, along the Northern Corridor of Guyana.

For example, frequent commuters across the Berbice River would attest to the fact that it takes more time to cross the river from Rosignol to New Amsterdam than it takes to travel between Georgetown and Rosignol. Another reason is that the Berbice River Bridge would provide direct economic benefits. The Inter-American Development Bank, traffic study of willingness to pay conducted in 2001 estimated that direct income from the Berbice River Bridge would be US \$5.1 million annually.

Mde Speaker, as stated before, other Governments had attempted to build a bridge across the Berbice River. In 1968, the People's National Congress Government had a study conducted on the bridging of the Berbice River. The Government was not able to build the bridge but the People's National Congress Reform - One Guyana, welcomes the building of a bridge across the Berbice River. *[Applause]* However, this Party is not in agreement with the site currently proposed for the bridge. Parliamentary records show that this Party has always supported the building of a bridge across the Berbice River ... *[Applause]* Mde Speaker, this Party continues to support the construction of a bridge across the Berbice River.

Mde Speaker, late in 1994 His Excellency the President Mr Bharrat Jagdeo gave the disappointing information to the Guyanese people when he announced the site proposed for the Berbice River Bridge. He said, *>the point between D' Edward on the West Bank and Crab Island on the East Bank of Berbice River'*. Other more suitable sites have been proposed for the building of the Berbice River Bridge. These sites would result in shorter bridge and less cost of building and maintenance.

A Letter from Norman Semple, dated May 2005, on behalf of the Berbice Chambers of Commerce and Development, of which he was President at that time, drew our attention to the fact that at least three feasibility studies of competent agencies advised that the best option is a high-rise bridge. I quote:

23 January 2007

*Three feasibility studies of competent agencies, advised that the best option is a high-rise bridge. An alternative is a floating bridge at a site that would cost minimal interruptions, to the flow of vehicular traffic across the Berbice River and marine traffic along the Berbice River.*

Mde Speaker, I would like to emphasize that the high-rise bridge was the first option recommended and a floating bridge was an alternative. Many Guyanese, including a significant proportion of Berbicians, object to the site currently proposed for Berbice River Bridge. The following are some of the reasons why many Guyanese object to the site of the Berbice River Bridge, as currently proposed.

*The communities of New Amsterdam, East Bank Berbice, parts of West Bank Berbice, East Canje and West Canje would be bypassed. This would result in contraction of economic and social activities in the communities bypassed. Yes, it would result in contraction of economic and social activities in the communities bypassed. Another reason why this site is not suitable is that it decreases the feasibility of a deepwater harbour in the Berbice River ... [Applause] Mde Speaker, I refer to statements made by His Excellency President Jagdeo on August 2006. He said:*

The Government plans to establish a deepwater Harbour at the mouth of the Berbice River. Also, the Government would possibly develop a refinery at that area.

Mde Speaker, it would not be feasible to build a bridge, a deepwater harbour, in the vicinity of or floating bridge. Similarly, the building of an oil refinery there may not be feasible. In fact, the Honourable Member Mr Mc Allister, informed this Honourable House that the company has since withdrawn its proposal for constructing the refinery. And in the use of Crab Island the construction of a floating bridge would impact negatively on the eco-system of Crab Island.

23 January 2007

Mde Speaker, we have been told that eco-tourism would be one of the major thrust of this Government, in terms of the development of Guyana. And so the proposed site would result in increase in cost to construct a bridge, increase the cost of maintaining the shipping channels of the Berbice River and it would increase the cost of maintaining the drainage channels of the Berbice River. Additionally, users of the bridge at the site proposed would be exposed to the high winds and waves which sometimes are present at the mouth of the Berbice River.

Mde Speaker, there are certain aspects of the arrangements for the building the bridge across the Berbice River which are questionable. For example, a Ray Ramroop publication of November 2005 stated:

*The same company that built the Canje River Bridge, I think it is 'Parsons, Brink and Hall,' offered to build the Berbice River Bridge at their own expense. Note, this is a high-level bridge, a high-rise bridge being offered to the Guyanese people, at no cost to the Guyana government. What the company wanted in return was to be allowed to collect the fees for crossing the bridge over a period of twenty years. They would then give the bridge to the Guyana Governments, for a token of GY \$1.*

Mde Speaker, many of us questioned why the People's Progressive Party/Civic refused this offer. More difficult to comprehend is the fact that this Government has accepted a much worst offer from the Guyanese point of view than they rejected.

Mde Speaker, in December 2005 the Berbice River Bridge Act was passed in this Honourable House and in stating this I remember those who said that 'the Government is not responsible or no connection now because it is a private company'. Also, in July 2006 the Guyana Government concluded an agreement with the Berbice Bridge Company Inc. Such an agreement does not mean that the Government would allow the company to do as they like. Note, a floating bridge would be built, not a high-rise bridge. The Berbice Bridge

23 January 2007

Company Inc. would then collect a bridge toll for twenty-one years, and then the bridge would be transferred to the Guyana Government. In 2001, an International Development Bank study estimated the annual income from the bridge to be US \$5.1 million. Hence, the Berbice Bridge Company Inc. is estimated to collect US \$107.1 million over the twenty-one years of toll collection.

Mde Speaker, bearing in mind the exploitation the average Guyanese people experience at the hand of most Non-Government-owned businesses (one needs to consider the experiences with Guyana Power and Light and, more recently, the experiences related to the Value-Added Tax) the income of the Berbice Bridge Company Inc. could be much more than the US 107.1 million for the twenty-one years.

Mde Speaker, I must remind this Honourable House that by 2005, the proposed cost of crossing a Car over to Berbice River was GY \$500, ten times the \$50 of crossing a Car over the Demerara Harbour Bridge.

Another questionable aspect is the proposed cost of building the bridge across the Berbice River. In 2005, the now Honourable Minister Robert Persaud said that, 'the cost would be US \$30 million odd... *[Interruption: 'Honourable Minister' " He was not a Minister at the time and I did say Honourable Minister"]* The cost was stated as US \$37.2 million by July 2005. By August 2006, the cost was stated as U.S. \$40 million. Most likely, if a cost was given today it would be different and most likely on the higher side.

Mde Speaker, I chose to include in this part of my presentation, a November 2005 publication of Brian Marx and I quote:

*When you build a concrete bridge, other than miner maintenance, you have to spend little money to keep it going. On the other hand, if you build a steel floating bridge, then you have to maintain the pontoons and so many other vital parts - sweet money and kickback for a long time to come.*

23 January 2007

Many Berbicians and including many other Guyanese questioned why a contract for building the Berbice River Bridge was concluded, before the contractor submitted an acceptable design for the bridge. On the 23 August 2006, the Berbice Bridge Company Inc. gave a US \$5.2 million cheque to the consortium of Bosh Rexroth of the Netherlands and Marianne Johnson of the United Kingdom. This was part payment for the design and construction of the Berbice River Bridge. Here we have a Consortium being paid to build a bridge before they had submitted a design for that bridge.

To add insult to injury, in December 2006, Geta Singh\_- a Director on the Board of the Berbice Bridge Company Inc., told the Guyanese people and I quote:

*The contractor is now working to come up with the best design for the bridge after which the physical construction of the bridge will begin.*

Mde Speaker, what conclusion are we to draw? Here we have a consortium bidding to build the bridge, without using the pre-bidding time to come up with a suitable design for the bridge. To make things worse, four months after this consortium received part payment for building the bridge, they still had not come up with a suitable design for the bridge.

Mde Speaker, the launching of the Berbice River Bridge Project in August 2006 saw the Government stating, and I quote:

*This is a National project which is realizing a dream of all Guyanese.*

Mde Speaker, I submit that if what the Government said was true then the people of New Amsterdam, East Bank Berbice, parts of West Bank Berbice, East Canje and West Canje are not Guyanese.

23 January 2007

Again in August 2006 Geeta Singh - Chairman on the Board of the Berbice Bridge Company Inc. stated and I quote:

*I truly believe that this bridge would bring together the people of Guyana in a positive way.*

Mde Speaker, I submit that if what Ms Singh said is true then the residents of the communities which would be bypassed by the proposed bridge, the residents of New Amsterdam, East Bank Berbice, parts of West Bank Berbice, East Canje and West Canje are not people of Guyana.

Mde Speaker, I would like to close my presentation with a quotation from Ram and Mc Rae Publication of 12 March 2006 and I quote:

*The choice of the current proposed bridge site was influenced by politics rather than by engineering and New Amsterdam was increasingly being marginalized.*

Mde Speaker, as a Berbician I cannot but agree with these statements.  
[Applause]

**The Acting Speaker:** The Minister of Agriculture ...

**Hon Robert M Persaud:** Mde Speaker, I want join my colleagues, Minister Ramsammy and Minister Benn in opposing this Motion. But I do so speaking firstly as a Berbician like Minister Ramsammy; secondly, as a Geographical Representative in the National Assembly; and thirdly, in my capacity as the Minister of Agriculture. I will explain the grave importance and certainly the potential for growth and expansion in agricultural activities and employment for all of our people, notwithstanding ethnicity, notwithstanding geography and certainly, notwithstanding political affiliation.

Mde Speaker, when I heard the Honourable Member Mr Mc Allister and then the Honourable Member Mr Austin spoke I thought that they were trying to step back. I thought they were trying to step back, perhaps, after the PNC/R

*23 January 2007*

would have learnt that the people in Berbice, in large numbers, were protesting in front of their office in New Amsterdam and finally they were listening to the voices of Berbicians who are dedicated and patriotic Guyanese, too. But it seems that the PNC/R is immune or not accustomed, to listening to the voices of the people. Certainly, as they have seen over past periods and intervals when we had a choice and the Guyanese people had the opportunity to renew their mandate, I am quite sure they have seen the results of not listening to the people of this country.

Mde Speaker, many attempts have been made to undermine the technical justifications for the type of bridge and the location. But all of that was just coating for another scheme that we have seen appear in the past and certainly, knowing that nature of the Opposition, it is a scheme that will continue to play out in the future. That scheme is to block, to interrupt and obstruct any progress, any project which is intended to benefit the people and to lift their living standard. More so, this scheme is played out to block investments in certain areas. For instance, we heard this played out in a difference circuit, when the government was proposing and moved in the direction of modernizing and restructuring the sugar industry and had plans to invest US \$169 million, which it is doing. Then, the main opposition and others voiced their criticism and tried to obstruct that. The same thing played out when the Government wanted to take the UG Campus, or establish a Campus of the University of Guyana in Berbice, and here we are seeing, Mde Speaker, the same thing with the Berbice River Bridge.

This is unfair, it is unjustified and, certainly, it seems to be part of a design that targets Berbice in a way to retard development, to cause unease and to put burden on the people of that county. Mde Speaker, I take strong umbrage as a Berbician and as all Berbicians do, to demonstrate here in front of the PNC Office in New Amsterdam.

Also, Mde Speaker, we need to recognize what happens on a daily basis. The expansion in economic activities for growth and development and the opportunities created by the PPP Government over the last decade or so, has

*23 January 2007*

shown a greater need and urgency for the Berbice River Bridge. The Ferry Service that we have, Mde Speaker, is unable to cater for that expanded development and expanded growth. That persuades us and makes it economically necessary that we move in the direction of the Berbice River Bridge.

Further, Mde Speaker, there is also the attempt, as it were, to downplay the socio-economic benefits of this bridge by obscuring it with all sorts of so-called technical justification, why it is that it should be cast, or put on hold, or blocked, or stopped, or suspended, or whatever phrase you want to use. But it is all part of the design of not allowing the bridge to move forward.

We need to recognize, Mde Speaker, that with the Bridge we would see the increased flow of produce from Regions 5 and Region 6 and other parts to create greater opportunities for people to invest in different areas, including agriculture and agro-processing. It would allow us also, to have greater export, because of the need to move produce and goods to Georgetown. Our farmers and our traders have to wait over one hour and half sometimes and we know the cost that has incurred. Certainly, some of these items are perishable, hence the urgency, the need for the bridge to be constructed.

We also need to recognize, Mde Speaker, there is a subtle insinuation that there is a device or some other agenda which the PPP/C Government has in the establishment of the bridge. One, it is suggested that we want to delay or even to reduce economic growth and development within New Amsterdam. But then the Honourable Member Dr Austin and others who frequent Berbice would know that it is the PNCR Town Council which has been stifling development in New Amsterdam and it has been this Government that expended over US \$1 million, over the past year and a half alone to revive and revitalize New Amsterdam. So, why would we be interested in stifling development and growth and we have been rescuing the citizens of New Amsterdam from the tyranny and neglect of the PNC/R Administration rule in the Town there. So that closes down clearly any suggestion in that regard.

23 January 2007

Also, Mde Speaker, the suggestion that the placement of the bridge at its identified and current location will reduce and take away development ... The socioeconomic development studies show and expose, in the same report that the Honourable Members Mr Mc Allister and Mr Patterson have been quoting from, those same reports have acknowledged the tremendous benefits that will flow into New Amsterdam and in other communities. *[Interruption: 'Read it' "I have my stuff here, but you have to report, you read it"]* Certainly, Mde Speaker, we need to debunk this argument, because it all fits into a certain frame of mind.

Every single development, every single project, nearly every single activity that the Government pursues we have an attempt to paint it either with a political brush and sometimes an ethnic brush, as we have seen what is demonstrated here today. We need to debunk that and lift the standards of our debates. *[Applause]* Do not use this National Assembly and this august Assembly, to resort to the politics of a bygone era and the politics that has delayed and destroyed development in this country.

Those people want to go forward. Berbicians want to go forward. Everyone would benefit from this and this stalling, this blockading that we see is taking place, I think, Mde Speaker, the people of this country are becoming tired of that. Other than that point, Mde Speaker, there is also a disguised attempt to question the integrity, to question the wisdom and financial judgment of a number of companies. Mention was made of how the Banks and the Investors ... *[Interruption – 'Which Bank?']* "You want the names of the Banks? Guyana Bank for Trade and Industry, you know that Bank? Scotia Bank, Citizen Bank, Demerara Bank and the long list of financial institutions" It is also questioning the integrity, competence and judgment of people such as Keith Evelyn, Paul Chung, Edward Carter, Cecil Kennard, Dean Hendricks and the Chairperson - Geeta Singh.

So, just selecting one name and quoting it, what are we saying? These investors and these companies that have been around ... many of us have our insurance and our savings with them ... You are saying that they are making

23 January 2007

unsound and financially poor decisions? Mde Speaker, I think it is an affront to these Guyanese companies. This Motion is insulting them and I think we need to let that be known and let it be known very clearly. *[Applause]*

Also, the model that is being employed in this construction shows our private sector confidence in what is taking place in this country. They are willing to outlay this huge sum in this massive investment. It speaks about their confidence in the future. It speaks about their confidence in the potential of the Guyanese people. It is time that all of us in this National Assembly so behave and conduct ourselves that the Guyanese people will continue to have confidence in us and they do not see us as obstructionist, saboteur, and people who are not interested in progress and development.

Mde Speaker, we see this dancing ... On the one hand, yes, we want this bridge but on the other hand we say, at the same time, no, we do not want his bridge now. We need to recognize this issue, Mde Speaker, that this PPP/C government, starting with the late Dr Cheddi Jagan ... have studied this project very carefully and has examined all the options very carefully. We have examined the options very carefully; we have looked at all the financing and the other technical arrangements. The Inter-American Development Bank; companies, such as the Caribbean Actuarial and Financial Services and a range of international consultancy firms of high repute that are being used in many other countries. They were involved in many of the technical work and all of the studies, they were involved in all the preparation, so that we have come to this point where the work has started.

It reflects our work, it reflects our deep thought, it reflects our interests and certainly it reflects our commitment in moving this project forward. We will not be stopped. We will not be stopped by anyone in terms of bringing this bridge to all of our people.

Mde Speaker, the location of the bridge ... Everyone recognizes that the floating bridge is a temporary structure. But what it does is that it gives us the option of exploring other investments for further work in the Berbice River.

23 January 2007

Why are we doing that? Because, we are concerned about the overall development of all of our people ... Certainly development of other projects further up the Berbice River will also mean further development for New Amsterdam and the other surrounding communities.

So, Mde Speaker, I am quite sure that the people of this country, the people of Berbice have themselves been through this ploy, they have been through this obstructive device by the main Opposition Member who has tabled this Motion. But again, as I have said, this country and the Berbicians cannot wait any longer. The PPP Government will deliver and the bridge will be built. Thank you, very much. *[Applause]*

**The Acting Speaker:** Honourable Minister of Labour.

**Hon Manzoor Nadir:** Mde Speaker, I have listened quite attentively to the debate so far and especially from the contributions made by those introducing the Motion. I have heard no compelling arguments of fact or substance to support this Motion. All that was placed on record were *fiery*. *[Interruption: 'Ifery!']* Yes, *ifery* - baseless wild political speculations, charges of irregularities and the imputation of some sinister plot.

Mde Speaker, a bridge across the Berbice River is the objective. I agree with the introducer of the Motion - not any bridge - but we are building a bridge to serve our immediate needs and our projected needs for the next thirty-odd years. Berbicians, in particular have said they want the bridge and for a long time now.

I said last Friday that once progress was being made by this Government or are being advanced by this Government, then the Oppositions for opposing sake opposes it. Someone from this side said earlier that they are trying to stop development. Mde Speaker, if there is anyone in this august Assembly that has an involved history in the Berbice River Bridge, it would be I. In fact, one of the five proposals submitted on the 22 February 2000, came from a consortium which I was involved in. I want the place on record that I had

23 January 2007

cause to publicly make concerns about the award of the Berbice River Bridge Contract to Ballast Nedam and I will leave with the Clerk a press release I issued on 20 June, which challenged the award of the Berbice River Bridge to Ballast Nedam. Mde Speaker, I introduced that, because the consortium I was involved with sent in a proposal to build a fifty-foot high bridge above the high water mark. The preferred option for the bridge was an eighty-five feet high bridge. The consideration there was to clear the sixty-five feet crows' net on the barges which were operated by Reynolds- Alcoa, then shipping bauxite down the Berbice River.

So what I want to say to Mr Brassington and his team in particular is that they give us an opportunity after we made our objections to clarify again. The company that I brought into the construction of the Berbice River Bridge then was a company called VOLCASKEVON International. They are now ranked among the top five of builders of bridges in Holland. To clarify, those who may want to go back to records of that particular period and tried to misuse, as I have seen done this evening with some of the studies on the Berbice River Bridge. Let me quote from an e-mail of 16 June and I will leave this, Mde Speaker, for your information and for the records of the National Assembly.

The company I was involved with in a response to Mr. Brassington, who asked for further clarification said:

*In our opinion a bridge of approximately US \$35 million is the maximum which BOT (build, operate and transfer) can support feasibly and realistically from a financing point of view and acceptable commercial risk.*

I think we have someone in this House, who, based on facts would normally compute certain levels of risk. The consequence of this is that we have made a proposal of clearance of fifty feet and not a five feet clearance, which has a higher cost. Mde Speaker, I cite that for the records, because sooner or later someone will try to say that at one time we were speaking on this side and on

23 January 2007

the other time, we are now on the other side. [*Interruption: 'Like what you are doing now'*]. I agree with you.

Mde Speaker, we were told that the government took two years to negotiate with Ballast Nedam\_and because of the Government's inability to conclude with Ballast Nedam;\_Ballast Nedam\_walked away. That is what we are told. We are told that that was a matter of fact - that Ballast Nedam walked away.

Mde Speaker, I now quote from a Memo from Mr Brassington, from a Consultant the named Tony Mack, who was offering advice to the Privatization Unit and this is dated 6 July 2000, just about two weeks after we had made public our concerns about the award of the contract to Ballast Nedam. In here has a number of cautions, which Tony Mack gave to the government in dealing with Ballast Nedam and to the credit of Mr Brassington, he dealt fairly and firmly in protecting the interest of the Guyanese people in those negotiations. One of the comments says:

*Ballast Nedam proposal is a BOT project in name only. As the only private investor, they should be the majority shareholder of the special project company; they proposed holding twenty percent; eighty percent being held by the Government of Guyana.*

6 July, Honourable Member Mr Mc Allister

I can go on and on with respect to what is included there. I will leave it for the records of the National Assembly by submitting the press release signed by Manzoor Nadir, exchange of e-mails of 2002 between with Privatization Unit and our principles in Holland and the assessment of the Ballast Nedam contract.

Mde Speaker, Ballast Nedam walked away also, because it found itself in serious ... in fact, it found itself in very serious financial crisis that caused it to start downsizing. Mde Speaker, I have pulled down from the Ballast Nedam News, their website, some articles of 13 March 2000 - this was on their

23 January 2007

website and this was pulled down seven years ago. I will quote from Tuesday, 11 July 2000 and 14 July. The first quotation -

Monday, 13 March 2007:

*Ballast Nedam 1999 Profit Plunges*

I will continue ...

*Ballast Nedam report on Monday, net profit for 1999 fell to €9.4 million compared with net profit of €47.7 million the company booked in the comparable period of 1998.*

They dropped from €47.7 million in 1998, to €9.4 million at the end of 1999. That was a crisis they were in and this was on their website. The turnover decreased three percent; operating income fell seventy percent. The cash flow crisis. That was March 2000.

Mde Speaker, 11 July 2000

*Ballast Nedam Fined In Indonesia*

*Ballast Nedam said it was fined \$6 million and its dredge will be confiscated by a local Indonesian Judge, who ruled in an ongoing dispute about sand extraction permit. The dredge's captain, who was not present at the ruling, was sentenced to three years imprisonment. The company said that confiscation of its ship is not possible as it was in the Bids - Ownership Up,*

but they were dredging the sea bed illegally in Indonesia.

I quote from Friday 14 July, 2000. These are all from the Ballast Nedam's website:

**BALLAST NEDAM EXPECTS SAUDI PAYMENTS THIS YEAR**

23 January 2007

*Ballast Nedam expects the Government of Saudi Arabia to pay them some 261 million Saudi Dollars to the company this year for outstanding debt on a construction contract. The Chief Financial Officer said on the sideline of a press conference, the CFO based his expectation, however, on promises similar to past promises, which remains unfulfilled.*

The bottom line of that is Ballast Nedam cuts profit forecasts; Ballast Nedam said:

*It lowered profit its pre-taxed profit to forecast Netherlands \$70 million as a result of month long lay-off of dredging in Indonesia and high interest cost from delayed payments in Saudi Arabia.*

This country was facing extremely difficult financial position. That is why they were insisting that Mr Brassington and the Government of Guyana picked up eighty percent of the financing. The Government then went out to a build, operate and transfer project. Mde Speaker, so we were regaled with the reasons for the negotiations between Ballast Nedam and the government failed.

Mde Speaker, there were four other groups that were also involved. The group I was involved with was the fifth. We withdrew because we said; you cannot finance an eighty-five feet bridge based on the income flow. In fact one of the other bidders wanted the Government to transfer in the first five to six years, in excess of US \$2.75 million annually in order to help subsidize the first set of payments, so that later on as the cash flow started evening out....that was a lot of money for the Government then - a hell of a lot of money for the government at that particular time.

Mde Speaker, we were told that after all of these discussions, I think the Honourable Member Mr Patterson who deals only in facts - remember he deals only in facts, because that is what his profession says to him; the Honourable Member said that in 2004 after all of the negotiations with respect

*23 January 2007*

to the fixed bridge failed, then we went out to get this Louis Berger thing going and the Louis Berger contract was in 2004. Actually, the Government went out in 2003, Honourable Member, for the Louis Berger contract. It was 2003; a year before what you stated and they actually submitted their final report in 2004. It is a credit to the Government that it was able to advertise and get an interested person within one year of that report being finalized. So now, we are in a process of the construction of the Berbice River Bridge. That is fact. We have taken to the facts; the private investors have taken to the facts.

This is a very dangerous Motion here tonight. I think it was the Honourable Minister Dr Ramsammy made dimension of it. We went down this road before. What we are doing here, we are now asking this National Assembly to make judgment on private investment. The private investor is the one who have evaluated the risk. I am sure they have gone to the persons with the skills of the Honourable Member Mr Patterson, not mine; he has enough expertise in this area. They have evaluated that risk and they are now willing to put their money and they have put their money behind it. We have heard all of these speculations about it. Are we writing a history with respect to the development especially from when the reality of building was tendered out to now?

I want to deal a bit with this floating bridge. We are told now that the design has changed. We have said to whichever consortium is going to win this bridge; this is a build-design project. There was a preliminary design. Of course, this was between the contractors to bid and the company that was going to own; they have their own arrangements and they will have to do their final designs. But what I can assure this House, Mde Speaker, is in the design neither before nor after were there any walkways included - no walkway was included.

All of a sudden now, this private investment to the tune about US \$35 million is being escalated into this House to US \$46 million to US \$48 million and

*23 January 2007*

now to US \$50 million; all, while baseless speculations, just to suit partisan, parochial, political interests.

Mde Speaker, several questions were raised about why this and why that and it was imputed that there are certain elements, some sinister plot available, in order to not build a fixed standing bridge and we are pushing ahead to build this floating bridge. One speaker, spoke of a commission and how he emphasized this commission, one could probably impute kickback or bribe in the background. This commission of ten percent and he seems to have knowledge of this commission of ten percent. He said, this company maybe Johnson, Rexroth or whichever one it is, they have a system of commission for whoever brings in this project.

This project has nothing to do with the Government of Guyana. A contract between maybe Johnson or Rexroth and Berbice River Bridge Inc. is totally private. If there is kickback, let us start looking at the private sector with that now as our business. His Excellency the President has called on many organizations to ensure that there is good governance, but that is none of our business - none whatsoever.

The other veil misuse of fact is this; initially four free-standing positions were tendered out. Then we heard here tonight, all of a sudden, the lowest cost option of these free-standing structures, which was considered to the tune of almost US \$35 million and today, has escalated in excess of fifty percent and that is now being compared to this free-standing structure of US \$35 million. How it is being said, is that the minimum bid which was received and feasible then, was ignored. That is still a minimum of US \$20 million more than this option, but we go on and on as if there was a minimum below US \$35 million for the free-standing structure that would have lasted for seventy years and because of some sinister plot, we have ignored that and we have moved to this floating bridge in the Berbice River.

Mde Speaker, the question was asked, why, why, why imputed again irregularity? Then we have seen and we have been told over and over about

23 January 2007

the Standing Orders; Louis Berger Group being accused of doctoring documents. In fact, Louis Berger was renamed Dr Louis Berger. There are protections for libel in the House - the Standing Orders. [*Interruption: 'Doctor Manzoor'.*] I do not want to become a doctor; I want to become a lawyer; you will meet me in the courtroom. [*Laughter*]

In fact, what happened is that when they compared the fixed structure with the floating structure, they were actually comparing *apples* with *oranges*

Anyway, I want to come back to this attack on the Louis Berger Group and I was a bit concerned that there was no attempt to stop the Honourable Member as he abused and abused the privilege. The Standing Order was quite clear and in fact earlier the debate on the VAT, we saw another abuse of the Standing Order when someone said, His Excellency was chastising a certain Member of the Private Sector. That was said earlier in the debate - the Standing Order.

Mde Speaker, the issue of pre-empting development, was quite ably dealt with by the Honourable Minister Mr Robeson Benn. One of the main reasons for dealing with an eighty-five feet high bridge was to still allow for the possibility of oceangoing vessels going upstream. Because as we know, while the international market for bauxite was cyclical and we see instances of it now on the rebound. We could not have build a bridged lower, as was proposed by my group, so to cut off future development from the Upper Berbice River.

I am not even going to deal with the issue of New Amsterdam and so forth, because I think those arguments hold no water whatsoever. In fact, the one they water that went into the award was the troubled water that Ballast Nedam was in trying to build a bridge over it. Mde Speaker, the Honourable Member and I think it was Mr Mc Allister said . He went on and on about, if this, then what; if that. He spoke about the increase on transportation cost - of transporting sugar down the Canje River. I was very amused.

23 January 2007

Mde Speaker, one of the challenges he made, he said, if we put the bridge where it is, and we are putting it there, then it is going to stop the development of Crab Island Inc. and cause a decrease in the proposal. He said, if this is true and we are there to stop the Crab Island Inc., he again asked the question, who wanted it so badly - another imputation of some level irregularity somewhere. He knows a lot.

Mde Speaker, I am surprised. He said that if we go up to US \$46.5 million for the cost of the bridge, then the toll will increase from \$2,000 for some vehicles to \$2,500. If, and his presentation is replete with such, as I said, *iferies*.

Mde Speaker, there is a saying that time and tide wait for no one. We want to express our appreciation to those involved in the Berbice River Inc. for undertaking this project. And we want to say here that neither time nor tide nor this Motion will stop this bridge from bridging the Berbice River. Thank you, very much. [*Applause*]

**The Acting Speaker:** The Honourable Member Mr James McAllister

**Mr James K McAllister:** Mde Speaker, I have listened to the contributions from all the Members on both sides of the House. Indeed, I think we have a debate here that has brought to the forefront a lot of information. It has revealed to the nation and it has been placed on record, but in the face of evidence and in the face of information, about the discrepancies and shortcomings of the floating bridge between D' Edward and Crab Island, the Government is prepared to dig its heels in and to go ahead regardless. I say to them now, you are the Government of the day, today and bully for you. But history will judge you.

Mde Speaker, the Member spoke about delays to the project and the Honourable Minister of Heath said that this Motion is out of order, because it is an attempt to delay. The people who have delayed this project is the people from the Government's side. This project was on the table since 1997.

23 January 2007

Because the Government was trying to manoeuvre themselves into a preferred option, they delayed and dilly dallied and sent away contractors after contractors to insure that they got what they wanted. *[Applause]* You go to one person, you ask them for a proposal, they gave you a proposal that you did not like, you sent them away. You went to another one and asked three times for proposals, because they did not come to tell you what you want, you send them away. How long was that? 1997 to now, ten years the People's Progressive Party/Civic has delayed this project. You are standing in this House and trying to give the people of this Nation the impression that you love the Berbicians so much. You love yourselves *[Applause]* You do not love the Berbicians.

Mde Speaker, the Honourable Member Dr John Austin, made a very serious assertion here in this House, where he said that Parson, Halls and Douglas offered to build the bridge low cost. One would have thought that Members from the Government's side would have gotten up to reject it, but no rebuttals. I find also that they turn down an associate of Romeo Capriani - the man associated with the Crab Island Refinery Inc., offered the Government to build the bridge on a concessionaire term and it was rejected because it was up river...

So you must understand that you cannot come here and tell people you are interested in Berbicians and you are interested in the development of Berbice, when there is evidence on the table and evidence under the table that you are doing things that are not in the interest of Berbice. *[Applause]*

Mde Speaker, the Hon Minister of Hydraulics and Transport spoke about a number of issues. He mentioned about design load and I think the Hon Minister, do not have a good grasp of the issue when we speak of design load and how it is taken into consideration.

When you were talking about building a bridge for twenty years and you are investing US \$40/45 million; you do not compare it with a bridge that was built fifteen years ago for US \$0.5 million. Because we can easily pick that

23 January 2007

one up, when we run into problems and fix it and bringing it up to the standard that it is supposed to be. We do not invest in a bridge for US \$45 million and build in accordance with some low, old bridge somewhere. That is what the Minister is trying to justify, HS 25 or HS 20 are bridges along the East Coast. I think, we must reject that position. The Hon Minister will also need to understand that some of those short-span bridges, even though they are designed for a very small load; the span is short - the long vehicles, before the back axel could get unto the bridge, the back axel is off. So the total load is never on the bridge. This will not happen on the Berbice Bridge. The Berbice Bridge has some two hundred or three hundred feet long.. So you cannot compare and say, because the run big oil tankers over the bridges here, then we can put it over the Berbice River Bridge. The bridge will collapse. So please Mr Minister, do not tell us that about loads. The fact of the matter is that if you are building a bridge for HS 25, it is going to constitute a bottleneck to development and that is what you want. *[Applause]*

Then the Honourable Minister told us about IIRSA and he said, the Honourable Ambassador Ms Cheryl Myers attended meetings and so on. I know that. *[Interruption: 'Her Excellency!']*... Her Excellency, yes, if. I can call her that, yes, because she is an eminent person. Mde Speaker, I know that Ambassador attended these meetings, but I was shocked when I saw that, because I went online and saw that we are sending our Ambassador to meetings that should be attended by engineers. I questioned myself what is this Government's commitment to IIRSA, when we cannot send Ricky Lowe, who is the man identified to go, because of the position and he holds relates to the IIRSA project. Why we do not send Ricky Lowe? *[Applause]* And you are telling us about your commitment to IIRSA. There is no commitment to IIRSA, because you are not sending the technical people. You are building bridges that are going to constitute bottlenecks and then not so long ago, we are hearing talk that you cannot pave the road to Lethem. Where is the commitment to IIRSA?

23 January 2007

Mde Speaker, we are hearing here about the PNC/R's investments in various projects and not understanding they have to cap it and so on. I remembered talk about the Attakie Road. It is a sad situation; it is a similar situation, when the PPP Government refused to listen and was pig-headed and went ahead with the project that people said one piece of road. Do you know what happened? You will remember what happened. [*Interruption:- I do not remember what happened.*] Okay, let me tell you what happened. The contractor, halfway through the project, walked. So if you are going to tell me, like the Honourable Member Mr Robert Persaud that you are going to bring the contractor from Rexroth Bosch here and believe he is coming here for charity and you will give him a project and tell him that it is for US \$37 million and then you change the design; increase the length of the bridge by twenty percent; the cost gone up to US \$45 million and he is going to build it for US \$37 million; you have another talk coming; he is going to cut his losses and he is going to walk. [*Applause*] So do not come here and tell us about the price is fixed. Contractors are in business, not charity and they are not going to come here and say ow, this is a poor country and he is going to do it for you. If they cannot get pay; they will leave; they will cut their losses and they will go, understand that. The fact of the matter is the Honourable Member Mr Irfaan Ali must understand this. Fixed rates mean unit cost, but if the quantity goes up, it means the total cost of the project goes up. So you must understand that.

Now the Honourable Minister Mr Robeson Benn also tried to tell this Honourable House that this project must be given clearance, because there is no way the IDB with all those lawyers and engineers would support a project that is not worthwhile.

But I am quite sure the Honourable Prime Minister knows - he knows quite well - that the IDB was opposed to a bridge in the first place. They were talking about a roll-on, roll-off ferry and this Government over time struggled with the IDB and got them to a position of really accepting a bridge. Why do you want us to believe that if you can get the IDB to move from a position of

23 January 2007

a roll-on/ roll-off ferry, to move from Providence/Hamsburg to Crab Island/ D' Edwards? Of course, you can get them to do that, because ultimately, the IDB is a Bank in the business of lending money.

Mde Speaker, there was talk by the Honourable Minister of Agriculture about the road to Mara. And do there is a contradiction in here, because on the one hand you are saying, that look you cannot build the bridge up river, because you would have to build a road to Mara, but then on the other hand, you are saying that you have already built the road. So we are wondering what is it you are really talking about? And so we see clearly it is nothing about the cost of roads ... *[Interruption: 'We are building the road already.']* ... yes, you are building the road already, all you have to do is to throw in a bit more and upgrade the road to international standards.

Okay, so here we have a problem and we must wonder what it is all about. Then we were told, by the Honourable Members that Milan did his assessment in Florida and when he came here, he was taken to the Demerara Harbour Bridge and he was shown in Bridge, et cetera.

But now we are in a situation where we have found that Milan was right. The cost escalated just as the man predicted. So how can you come here and say that the man was wrong? The man has now been proven to be right in the first place and you have been proven to be wrong. *[Applause]* The PPP Government is like George Bush. He went into the war in Iraq ... *[Interruption: 'Are you insulting the American President?']* That is correct. It is an insult to the United States President to compare him to the PPP/C Government, I agree with you. *[Applause]* He went into the war in Iraq and he ran into problems; the Democrats then said, cut your losses and come out. He is saying no, we are going to have a surge. And he is going to put more resources into this thing to bring about the outcome instead of anything he can cut his losses. And so you are in the same situation. You have made a mistake; you went down the wrong road and what is surprising, you have decided to stick it out. You, history will judge you; it will seriously judge you.

23 January 2007

Mde Speaker, the Hon Minister Dr Ramsammy, I do not have much to say about him. He just said something about prefabrication as if it is some major accomplishment. The prefab bridge - all the spans have the same thing. So, we do not have to wait on a special design to start building the components. When you are building the bridge, it will be assembled and you can make a decision right here if you will make it eighty feet long or one hundred feet long. So you do not decide on that. Okay. *[Laughter]* So do not come and tell me that prefabrication has started and therefore that is some big achievement. That is no achievement at all. In fact, some of those components might have the leftover from some other project somewhere in Asia. In fact that is what I heard. So do not come and tell us about that. By the way, I think the Honourable Member Dr George Austin dealt with you and your dreams, because the PNC was there before you for pursuing the issue of a bridge across the Berbice River. *[Uproar]* Mde Speaker, we are in the midst of hysteria, because the facts are coming out, but I will allow them to blow hot and allow them to blow cold, but they cannot change the fact that this is a stern position that they are imposing on the people of Berbice and time will tell. The fact of the matter is the People's National Congress Reform-One Guyana, is putting its position on the table. *[Applause]* We are putting our position on record and you will be judged by that.

The Honourable Minister Mr Persaud, spoke about agriculture and the bridge's impact on agriculture. *[Interruption: 'You just think that one up'.]* No, I did not pick it up, but I thought about it and so I now want to talk about it. If you go and check this, just by Meerzorg on the West Bank of Demerara, close to the Demerara Harbour Bridge, the outfall chokes up very often. The Demerara Harbour Bridge Authority has to move often to dredge it and so on - it happens. *[Interruption: 'How do you know?']* How do I know? I used to work there. So locating the floating bridge between D' Edward and Crab Island will result in siltation of the outfall channels, of the Cotton Tree sluice on the West Bank and the Grand Canal on the right Bank at the mouth of the Canje River. Now I want you, Minister of Agriculture, to consider how that

23 January 2007

will impact on farmers; how that will impact on agriculture and so on. So you must look at that.

Mde Speaker, the Honourable Minister of Agriculture would want this Honourable House to believe that only the bridge at De Kinderen and Crab Island, only that floating bridge at Site (F) has benefits for Berbice. The bridge at Providence has no benefits to Berbice and so they are speaking as if you pick up this bridge and take it to Providence/Hamsburg, you are doing something bad for Berbice. Maybe, when I read Pepping Tom of today, I wondered if this is what the Honourable Minister is saying; because I see something very obnoxious here from Pepping Tom about the feasibility studies and all sorts of things, but do not let me talk about that; let me talk about what he says here. He says here if persons from Corentyne where to bulk of the population of the country is ... now he is working with the Statistical Bureau ... who have to travel to the city would have to drive all the way to the location to cross and then have to drive a similar number of miles to come back.

He tries to suggest that to move this site from this location would be an affront to the people of Corentyne, because we have to put out of them some distance out. So, maybe when we hear about this bridge being only good at this location, we wonder what it is all about. I leave this to the Honourable Minister of Agriculture, to explain a bit later on.

The Hon Minister, spoke about insulting companies and so on. We are here to represent the interest of the people of Guyana. *[Applause]* Some of the companies are not investing their own money; they are borrowing money from NIS to invest in the project, if they decide that they are going in, who are you to say to us that we do not reserve the right to represent the interest of the people of Guyana in this House? *[Applause]*

Mde Speaker, the Hon Minister called the names of five reputable persons. I agree, reputable Guyanese, but are we going to put those five reputable Guyanese on a scale and say, they weigh more than the mass of people in

23 January 2007

Berbice and the mass of people in New Amsterdam? Is that what you are going to say?

Mde Speaker, we were told that no walkway was ever included in the bridge. That does not hold water, because the point we are trying to make is, in the Berger Report, the Canje Bridge was used as the reason for putting the Berbice Bridge where it is. They were saying Canje has no walkway. So, how can you rule out Canje; how can you rule out going upstream, because of no walkway and then you build the bridge with no walkway. That is a point I am making. I am not saying that you never consider any walkway. The point I am trying to make that all sorts of flimsy reasons were produced by Louis Berger not to put the bridge up river. That is all we are saying, Mde Speaker, and, therefore, we have to understand what this whole process is about. This process that we have initiated is a process where the People's National Congress Reform-One Guyana believes that this bridge is important the Berbice; the bridge is important to the development of Guyana and we have to ensure that when we make any decisions for twenty and thirty years, we make a decision that is good. All we are saying to the Government let us have a bipartisan review of the process. If you are so confident that you are aboveboard with the Berbice River Bridge, you go ahead with your construction, but agree to the review. Let us amend the Motion to remove the provision about stopping the construction of the bridge. Let us amend it just to have a review where we can vote together on all the documents; where we can bring the Honourable Prime Minister to tell us in the meetings that he are in that I know about. Let us do that, but you would not do that, because the same way you blocked the review of the Sugar Project in Berbice, the same way you would block this review of the Berbice River Bridge. *[Interruption: 'Although you are trying to block the project']* How am I trying to block the project? That is the problem. So, this is my total list, it is now in the table. Let us amend the Motion; let us remove the provision of us stopping the project; let us remove the provision about the Government reconsidering its decision to build bridge at the current location. Let us now talk about having a bipartisan review of the process that led to the decision to build the bridge

23 January 2007

where it is. If you are sure that you are aboveboard, you support that. I thank you, Mde Speaker. *[Applause]*

## **RIGHT TO REPLY**

**Hon Samuel A A Hinds:** Mde Speaker, I would like to have the right of reply here, under Standing Order No. 39 (2) *[Pause]*

**Mr Basil Williams:** I would like to oppose that application respectfully. Mde Speaker; if I can respectfully refer you to the relevant Standing Order No. 39 (2), my simple contention is that the discretion is entirely within your domain. *[Uproar]* As my colleagues are being worked up now, let me now put the matter beyond doubt. Standing Order No. 39 (2) reads as follows:

*A Minister may conclude the debate on any Motion*

...May, is also discretionary, which is critical of the Government ...

If you do not want to listen, I will just continue reading

*or reflects adversely on or is calculated to bring discredit upon the Government or a Government Officer.*

In the first instance, there is a probative burden on the mover to say to the Speaker and this House ... *[Uproar]*

**The Acting Speaker:** Alright.

**Mr Basil Williams:** *[Uproar] [Inaudible.]* ... where they are contending ...

**The Acting Speaker:** Please have some order at this late hour in the House

**Hon Samuel AA Hinds:** Mde Speaker, we are contending that you look at our application.

23 January 2007

**The Acting Speaker:** Honourable Prime Minister, I am looking at the right to reply. I know in the earliest everybody was saying this is not even a Governmental issue and it is a private consortium that even ... [*Noisy Interruption.*] Could you please, let us have some order? ... That it was a private consortium and some people were even doubting the capacity to have this debate at all, that it was a private company and that we cannot in this House, look at the actions of a private company. So I do not know. The thing is that I do not have the time to fully research, whether this Section can be applied at this stage in this matter, because the wording of this Motion was to have this thing reviewed and not to criticize the Administration in any way, but just to have it reviewed. [*Noisy Interruption*] Please, I am thinking as I am going through the motion. [*Noisy Interruption*] Please, I am speaking. If you all are going to behave and rendering this place like a fish market, I will just defer it.

It is also 22:00h, the time that the House rises and adjourns for the day. So if I am allowed to go on, I should have some ... I am just looking for the Motion. You all have me so frustrated at this late hour. [*Noisy Interruption*] They are always doing it.. [*Pause*] Honourable Members, I have read Standing Orders Nos. 39 (1) and (2). Standing Order No. 39 (1) says:

*The Mover of the Motion may reply after all the other Members present ..*

Which Mc Allister has done ...

*... have had an opportunity of addressing the Assembly before the question is put and after such reply no other Member may speak, except and provided in paragraph (2) of this Standing Order.*

Standing Order No 39 (2)

23 January 2007

*A Minister may conclude the debate on any motion, which is critical of the Government or will reflect adversely on or is calculated to bring discredit upon the Government or a Government Officer.*

The Motion as it stands ... in fact the written part does not criticize the Government in any way. *[Pause]*

## **SUSPENSION OF STANDING ORDER NO. 10(1)**

**Hon Samuel AA Hinds:** Mde Speaker, I would like to give us more time to consider this. I would like from the basis of Standing Order No. 10 (3), move suspension of Standing Order No. 10 (1), so that this sitting may continue to the end of this debate.

**The Acting Speaker:** It is in fact after 22:00 h and I am wondering what to do? *[Interruption 'Move the Adjournment']*

Honourable Members, this Motion does not have anything that adversely criticizes the Government. I do not feel that the Motion itself criticizes the Government and at this stage, I think, I will just put the question and have the Motion passed with a division or whatever it is, because I cannot allow the request of the Honourable Prime Minister to have a right of reply *[Interruption]*

**Hon Priya D Manickchand:** Mde Speaker, let me with the greatest of respect may I address Standing Order No. 39(2)? The Order says that a Minister may conclude the debate on any Motion, so while the Motion itself in words may not have been critical, in the debate arose matters that were intently critical of this Government. And the *may* here, Madame, it is my respectful submission, refers to the Minister's choice as to whether he chooses

23 January 2007

to reply or not. So I ask respectfully, Mde Speaker, that you review your decision, so that we can have a just application of Standing Order No. 39(2).

**The Acting Speaker:** Hon Minister, thank you for that intervention, but I have ruled on that already. That is one.

And two, if this rule is so widely interpreted, then I would see that the Minister has a right or a Minister, in this instance the Hon Prime Minister has a right of all times, because anything opposition does would be criticizing what the Government is doing. So that the right of reply would always be that the Minister would always have to close every single debate in this House.

I do not think that this Starting Order is meant to be used so widely. This is my ruling. I may be wrong at this hour of the night, but I feel that the right of reply should not be so widely used, because it would infer that the Minister would have to close every single debate of any Motion brought by the Opposition.

**Hon Priya D Manickchand:** Mde Speaker, I believe the intention of the Standing Order, is to allow the Minister responsible on the Government side, simply because perhaps we are in possession of more accurate information to inform the people we serve as to what are the facts. And so while it can be done, I do not believe that the intention was that it should be done all the time, but when there is gross misrepresentation, which I believe the Minister responsible now determined has happened, he may respond. That is my respectful submission, Madame. The intension of the rule ... the effect of the rule is not being... *[Interruption]*

**The Acting Speaker:** Honourable Members, please, please, please, I am listening to the Hon Minister. Honourable Minister, continue.

**Hon Priya D Manickchand:** Mde Speaker, with the greatest respect if your ruling were to stand, the intention of this Standing Order would not be given effect to and that would be a gross injustice to us all and to the people of

23 January 2007

Guyana. However, having said that, we may want to review this with the authorities from other countries that have a similar rule so that this does not become a precedent, which would be wholly dangerous for Parliament and very restrictive. I believe, if the intention was to be as open as possible and to provide information to the people we are speaking too and for. I do not believe, with my greatest respect, that your ruling is giving effect to the intention.

**The Acting Speaker:** Honourable Minister, let me answer you. This was a debate, with eight speakers, four of whom were from the Government's side. In addressing your earlier thing and three ...well, Honourable Member Mr McAllister had two bites of the cherry as it were to answer. But what I am saying is that four Ministers had the right to answer the opposition. *[Interruption: 'The Minister responsible has the right to reply.']*

The Minister responsible has spoken. So I think at this late hour, Honourable Members, I would put the question. I will put the question and I now put the question and I am not about to ... *[Noisy Interruption]* Honourable Members, perhaps this would help a little, I do not know, as I said, I take the point of Hon Minister of Human Services and Social Security.

This is what the Clerk, who have been busy while we have been talking and talking; he was trying to find something that may be helpful to us. This is from Erskine May, it only says:

*The second speech is allowed to the Private Member under special circumstances, following the explanation from the Speaker and with the pleasure of the House having been signified. A Minister who has spoken earlier in the debate, but not being the mover of the Motion, is usually allowed to speak again, but the objection of a single member is enough to stop it.*

This is Erskine May.

23 January 2007

**Hon Priya D Manickchand:** This would be relied on, when our own Standing Order is not clear enough. This is no ambiguity, with the greatest of respect, in our Standing Order No. 39 (2). If this was unclear, then we could rely on precedent from England, but this is clear. I do not see how we can resort to an unclear explanation from Erskine May.

**The Acting Speaker:** Yes. It is not as clear-cut, as I said, it is capable of being interpreted. As I said, you could interpret it narrowly or you could interpret it broadly, like I did in this instance, so that the debate could be closed ... *[Interruption]*

**Hon Priya D Manickchand:** Mde Speaker, the interpretation is grossly ... *[Interruption]*

**The Acting Speaker:** Madame Minister, I have ruled, but I have entertained you only because you have proffered something which crossed my attention that this ruling perhaps will not be the final ruling on this particular Standing Order. If you find any evidence in the future that you can bring to have a different ruling, I will be sure and happy to accommodate you, but at this time, I am disallowing any right to reply. I have ruled and I am putting the question which is ... this is the name of the Motion, the Construction of a Bridge Across the Berbice River

**Question put and negatived**

**Motion not carried**

Honourable Members, this concludes our business for today.

The Honourable Prime Minister

**Hon Samuel AA Hinds:** Mde Speaker, I move that this Assembly stands adjourned to a day to be named.

*23 January 2007*

**The Acting Speaker:** The Assembly now stands adjourned to a date to be fixed.

**Adjourned Accordingly at 22:15H**