

THE
PARLIAMENTARY DEBATES
OFFICIAL REPORT
[VOLUME 7]

**PROCEEDINGS AND DEBATES OF THE FIRST SESSION OF THE NATIONAL
ASSEMBLY OF THE THIRD PARLIAMENT OF GUYANA UNDER THE
CONSTITUTION OF GUYANA**

19th Sitting	2 p.m.	Thursday, 13th December, 1973
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MEMBERS OF THE NATIONAL ASSEMBLY

Speaker

His Honour the Speaker, Mr. Sase Narain, J.P.

Members of the Government

People's National Congress (50)

The Hon. L.F.S. Burnham, O.E., S.C.,
Prime Minister

(Absent – on leave)

Dr. the Hon. P.A. Reid,
Deputy Prime Minister and Minister of
National Development and Agriculture

Senior Ministers (7)

The Hon. H.D. Hoyte, S.C.,
Minster of Works and Communications

(Absent – on leave)

*The Hon. S.S. Ramphal, S.C.,
Ministers of Foreign Affairs and Justice

(Absent)

***Non-elected Minister**

*The Hon. H Green,
Minister of Co-operatives and National Mobilisation

*The Hon. H.O. Jack,
Minister of Energy and Natural Resources

*The Hon. F.E. Hope,
Minister of Finance

*Dr. the Hon. K.F.S. King,
Minister of Economic Development

*The Hon. S.S. Naraine, A.A.,
Minister of Housing

Ministers (6)

The Hon. W.G. Carrington,
Minister of Labour

The Hon. Miss S.M. Field-Ridley,
Minister of Information and Culture

The Hon. B. Ramsaroop,
Minister of Parliamentary Affairs
and Leader of the House

*The Hon. Miss C.L. Baird,
Minister of Education

*Dr. the Hon. O. M. R. Harper,
Minister of Health

*The Hon. G. A. King
Minister of Trade

Ministers of State (9)

The Hon. M. Kasim, A.A.,
Minister of State for Agriculture

(Absent – on leave)

The Hon. O.E. Clarke,
Minister of State – Regional
(East Berbice/Corentyne)

(Absent)

***Non-elected Ministers**

The Hon. P. Duncan, J.P.,
Minister of State – Regional (Rupununi) **(Absent – on leave)**

The Hon. C. A. Nascimento,
Minister of State, Office of the Prime Minister

Mr. M. Zaheeruddeen, J.P.
Minister of State – Regional (Essequibo
Coast/West Demerara) **(Absent)**

*The Hon. C.V. Mingo,
Minister of State for Home Affairs
*Non-elected Minister

*The Hon. W. Haynes,
Minister of State – Regional (Mazaruni/Potaro) **(Absent)**

*The Hon. A. Salim,
Minister of State - Regional
(East Demerara/West Coast Berbice) **(Absent)**

*The Hon. F. U. A. Carmichael,
Minister of State – Regional (North West)

Parliamentary Secretaries (8)

Mr. J.R. Thomas
Parliamentary Secretary, Ministry of Housing

Mr. C.E. Wrights, J.P.,
Parliamentary Secretary, Ministry of Works
and Communications **(Absent – on leave)**

Miss M.M. Ackman,
Parliamentary Secretary, Office of the Prime Minister,
and Government Whip

Mr. E.L. Ambrose
Parliamentary Secretary (Agriculture),
Ministry of National Development and Agriculture

Mr. K. B. Bancroft,
Parliamentary Secretary (Hinterland),
Ministry of National Development and Agriculture **(Absent – on leave)**

*Non-elected Ministers

Mr. S. Prashad,
Parliamentary Secretary, Ministry of Co-operatives
and National Mobilisation

Mr. J. P. Chowritmootoo,
Parliamentary Secretary, Ministry of Education

Mr. R. H. O. Corbin,
Parliamentary Secretary, Ministry of
Co-operatives and National Mobilisation

Other Members (18)

Mr. J.N. Aaron

Mrs. L. M. Branco

Mr. M. Corrica

Mr. E.H.A. Fowler

Miss J. Gill

Mr. W. Hussain

Miss S. Jaiserrisingh

Mr. K. M. E. Jonas

Mr. M. Nissar

Dr. L. E. Ramsahoye

(Absent – on leave)

Mr. J. G. Ramson

Mrs. P. A. Rayman

Mr. E. M. Stoby, J.P.

Mr. S. H. Sukhu, M.S., J.P.

Mr. C. Sukul, J.P.

Mr. H. A. Taylor

Mr. R.C. Van Sluytman

Mrs. L.E. Willems

Members of the Opposition

Liberty Party (2)

Mr. M. F. Singh, Deputy Speaker

(Absent – on leave)

Mrs. E. DaSilva

OFFICERS

Clerk of the National Assembly – Mr. F.A. Narain

Deputy Clerk of the National Assembly – Mr. M. B. Henry, AMBIM.

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PRAYERS

ANNOUNCEMENTS BY THE SPEAKER

Leave to Members

Mr. Speaker: Leave has been granted to the Hon. Prime Minister for today's and tomorrow's Sittings, to the Hon. Member, Mr. Kassim, and to the Hon. Member, Mr. Feilden Singh, for today's Sitting.

PRESENTATION OF PAPERS AND REPORTS ETC.

The following Paper was laid:

Annual Report of the Guyana Telecommunication Corporation for the year 1971.
[**The Minister of Information and Culture on behalf of the Prime Minister**]

PUBLIC BUSINESS

MOTION

APPROVAL OF ESTIMATES OF EXPENDITURE FOR 1974

BUDGET DEBATE

Assembly resumed debate on the Motion moved by the Minister of Finance on 10th December, 1973, for the approval of estimates of expenditure for the financial year 1974 totalling \$337,303,105.

Mr. Speaker: Hon. Member Dr. King.

The Minister of Economic Development (Dr. King): Mr. Speaker, we live in a world of disorder and upheaval. We live in a world of the most frightening economic interdependence. Grain crops fail in Russia and massive stocks are diverted from the United States of America to

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compensate for the Russian shortfall. Supplies which would normally have been available to the rest of the world are, therefore, reduced. Prices soar: rice, wheat and corn become difficult, if not impossible, to obtain in most countries. And although in Guyana there is the difficulty of rising flour prices, our sisters and brothers in Asia and in Africa starve and die because of the failure of the Russian rains.

Or, again, the ocean currents off the shores of Peru might behave, as they have recently done, in a particular fashion. The large supplies of anchovies which are used in the manufacture of fishmeal and which are usually found off the Peruvian Coast virtually disappear. Peru cannot produce as much fishmeal as she was accustomed. Fishmeal becomes scarce, prices rise, and because Guyana depends on this commodity for the production of much of its animal feeds, our economy is affected and the price of pork and the price of chicken go up.

Wars in the Middle East lead to a reduction in fuel supplies and the rise in fuel prices in Guyana. Strikes in the United Kingdom lead to lower productivity and higher production cost in Britain. The consequence is that in Guyana we import British inflation at the same time as we import their goods.

Indeed, inflation is a sickness that now seems to be epidemic in most of the world. Again, the American pursuit of presidential integrity, the fluctuating fortunes of the British balance of payments, the aggressive drive of the Japanese, the disagreements between international financial experts about the international monetary system, all of these factors, sometimes collectively and sometimes severally, affect the stability of the world's currencies and in turn affect our Guyanese economy.

It is against this back drop of near economic chaos on the international scene that the performance of the Guyanese economy in 1973 must be analysed. And if we remember that to this international confusion must be added unusual weather conditions which affected the harvesting of rice and the ripening and harvesting of sugar, and if we recall the relatively soft markets for metal- grade bauxite and alumina which prevailed during the year, and if we realize that in 1973 much of our human resources, and some of our financial resources, were expended in the process of electioneering and elections, - processes which, thought they appear to be vital

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to the way of life which we have inherited and which we seem to cherish, are nevertheless extremely costly to a young nation in terms of time, in terms of human energy, in terms of finance and in terms of production, if we think on these things, then the performance of the Guyanese economy in 1973 should give no cause whatever for any Guyanese to be ashamed.

My colleague, the Hon. Minister of Finance, has already given you the cold statistics. We estimate that the gross domestic product will increase by about nine per cent at current factor cost over 1972. In real terms, because of rising prices, growth at this level will not be very significant. Sugar production fell to about 270,000 tons, rice production at 110,000 tons, although higher than that of 1972, was lower than the target we had set ourselves. Bauxite production dropped. But having said that the production of sugar, the production of rice and the production of bauxite were below the targets we ourselves have set, we have all but exhausted the list of commodities which have failed to be supplied in quantities the planners had projected. In most other years, we have achieved or over – achieved our targets.

I do not wish to minimize the seriousness of the state of our economy. I do not wish to deny the undoubted importance, indeed the pivotal nature of rice and sugar and bauxite to our economy, but the inherent strength of our economy may be judged by the effect which the failure of its key sections to perform as planned has on the total economy as a whole. Despite our shortfalls, the economy has not slumped. Our programmes of diversification have been successful and have assisted in the imparting of a measure of buoyancy to the economy.

I have said that we have produced more rice than we did last year although we did not reap and mill as much as we had desired. I wish to emphasize that the Guyanese farmers have demonstrated most unmistakably that they are capable of achieving the high targets which we have projected in the draft Development Plan for 1972 to 197.

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In 1973, the Guyanese rice farmer planted 310,000 acres of rice in the spring and in the autumn planting seasons. The target established for 1976 is only 350,000 acres, and for this year of 1973,

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we have over-achieved our target in terms of acreage. Indeed, the area planted for the autumn crop was the highest ever in the history of rice production in Guyana.

Our achievements in agriculture were as follows. In 1972, we produced 60.5 million pounds of ground provisions, which was an increase of 3.5 per cent over the 1971 production. In 1973, we produced 63.3 million pounds or 8 per cent over the 1972 production. In 1972, we reaped 52 million pounds of plantains. In 1973, we estimate that we will harvest 83.2 million or 60 per cent more than we did in 1972. It may be of interest to the Members of the House to note that the production the projection for 1976 for this commodity in the Development Plan is 55.8 million. This year, we reaped 83.2 million pounds. We have, therefore, already, in a way, over-achieved the 1976 target.

Indeed, we have resumed relatively large-scale export of plantains and we are experiencing severe storage and distribution problems at the Guyana Marketing Corporation, precisely because there is an over-supply of this commodity. Banana production is up this year by 10 per cent over the 1972 figure of 14.8 million pounds. Corn production went up by 20 per cent from 6.2 million in 1972 to 7.5 million pounds in 1973. Black-eye peas went up by 15 per cent from 400,000 pounds to 460,000 pounds. We have exceeded the 1976 target for tomatoes, which is 5 million pounds per year. Indeed, we did this since 1972, when we produced 5.6 million pounds. This year we produced 6.5 million pounds. The same thing applies to cabbage. In 1972, we produced 1.65 million pounds. This year, we produced 2.5 million pounds. Our target for 1976 was set at 1.6 million pounds per year.

These are the firmest data we have with regard to the production of agricultural crops at this time. Our preliminary data suggest that the same pattern of increased production and over-achievement applies to crops such as pineapples, carrots, and citrus. There has been under production of coconuts, although this might be a function of pricing policy rather than of the actual physical production.

Production of poultry and pigs has also declined marginally, almost entirely because of the price of the imported inputs, which went up considerably. In an effort to hold down the

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selling prices to pig and poultry rearers, the quality of the feed was reduced, which, in turn, led to low productivity and relatively low total production of these commodities.

In 1973, potatoes were successfully cultivated on an experimental scale, and we are now attempting to grow them commercially. We continue to be successful in our experiments with onions and garlic.

The performance of the agricultural sector in terms of its achievement of most of the physical targets of the plan was in any case extraordinarily good. In fact, so rapid has been the increase in production of those crops, for the marketing of which the Guyana Marketing Corporation is in part responsible, that there have been as in the case of plantains, serious difficulties in ensuring the smooth and efficient flow of goods from the farmer to the consumer. It is intended to expand the storage facilities of the G.M.C. in 1974 and to improve them so that both the farmer and the consumer may profit from the undoubtedly increasing supplies of agricultural produce.

The performance of the fishing and shrimping sector in 1973 is also laudable. One hundred and eighty four shrimping vessels were registered in Guyana in 1972. This year the number increased to 259, an overall increase of just over 40 per cent. That portion of the fleet owned by Guyanese citizens increased by nearly 60 per cent during 1973. Fish production went up by 40 per cent over 1972, and the value added in the shrimping and fishing sectors increased by 10 per cent. The volume of export of shrimp increased by 2 million pounds over the 1972 figure to 15 million pounds in 1973.

The forestry section expanded by 20 per cent. Total production has been increasing steadily over the Plan period. In 1971, 5.9 million cubic feet of timber were produced from our forests. In 1972, production rose to 6.1 million cubic feet. The estimated production for 1973 is 7.5 million cubic feet.

We have achieved all the road construction targets we have set ourselves for this year and more. We have completed the fair weather road between Wismar and Annal way ahead of schedule. We had estimated that during the Plan period between 1972 and 1976, we would build

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only 14 miles of the Parika- Makouria road. We have done this already. The self-helpers have all but finished their preliminary work on the Crawbwood Creek – Orealla road. The Wismar – Rockstone – Arawai road is already built to fair – weather specifications and will be converted to an all – weather road by the end of this year. The Linden – Ituni – Kwakwani road is under construction. In addition to these new roads, the construction and rehabilitation of existing roads proceed apace and on schedule.

In the Plan, we had projected that by 1976 we would provide 30, 700 extra places in primary schools and 10,500 new places in secondary schools. The shortage of cement has slowed down the pace of our building programme and by the end of 1973, we will have provided 7,500 new primary places and 2,000 new secondary places. If this rate of construction is not improved, we will fall short of the primary school target by 12,000 places, and the secondary school target by about 4,000 places. However, the pace will be increased. Already, six multilateral schools are under construction in various parts of the country and their completion will lead to an over – achievement of the targets we have established for secondary schools.

We are also a little behind schedule in our housing programme. We had planned to build 13,000 housing units by the end of 1973, 5,000 in 1972 and 8,000 housing units this year. The Ministry of Housing informs me that 10,000 will be completed by the end of this year as the House knows, 5,000 are built in 1972 and another this year, and if members of the Opposition want to know where the houses are, I have the detailed data to give them. I consider this a remarkable achievement in view of the shortage of cement and the poor weather conditions which we have experienced during 1973.

Our electricity and telephone expansion programmes are not only ahead of the Plan but we have provided electricity and telephones to a few areas which were not listed for these services in the plan. We are also on target with our pure water supply programme.

Finally, sir, in this review of the performance of our economy in 1973, I wish to spend a few moments on the industrial sector. We had projected in the Plan that in 1973 there would have been a total investment in this sector of \$48.2 million, of which \$35.2 million would be

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spent by the State, by the public sector, mainly on electricity, rice processing, food processing, and other manufacture, and the private and co-operative sectors were to have spent \$13 million. The Government has spent most of the money it said it would, on the projects it said it would. The private and co-operative sectors have not performed well. They have dragged their feet.

I am sorry that the Hon. Member of the Opposition Mr. Marcellus Feilden Singh is not here, because if the newspaper reports are true, he has, over the last few weeks, made certain misguided statements concerning the establishment of industries in Guyana. With your permission, sir, I should like to explain the facts concerning this matter. I do this partly for the edification of Mr. Feilden Singh and partly to prevent him, if he turns up for this debate, from asking unnecessary questions and making unnecessary and irrelevant remarks.

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On pages 267, 268 and 269 of the Draft Plan, we had listed the various types of industry which we hope to see established by 1976. We had included in this list the projected year of investment, but, except for two or three small industrial undertakings which we had allocated to the private sector and for which we had named specific years we were careful to allocate periods for investment in the various projects and not single, specific years. We did this because we knew that certain basic work has to be performed in the implementation of any industrial project. The site has to be selected, its bearing capacity and other physical characteristics assessed, the buildings designed and constructed, machinery ordered and installed and so on.

Over the past year we have been getting down to the essential preliminary work. The Chinese textile and claybrick experts have been in this country looking at various locations, testing our clay, examining the soil structure of the various sites and making preliminary designs. A few members of the team left for China a few days ago, the remaining members are to leave in a day or two. If the Hon. Member Mr. Singh is patient he will see action.

Similar preliminary activities have been taking place with regard to the establishment of shrimp freezing facilities in Georgetown, in which venture the Government of Guyana would have a majority shareholding interest in partnership with Japanese and British concerns.

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With regard to the rehabilitation of the fish storage plant in New Amsterdam, in which venture the central Government will work in equal partnership with the New Amsterdam Municipality, we have been doing the preliminary work and, the machines and equipment necessary for the rehabilitation of this plant have already been ordered and have already arrived.

The same thing is occurring with regard to the timber complex to be established in the upper Demerara river in which the Government of Guyana will be the major shareholder and in which a Canadian firm will participate. So throughout the industrial sector, being careful planners, this Government is ensuring that the basic work, the fundamental work is properly done before the installation of the plant, the erection of the buildings and so on.

I think it must also be emphasized that the lead time between the ordering of equipment and machinery and their arrival in Guyana is becoming quite long, varying between 3 months and 10 months, to sometimes as long as 18 months. These are delays over which we have no control. All that we can do is to order sufficiently far ahead so that there is the minimum of time – lag between the various stages of implementation and this we are doing.

I spent some time in reviewing our performance in 1973 because I wanted to demonstrate that the Government and people of Guyana have performed relatively well in those areas over which they had absolute control. The fact that our economic achievements in terms of growth rates and balance of trades have not matched our expectations – and we admit it – has been a function of our historical reliance on two or three commodities, a function of the undiversified economy which we inherited. But, the structure of the economy is rapidly improving and if Guyanese produce more and dedicate themselves anew to the tasks ahead the favourable effects which we now experience from the performance say of the forestry and the fisheries sectors will in time cease to be marginal and will become more fundamental to our economy.

Before I turn to the Budget *per se*, I feel it necessary to remark upon what is probably an obvious trend in the recent development of the economic structure of Guyana. I refer to the increasing prominence of the public sector, of the State owned corporations and companies. If the State is becoming more and more involved in non-traditional activities, in commerce, in industry, in marketing, in the exploitation and processing of our natural resources, it behoves

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these State organizations to operate as efficiently as possible and create economic surpluses which might be reinvested either in their own enterprises or in other governmental concerns. The central Governmental must also be able to rely on these organizations for dividends and taxes so that the central Government itself may provide the many services which are required in a modern state.

The history of the public corporations and companies has not been very encouraging, if one looks at the losses which many of them have incurred over the years. But, last year I reported to this House, during the Budget debate, that the GUYSTAC group of corporations and companies had made a profit of \$7 million in 1972. I am pleased to report that judging from their collective performance to the end of October this year the GUYSTAC group will make a profit closer to \$10 million. I want to stress that this amount does not include the net N.I.S. contributions which we do not consider as a profit and I want to admit that this amount does not include the financial transactions of the Guyana Water Authority which has only recently been made a public corporation and which is almost entirely a supplier of services.

The Government corporations have no easy task and I should like publicly to commend them for the good work which they are now doing. Many of them, through no fault of their own, have larger numbers of staff than they would wish. Many of them provide services which are so uneconomic that they would not be provided by private enterprise. Many of them, without the express directive of the central Government, without the intervention of Cabinet, have voluntarily refrained from raising their prices even though the costs of inputs have steeply risen. The Guyana Transport Services, is a case in point, it is perhaps the only transported service which has not raised its fares since the price of gasoline rose. Indeed, the Guyana Transport Service has never raised its fares since the inception of the service. And, many of these corporations subsidized the Guyana consumer and the farmer. The G.N.C. does this, the Rice Marketing Board does this, and many of them are plagued by unnecessary strikes, sit-ins and what have you.

It would perhaps be insidious for me to single out a particular corporation for congratulation but, I should like to refer to the Guyana Airways Corporation which made a loss

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1.5 million in 1971. At the end of 1972 it had reduced that loss to half a million dollars and this year I am pleased to say that it has gone into the black and will make a profit of half a million dollars at the end of the year, and, this does not take into account even one dollar of the service charge which the Central Government says it will pay to the Guyana Airways Corporation for the servicing of the Caribau aircraft which it carries and which it says it does not work. It is doing it as a service for the State. We have not got one cent for this, and despite this we have made half a million dollars.

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I do not pretend that all is well with the Government Corporations. Their relationship with the public often leaves much to be desired. We are working on this aspect of their service of the community, but faced as we were in the GUYSTAC Group with Corporations which, by and large, were unaccustomed to making money in the past, our early strategy had to be a concentration on creating economic surpluses. We still believe that the return on the investments which we make in the Corporation is not high enough and we have recently set performance targets for the various types of Corporations.

There is still too much time wasting in the Corporations, too much absenteeism, and productivity is still low in many Corporations. I am confident, however, that the Hon. Minister of Finance will receive the \$8 million in dividends and property taxes from the Corporation which he has budgeted for 1974. This brings me, sir, to the Budget proper.

The proposals for capital expenditure reflect our concern for pushing the economy along, for raising production both in the traditional and non – traditional sectors, for creating employment opportunities and for obtaining optimum returns on our investment in the shortest possible time. We are, therefore, concentrating our capital spending on certain types of agriculture, on fisheries, on forest industrialization, on other industrial development and on certain aspects of animal husbandry. For example, starting at the end of January, the state – owned Guyana Marine Foods Limited will have delivered to it two shrimping vessels each month for ten months. In 1974, Guyana Timbers Limited will expand its forest exploitation and processing capacity. In agriculture, the State will further develop its production of potatoes,

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various types of legumes, of rice and so on. In animal husbandry, we will expand production of pigs, in particular. In industry, we will proceed with those projects for which the preliminary work has already been done. I think that few, if any, will quarrel with this concentration of our efforts on the productive sectors, for we must take up the slippage which occurred this year and we must take it up as rapidly as possible.

Because our financial resources are not unlimited, this concentration on the productive sectors of our economy necessarily inhibits our ability to spend vast amounts of capital on other services. The strategy we have, therefore, adopted is to defer capital expenditure on some of those services during 1974 with the object of pushing them ahead in 1975. However, at the same time we have increased, somewhat, the level of current expenditure on some of the social services in order to ensure that the people of Guyana do not lack this basic facilities to which they have become accustomed. Save and except for the few areas in which we have found it necessary to increase current expenditure, our objective is to hold the expenditure on current accounts for 1974 to the 1973 levels.

As the Hon. Minister of Finance has told this House, because of the 1973 increases in salaries to the Public Service and because of some increases in maintenance costs, it became necessary for us to plan to raise an additional \$18,000,000 to \$19,000,000 by various forms of taxation. In almost every case in which taxes have been increased, or new taxes have been introduced, they have been imposed on non – essentials. There is little purpose in engaging in semantic arguments about what is essential and what is non – essential. The intention is to restrict expenditure on certain items, certain commodities, to certain levels, levels which we have decided when attempting to assess the returns we will receive through taxation.

However, in this report I should like to point out that we have all along been honest about this to the Guyanese consumer. We fought the last General Election on our performance during the years we were in office, and on the programme for development which we had prepared earlier in this year. We did not hide this programme from the public. We discussed it with the private sector, with private groups, with co – operatives, with the Manufactures' Association and with all the Chambers of Commerce. Indeed, we spoke to religious groups. Most significantly,

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however, we held a special seminar with the Trades Union Congress at Matthews Ridge where we discussed all, and I mean all, aspects of the plan.

Permit me, sir, to quote a few passages from the Plan. On page 2 right at the very beginning we said:

“... the planned goals can be achieved only with the mobilisation of much larger financial savings than has occurred in the past.”

On page 76 we said:

“Development is a slow and often painful process, and the attainment of the type of society which the nation considers desirable will necessitate considerable changes in the attitudes of all Guyanese.”

On page 96 we said:

“During the Plan period, our fiscal policy will be guided mainly by the following”

And we had a list of things, and two of the things on this list are as follows:

“(i) the discouragement of inessential consumption, particularly of imports; and

(ii) the greater mobilisation of domestic savings.”

And finally, sir, on page 161 we said:

“... a larger national product would not provide resources for investment if Guyanese do not restrain consumption expenditure.”

We went on:

“It cannot be too strongly emphasized that the savings target can be reached only if the nation exercises diligence and thrift.”

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It is on this that we fought the election. So everybody knows that we had in our programme the firm conviction that we would have to control expenditure on consumption. And this we have done. I repeat, we have not fooled the public.

We never promised a bed of roses but even this bed which we have now made, is not a bed of thorns. The taxes which we have imposed will not affect the bread basket of the ordinary citizen, they will not affect his rent, they will not affect his clothing. In short, we have studiously and deliberately avoided the imposition of any tax on anything which has the slightest possibility of being considered indispensable. Indeed, sir, this Government has always been concerned with the necessity of ensuring that the prices of basic foodstuffs are kept to a minimum. To this end we subsidize rice in this country, we insist that sugar is subsidized and we subsidize various types of agriculture products through the Guyana Marketing Corporation.

A lot has been said in recent days about the rate of inflation in Guyana. No one denies that there has been a degree of inflation in Guyana in 1973. What we do say is that our policies have kept the rate below the level of most, if not all developing countries and below that of most of the developed countries. The latest 1973 comparative statistics which I have on the subject are as follows: in Trinidad, up to the time we had these statistics, I think it was October, there was fourteen per cent inflation on all items and eighteen per cent inflation on food. In Jamaica there was nineteen per cent inflation on all items and twenty – three per cent on food. In the United Kingdom ten per cent inflation on all items and thirteen per cent on food. In Germany ten per cent on all items and thirteen per cent on food. In Japan twelve per cent inflation on all items and fifteen per cent on food. In Guyana ten per cent inflation on all items and nine per cent on food. The records are available in the Bank of Guyana. It seems that in this, in particular, we have not done so badly.

This budget is not inflationary if the nation does not lose its head. As I said only a few items, many of which are not bought every day or every month or every year and none of which is essential, have been taxed. There ought not, therefore to be, as a result of this budget, further demand for wage and salary increases. However, if wage and salary increases are demanded and

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are given on the ground of this Budget's taxes, there will be in this country, in my opinion, the most vicious inflationary spiral we have ever experienced, and this will do no one any good.

2.50 p.m.

The worker does not increase his earning power merely because his wages increase. Prices tend to follow wage increases and to erode the real value of the increase. A sad debilitating game of leap – frog is then begun, a game which is finished only when the purchasing power of the nation's currency becomes an international joke and the economy collapses; and then we will all suffer. This Government has the will to contain inflationary developments. The Government will need the support of the T.U.C. and its advisers in this task.

I confess, however, that I was more than a little surprised, and depressed, that a leading, competent, Guyanese economist, after analyzing quite efficiently the problems of inflation in Guyana, should recommend that there should be automatic cost – of – living adjustments to protect the existing real income of the workers. You cannot do this; and I think that Dr. Thomas in his heart of hearts recognizes this, when on page 97 of his report to the T.U.C. he says, and I am quoting:

“There is only one general consideration which may be raised” against this proposal, “that is worth paying particular attention, and that is, that the trying in of cost of living allowances to wage payments could serve to intensify the inflationary depression spiral.”

I think I have said enough to illustrate that although we suffered setbacks during the year, the economy is on an even keel. I hope that I have demonstrated that the measures which we have taken in this year's Budget are designed to increase our rate of economic development. All of us will need to exercise greater restraint than they have done in the past. At the same time, management will need to appreciate both the problems and the aspirations of the workers. I do not pretend that the way ahead is easy. I do not suggest that there will not be obstacles and there will not be shallows. Nevertheless, I am sustained by a conviction so strong that it amounts almost to positive certainty, that given the will, and I know we have the will, we will make rapid economic progress in 1974. **[Applause]**

Mr. Speaker: Hon. Member Mrs. DaSilva.

Mrs. DaSilva: Mr. Speaker, in concluding his speech on the Budget for 1974, the Minister of Finance, says that we will look for help from those who will help us, but we must assist ourselves at the same time. These are very worthy sentiments, but let us take a realistic look at things.

The members of the Government recognize the heavy burden of responsibility that is theirs as a result of what they describe as an overwhelming success at the polls on 16th July of this year. Indeed, the Hon. Minister of Economic Development who has just spoken further underlined the acceptance by Government of the responsibility. But without going into details, once again, of the intimidation, the rigging, and fraud, that brought about this overwhelming success, - we do not have to keep repeating them, they are known to everyone – I wish to remind the Government that this success is more apparent than real.

True, the Government has got the majority. Indeed, it has got the two – thirds majority that it wanted, so by sheer force of numbers, no matter how they came by it, the power is in their hands and they can, as it were, do as they wish. But even they recognize the fact that responsibility should not be abused.

To make sure that their plans for the future, their hopes as enunciated in the Budget and the Development Plan are successful, they must have the co – operation and goodwill of all Guyanese people. This is as necessary, indeed, it can almost be said it stands on par – when it comes to measuring necessity – as is good weather for the crops, a stable money market and an increase in essential food production.

It is therefore imperative that all Guyanese of whatever colour, creed, race, or political affiliation, work together to achieve the plan for the development of our country, because it would be foolhardy for any Guyanese to go against this, for should the Government fail, as the Hon. Minister just said himself, we too in Guyana would fail and we will suffer. So it is necessary for all to work to fulfil, to bring the Development Plan to a reality. But in order to do this, the Government of Guyana has got to work to its utmost, has got to bend over backwards in

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extending a hand to help those who were thwarted, those who feel that they are being trodden upon, because the results of the last General Election have done more than anything else in the history of our country for many a year to polarize the two major Guyanese races, the Indians and the Africans. It is up to this Government to work, by extending goodwill and friendship, by doing all it can, to bring them together to work for the success of the Development Plan. So in the hands of the Government lies the solution.

Also, too, it must be recognized that not just the Government, but the leaders, the political leaders, especially Dr. Jagan of the P.P.P., must see that his place is here in Parliament, and they must come and fill these fourteen vacant seats. They must come here and make their contribution towards the building and furthering of the plan for a better Guyana. They were elected to Parliament and Parliament is the place for them.

Many people say that the Opposition is virtually useless. What can a small Opposition, whether it is the two of us alone or fourteen plus two making sixteen, do against the two – thirds majority? But as long as we believe in democracy, as long as we believe in the right that there could be another form of Government, if they are not satisfied with the existing one – that by and large is the belief of many Guyanese – the duty of the Opposition is to be here in Parliament. The members of the Opposition can contribute to the development of the country by their constructive criticisms, as we have been doing here in these last few months, by suggestions which, I am happy to say, in certain cases, have been accepted. In this way and this way only can Guyana hope to get on, when all its people are present and represented and given a chance to be heard.

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The Government, whilst welcoming and extending a helping hand to encourage this, has to realize that they are here now that elections are finished to govern and rule in the interest of all Guyana, not in the interest of one particular Party, one particular group of people. The Government must show its responsibility in this respect that its concern is a concern for all Guyanese and for all Guyana and, this must be borne in mind by them and, by their actions they

must show that they mean what they say when they say, as they have said, they are working for the betterment of Guyana.

On page 4 of the Budget Speech the Hon. Minister says, and I quote:

“... Substantially, too, the proposals presume that trade unions in both Public and Private Sectors endorse the proposition that union workers have a duty to accept a certain measure of sacrifice and are prepared to exercise some self – restraint in terms of pay demands, in order to enable jobs to be created for the unemployed.”

Indeed, this point was further clarified and was further elaborated upon by the Hon. Minister of Economic Development a short while ago in his Speech. I should like to go even further and add more even more to what the Hon. Minister of Finance has said. It is incumbent and imperative that we have responsible trade unions in Guyana. Trade Unions and their leaders must not be influenced by the whims and fancies of political parties. There are those who say that politics must form part of the trade union movement. How could this be correct? It defeats the object of trade unions. How can the workers and the country ultimately benefit from continual industrial unrests? Who suffers most when “wild cats” strikes are called and no effort is made to settle the matter across the conference table?

On page 15 when dealing with sugar production the Hon. Minister states that the production fell from the expected 390,000 tons to 270,000 tons, 14 per cent less than in 1972. Can the blame for this really be laid alone on bad weather, too much sun in the spring crop and too much continual rainfall in the autumn crop? Do we not know of the many strikes that plagued the sugar industry, the many stoppages of work that are also to be blamed for this and that caused this shortfall? It is the duty of the trade union leaders and of their advisers to guide their representatives in industry on the proper procedure and so prevent unnecessary in industry on the proper procedure and so prevent unnecessary hardship on those they represent.

The Hon. Prime Minister has declared his intention of establishing and introducing the Agency Shop and, we on this side of the House have said that we will support the introduction of

the Agency Shop but, we cannot stress it too often and too forcefully that there is need in Guyana for responsible trade unions if the workers and the Nation are to benefit.

When the Hon. Minister was dealing with sugar and rice on page 15, he said:

“... for both sugar and rice, the external demand was strong, and prices were extremely encouraging.”

We have no control over the weather. We have little over the world money market, but, we do have control over ourselves and those in authority in the trade union movement must see that their people know what they are about and do not unnecessary stoppage of work which causes shortfalls, which reduces the revenue to Government and, of course, the workers suffer too by loss of wages and, I may add, eventually, the person who suffers most is probably the wife and mother of the family who has to find the money to feed the children whilst the men argue and do not go back to work. It is time that the trade unions look to see where the fault lies and try to remedy this. It is time that we have good industrial relations in our country with as little unrest as possible so that everyone can work to the maximum and the target can be achieved.

On page 16 the Hon. Minister says:

“...Mr. Speaker, while we recognise the failure of the two major agricultural crops to produce to capacity during this year, it is necessary to appreciate that the Guyanese economy remains basically sound. There is in the agricultural sector a substantial growth potential, and capacity to produce to take advantage of the high prevailing prices.”

And, at the beginning of the Hon. Minister's speech this afternoon, Dr. Kenneth King, after giving us a long tale of woe about the rainfall, the failure of the wheat crop, about the money market and problems with Watergate we then had the other side about how many plantains and cassava we had produced and how our ground provisions had gone up. This, indeed, is very encouraging but, I should like to know, since production has gone up why the cost to the ordinary housewives who go to buy these vegetables has not gone down correspondingly?

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I understand he is talking about the distribution and about the glut particularly of plantains at G.N.C. But why cannot the ordinary hucksters in the Bourda market, in the markets in the town, sell, get these because they are the main distribution points around here? The trucks go out into the country but the ordinary housewives go to the market and have to pay as high as 20 and 25 cents a pound for a pound of green plantains. Maybe it is 6 cents on the G.N.C. truck but everybody does not get to the G.N.C. and its trucks. People go mainly to the markets, so the municipal markets are areas that have to be looked into, the places where the food is distributed mainly, where the prices are extremely high.

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Cabbages are controlled at forty – six cents and carrots at fifty – two cents per pound but you can pay up to eighty – four cents if you are stupid enough to do that. Cabbages are a little better now but you cannot see a carrot and if you do see one it is eighty – four cents a pound and yet they are controlled. This is unscrupulous, yes, but tightens up on the work of the price control people because the Minister has just said that the production is going up and, therefore, more foodstuff ought to be passed on to the consumers and to the housewife. If the price control people do their duty properly this will come about and the market vendors will not be able to take advantage of the poor housewives who have to take it or leave it. Therefore, in talking about our agricultural products it is vitally important – and we do support the Minister – for agriculture to come high up on our list of priorities and it is very important that Government establishes its priorities.

We hear, sir, and we are told over and over again about the co – operatives and the co – operative way of life; it is continually placed before us as the way to build Guyana. Indeed, we sometimes feel that Government advocates it as the only way. We spend millions of hard – earned Guyanese money on co – operative. Is it not about time that we had in this House a full report on the work of the co – operatives? We are not speaking against the co – operatives, we are for the co – operatives but let us know what is happening to them, where they are situated, how they are getting on, whether they are making a profit and are improving. This is of interest to the nation because, as I said earlier, co – operatives are held up as the example for Guyana to

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progress. So it is time we had a report on the co – operatives, we often wonder, because of this secrecy over the co – operatives, what really is going on and people must ask whether the Government has something to hide. Is it putting it into that special little cupboard it has where it keeps all the skeletons of the things it does not want exposed like the last election fiasco, which it pushed into that little cupboard and shut the door and hoped that the world forget about it? Do not let that happen to the Co – operatives. Tell us about the co – operatives, what is happening and how they are getting on. Then we will not become suspicious.

The Minister on page 16 speaks with pride of our ability to produce white potatoes and we, too, look forward to the time when the \$3 million that we now spend on the importation of white potatoes will be passed on to the farmers. The white potato, as it is called, is one of the basic staple items in the diet of the Indian section of our Guyanese community. We all like alloo curry and you should not ban white potatoes until we have enough of our own. It is very admirable that the Minister has not said he is going to ban it and I think in my own mind that he has classified it as the butter and the margarine which I have quoted and spoken about before as being admirable. When we produce enough, then ban potatoes and we on this side of the House will support you. But until we can produce enough of that particular commodity, do not ban it. The Government accepts that philosophy with regard to the butter and the margarine, so why can it not have the same principle when dealing with other items?

On page 18 it is stated:

“Private Consumption Expenditure in money terms were trending upwards and are estimated to have expanded by about 15%. Most of the increase would be due to price movements but it is also true that Guyanese appeared to have consumed more in real terms. While consumption expenditure – public and private – increased, gross domestic investment declined somewhat, and was lower than might have been expected at the beginning of the year.

Private capital formation was still sluggish. The sugar industry for instance maintained a level of capital outlay that was about the same level as in previous years; in addition

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private building and construction were retarded by the unavailability of cement in adequate quantities.”

I should particularly like to stress that most of the increases would be due to price movements. But it is also true that Guyanese appear to have consumed more in real terms. This I should like to tell the Minister is rather a controversial statement. I would say that the expansion upwards by fifteen per cent on consumption is not because more was consumed but more money was required to purchase what was needed because of the spiralling cost of living.

Private consumption expenditure went up. This, too, would also be the reason for private capital formation still being sluggish. Where sugar is concerned, how could the industry do more when they were not able to reach their expected target due not only to adverse weather conditions, but also to industrial unrest? The Minister acknowledges this on page 19 when he said:

“As was to be expected production shortfalls in the economy depressed income and therefore adversely affected the generation of revenue from taxation; as a consequence the financial resources available to the Government for financing the current budget were significantly reduced.”

In dealing with revenue and expenditure in 1973, the Minister talks about the lower rate of duty resulting from the Common External Tariff and tell of the amount recouped through the introduction of compensatory consumption tax. He said on page 19:

“Consequently, it now appears that the shortfall on account of customs duties was substantially off – set by a market increase in consumption taxes now estimated at \$3.9 Mn. more than the \$12.6 Mn. originally projected.”

Would the Hon. Minister say whether the \$3.9 million was brought about as a result of more and more items coming under the consumption tax since the projection of the \$12.6 million or was it brought about by wrong calculations causing too high a percentage to be put as the consumption tax and thus burdening the taxpayer unnecessarily? I see the Minister shaking his head and I hope he will explain.

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Page 25 deals with the hopes of another pet project of the Government, the Guyana Marketing Corporation, and the hope that sheer plenty will pull down the prices of locally – produced goods and increase the gross income to farmers. I can hardly imagine that it is worth a farmer's time, and money and exertion to produce, for example, limes and starch, for which I am told they are paid at the rate of 4 cents per pound for limes, and 32 cents per gallon for starch. Is it worth the farmer's time, energy, and money spent, to get that price?

I look to the Guyana Marketing Corporation to carry out its promise as enunciated by the Minister, that consequent upon the increase in production, the price to farmers will go up.

And what about the price of pork! We have had the explanation about the stock feed, about anchovies in the Peruvian waters, something going wrong and the price of stock feed having to go up. But the farmers are only receiving \$1 per pound for pork and you have got to pay \$2 per pound for pork sausages, which started a few months ago at 80 and 90 cents per pound, and which only two months ago cost \$1.41 per pound, and leg pork, which could be had at \$1.10 per pound now going up to \$1.65 and \$2.00. Have the farmers received an increase? If the Hon. Minister would make a public statement, it would be very much appreciated.

Continuing his programme for 1974, the Minister says at page 27:

“... savings – by individual persons, by business enterprises, both private and public, and by the Central Government must be increased.”

I can say without any fear of contradiction, without any snide remarks from my friends on the other side that everybody would be delighted to save money, to be able to put a little bit aside for a rainy day, but this is not possible. Indeed, in many cases, it is quite impossible and they have to use from their hard – earned savings to make two ends meet, to meet the ever spiralling cost of living.

I should like to come to the tax proposals which will add further to the problems of our citizens. It is true that one must recognize that taxation is inevitable. One must pay taxes so as to

get returns from them, but there are certain areas in these Budget proposals, as made by the Hon. Minister, which I should like to draw to his attention.

I wish to deal first with the 15 per cent proposed tax on electrical appliances. As the Hon. Minister Dr. Kenneth King said a little while earlier, on the question of what is essential and what is not essential, we can go on for hours on this, but there are certain items that I would wish to point out.

The Minister recognizes the fact that a refrigerator is not a luxury, that it is not a non – essential, that it is indeed in this day and age, and particularly in our climate, very essential. Cannot the Hon. Minister also recognize the fact that a deep freeze ought to be classified in the same area and in the same class as a refrigerator? We hear from the Hon. Minister Dr. King about the expansion of rural electrification. It means that not very long from now, the shopkeepers in the small village stores are going to be able to own deep freezers, they will be able to purchase in bulk, they will then be able to pass on to their customers the saving as a result of bulk purchasing. Why cannot it be seen that deep freezers are essential items?

There is another matter I should like to ask the Minister to give consideration to and that is the exemption of radios. I am not asking for exemption of radios *en bloc* from the 15 per cent consumption tax, but I am asking that consideration be given in relation to radios for the blind, radios for the aged people in the old folk homes, the sick people in the hospitals, that radios for those people be exempted from taxation. Those people depend on the radio and at the same time they ought to be granted the facility of not having to pay license for their radios. It is easy to know who these people are. There can be authorization from their respective organizations or those in authority.

When we come to electric irons, I am not asking for electric irons *en bloc* to be taken off the 15 per cent consumption tax list, but the Hon. Minister has seen in his wisdom that washing machines are, in Guyana, luxuries; we have not reached that stage of sophistication where every home has a washing machine. Many a little woman ekes out a livelihood, supplements the pittance she gets from her old age pension or social security, and exits from one month to the next by taking in washing. We have no cause to quarrel with the imposition on washing

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machines. She has no washing machine, she washes by hand. Together with doing the washing, she has to iron the clothes, and we would ask the Minister to consider lifting the 15 per cent from electric irons. I am asking for this in relation to the simple electric iron, not the sophisticated steam iron or those with thermostat control but something that the small woman would use in her trade. Consideration should be shown to her. **[Interruption]** For the information of the Hon. Minister of State Mr. Nascimento, flat irons are not allowed in Georgetown. You cannot have an open fire in your house. Maybe somebody should educate him about these things. So much for the electrical appliances.

Now we come to the 15 per cent imposition on the showroom price of cars over 1600 cc.s. The Minister has shown that he recognizes the fact that a small car could almost, like a refrigerator, be classified as essential for a person in Guyana today. The accent is on moving out of Georgetown, living in the housing areas that have been established along the East Bank and the East Coast and a small car is indeed a necessity. Those who can afford the prestigious status symbol big car, can afford to pay the 15 per cent consumption tax.

I congratulate the Minister on his wisdom not making it applicable to small cars, cars under 1600 cc.s, but I cannot understand how he sees the necessity for this on the one hand, and on the other hand, he ups the price of gasoline, the consumption tax going up from 37 cents to 49 ½ cents per gallon. It might be something in the world fuel crisis that has brought this about. I am not aware of it. I stand subject to correction, but it seems to me that when the Minister of Trade spoke on the fuel crisis two or three weeks ago, he did say there would be no further increase in the price of gasoline, so may we have an explanation, please.

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Beer, cigarettes and aerated water are the accepted “whipping boys” for taxation as indeed are licenses for liquor restaurants and betting shops. Is it not about time for the Hon. Minister and his advisers get together to see if they could, with another form of taxation to make it easier for the small men?

Now we come to the National Development Surtax. I should like to take the example that the Hon. Minister has cited of the man who earns \$200 a month, he has a wife, two children and an insurance policy and he pays a premium of \$60 a year on this policy. When this total deduction for himself, his wife and children and his insurance premium are paid and the allowance he is allowed on his earned income his total chargeable income would be \$220 and he says consequently he would only have to pay \$11 a year or less than \$1 a year. When the Hon. Minister puts it like that it sounds very reasonable to say,

“Could I not give less than \$1 a month to build my country? He appeals to people to do this but, as the Hon. Minister realizes that to some people less than \$1 a month is too much to ask, that they cannot afford added taxation especially when the Hon. Minister will not or the Cabinet will not give consideration to assessing the income of married women who work on their own?”

Guyana continues to assess working married women's income with their husband's and this pushes the total family income up into a higher bracket and higher taxation has to be paid. When is this going to be changed in Guyana? When is the Hon. Minister going to give consideration to this? And, to ask them to give now another 5 per cent is indeed putting a heavy burden on them. Married women have to work today, the majority of them are not working to get luxuries, they are working to help maintain the home, to get the essential, to buy milk for the baby, to pay the school fees. They are working for these reasons and no wonder we have juvenile delinquency and problems with our young people when the mother of the family has to be out at work to come in at night tired and unable to cope with her child or children and give them the necessary training and guidance. Maybe if the Hon. Minister would start thinking seriously about assessing the incomes of married women who work on their own and not putting it with their husband's and pushing it into a higher bracket, maybe then we would have a nation more willing to subscribe to the 5 per cent National Development Surtax.

We are asked to make sacrifices for our country and for the development and consequently the betterment of all of us. By and large Guyanese see the need for this but they also see that once again the burden is placed on the small man, he must tighten his belt, he must

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make sacrifices. It is time for the Government to take a long serious look at unnecessary expenditure. It needs to look into expenditure on prestigious and status symbol things luxury that developing nations like Guyana cannot afford. Cut down on safaris abroad. We admit that some are necessary; I am just acknowledging that, but, there again, when you go on the necessary ones cut down on the large entourage. Cut down unnecessary expenditure on the G.D.F. we must have our people's army. We realize that we have to keep a constant watch on the borders but, do not be continually pumping money into the G.D.F., padding it as it were. Make use of all personnel it has and make use of the personnel of the prisons. I do not want to be misunderstood. I am not saying that the G.D.F. and the prisoners are the same category of persons but as far as man power is concerned, they are the same. Make use of this to help push forward the Nation's thrust in agriculture and you could probably save some money that way to pass on to the small man. They can help to push the Government's programmes to feed, clothe and house ourselves.

Incidentally, I know too and we all realize that very shortly National Service will be brought before this House, will become a reality in our Country. We wait for the State Paper before passing any comment, but, it is worthy of note that the Hon. Minister has not mentioned in the Budget Speech that the National Service is going to cause Nation in terms of money. We will have to wait, we are told. No doubt we will get it, as usual, in the form of Financial Paper say around the 31st January 1974, because we usually get our Financial Papers coming bang on top of our Guesstimates. So we look forward to seeing this 31st January 1974, Financial Paper.

The Budget is indeed a hard one and it falls heavily on the small man. It certainly does because the small man is the one that is going to feel the pinch, that may have to do without his extra glass of beer, or his few cigarettes or even putting a little bet in the betting shop where he hopes to when a few cents to recoup the money that he has to pay on the high cost of living. The small man is the man that is getting hit by this Government and, the Government must think about it. The Government must see because how long will the small man be able to put up with this? One day the Government will find that there will be a straw that will indeed break the camel's back. We on this side of the House, the United Force opposition, do not wish this to happen. We wish the Government to succeed in the interest of our country because, I repeat – and the Minister said it – if the Government fails we will all suffer and it is only a fool who

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would not wish for the country to prosper. So we will do what we can to further the cause and the work of the Development Plan in the interest of our country.

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And before concluding I feel it is only right and proper that I should add on our behalf congratulation to the Guyana Airways Corporation on achieving its success and getting from out of the red into the black. We want the Corporation to work, and we want the Development Plan to work for we want a better Guyana for everyone.

Mr. Speaker: Hon. Member, Mr. Seeram Prashad.

The Parliamentary Secretary, Minister of Co – operatives and National Mobilisation (Mr. Prashad): Mr. Speaker, I wish first of all to take this opportunity in congratulating the Hon. Minister of Finance for a job very well done in presenting the Budget for 1974. Once again, as it clearly set out in the Hon. Minister's Budget Scheme, our Government seeks to concern itself in the realms of real situation and is fearless and honest in accommodating measures which can and will ensure the economic development of this fair land of ours. As we pointed out, nothing can be achieved without the effort of those whom the achievement is to benefit. Our Government sees this as the lever age for accelerating economic progress.

In keeping with our socialist aims and objectives for the development, our Government had laid maximum stress on the productivity sector of agriculture and the infrastructural facilities that are necessary to support the growth and development in this sector. With its declared policy of feeding the nation and clothing the nation, a policy which is receiving worldwide commendation and assistance, thanks to the insight of our great leaders, the Prime Minister, one readily understands and appreciates this greater emphasis especially in the light of the time limit we have set ourselves.

However, in studying our proposed capital expenditure in this area, even though we are in a hurry, one recognize that planning and experimentation are geared to ensure that our efforts are not made in vain with resulting wastage. With the trend of exporting market increasing substantially and because of existing and anticipated world shortage of food, our Government

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has paid particular attention to expanding productivity for existing markets. I refer to the expenditure for the fishing industry.

In our continued effort for self – reliance and self – sufficiency, we are increasing and establishing new areas for producing in the livestock area. These measures must and will benefit the small man. Here in we see the expansion of the Guyana Marine Products Limited, on – shore fishing, storage facilities, all of which will increase employment opportunity for the small man. To ensure that we continue to provide protection for the small man, our Government continues to expend large sums on drainage and irrigation schemes so that the existing acreage will continue to be protected with new lands are brought under production. This, Mr. Speaker, will lead undoubtedly to enhanced diversification of our agriculture. Here again there are more opportunities for the small man. While we now seek to re – orientate and to emphasize values and attitudes relevant to our social economic development, we place constraints on luxury items which can only affect the more affluent in our society. Due to emphasis is placed on the areas which would mean a better quality of life for the small man. The masses are concerned, for of all, with the provision of the basic necessities. They want food, shelter and clothes. They are our Government's main concern and emphasis. We are a people's Government and their concern is reflected in our programmes for development. Our facilities to service the needs of the masses are heavily subsidized by our Government.

The Guyana Water Authority provides this facility at a minimal cost to the masses. In the rural areas a token sum twenty dollars a year is charged for potable water. The rural electrification programme is in full gear. This facility is again giving the small the facility which would be beyond his reach if privately undertaken. To facilitate the rich quality of service to the small man, our Government is expanding the activities of the Public Corporation and increasing the capacity of Government's machinery to collect revenue which can mean added facilities for the small man in terms of more money for essential services.

In summary, I view the budgetary expenditure as against the following unfavourable trends:

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- (1) It must be reviewed against the background of events for 1972 to 1973 particularly the fluctuation in foreign currency values which have affected our capacity to obtain the equipment required for the development programme through foreign aid.
- (2) The worldwide storages in food and other commodities which have inflated the cost of many of our imports.
- (3) The uncertainty of the weather both in 1972 and 1973 which helped to underscore the importance of increasing our means of supplying adequate irrigation and drainage for the protection of our crops.

The budget, in summary, calls for efforts:

- (1) To maximize our own resources or we would continue to be the victims of external factors and never be able to make the leap forward which is the objective of the Feed, Clothe and House programme as set out in the Draft Development Programme.
- (2) This budget aim, first, to discourage expenditure in our non – essential in order to divert the savings in foreign currency into channels which aid the increase in local production. This will, in turn, reduce the nation's dependence on products for overseas. And, secondly, by that means it will give more support to Guyanese workers by providing a better prospect of his reaping an adequate return for his skills and his labour as well as providing more job opportunities that would be available otherwise.
- (3) The budget implies the mobilization of the energies, the skills of our greatest resources, man power and our utilization of native capital to supplement in a greater measure what we may get from overseas.

This is no valid argument against the wisdom against this principle for if local capital is used for local development the profits will remain in local hands to be utilized for further local growth.

Mr., Speaker, in conclusion, I must refer again to the present inflationary trends as was made out by the Hon. Minister of Finance. We have imported this trend and this must be borne out forcibly. This trend is not attributable to any malfunctioning of the economy but to external factors over which our Government has no control. However, we can assist in fighting out this

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trend by re – adjusting our taste for things local whereby ensuring that we do not import things that we can produce ourselves.

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Once again, I wish to congratulate the Hon. Minister on a very realistic and meaningful budget. I thank you. [Applause]

ADJOURNMENT

The Minister of Parliamentary Affairs and Leader of the House (Mr. Ramsaroop): We propose to take the Adjournment at this stage. Tomorrow, we will continue the debate on the Budget, and when that shall have been finished, we shall move into the Estimates and go right up to 12 midnight.

Mr. Speaker: I am not aware the standing rules provide for 12 midnight. Until 10 p.m.

Mr. Ramsaroop: if we find it necessary to have a suspension, with your leave, we propose to take that and thereafter, we propose on Monday, following the same course to go until 12'o clock but rather than doing the Estimates for 10 to 12'o clock, we have to miscellany of small measures that we can do within that time. With those few words, I wish to move the Adjournment to tomorrow, 14th December, 1973, at the hour of 2 p.m.

Mr. Speaker: the sitting of the House is adjourned until tomorrow at 2 p.m.

Adjourned accordingly at 3.50 p.m.
