

National Assembly Debates

**PROCEEDINGS AND DEBATES OF THE NATIONAL ASSEMBLY OF
THE FIRST SESSION (2001) OF THE EIGHTH PARLIAMENT OF GUYANA
UNDER THE CONSTITUTION OF THE CO-OPERATIVE REPUBLIC OF GUYANA**

26th Sitting

2.00 PM

Friday, 24th May, 2002

MEMBERS OF THE NATIONAL ASSEMBLY (68)

Speaker (1)

The Hon. Hari N. Ramkarran, S. C., M. P. - *Speaker of the National Assembly*

Members of the Government - People's Progressive Party/Civic (34)

The Hon. Samuel A.A. Hinds, M.P.	- <i>Prime Minister and Minister of Public Works and Communications</i>
The Hon. Reepu Daman Persaud, O.R., J.P., M.P.	- <i>Minister of Parliamentary Affairs</i>
The Hon. Clement J. Rohee, M.P.	- <i>Minister of Foreign Trade and International Co-operation</i>
The Hon. Harripersaud Nokta, M.P.	- <i>Minister of Local Government and Regional Development</i>
The Hon. Gail Teixeira, M.P.	- <i>Minister of Culture, Youth and Sport</i>
The Hon. Dr. Henry B. Jeffrey, M.P.	- <i>Minister of Education</i>
The Hon. Saisnarine Kowlessar, M.P.	- <i>Minister of Finance</i>
The Hon. Shaik K.Z. Baksh, M.P.	- <i>Minister of Housing and Water</i>
The Hon. Navindranauth O. Chandarpal, M.P.	- <i>Minister of Agriculture (Region No. 4-Demerara/Mahaica)</i>
The Hon. J. Ronald Gajraj, M.P.	- <i>Minister of Home Affairs (Region No. 3-Essequibo Islands/West Demerara)</i>
The Hon. Rev. Dr. Ramnauth D.A. Bisnauth, M.P.	- <i>Minister of Labour, Human Services and Social Security</i>

Friday, 24th May, 2002

The Hon. Clinton C. Collymore, M.P.	- Minister in the Ministry of Local Government and Regional Development
The Hon. Satyadeow Sawh, M.P.	- <i>Minister of Fisheries, Other Crops and Livestock (Region No. 5 - Mahaica/Berbice)</i>
*The Hon. S. Rudolph Insanally, O.R., C.C.H., M.P.	- <i>Minister in the Office of the President with responsibility for Foreign Affairs</i>
*The Hon. Doodnauth Singh, S.C., M.P.	- <i>Attorney General and Minister of Legal Affairs</i>
The Hon. Dr. Jennifer R.A. Westford, M.P.	- <i>Minister of the Public Service</i>
The Hon. C. Anthony Xavier, M.P.	- <i>Minister of Transport and Hydraulics</i>
The Hon. Bibi S. Shadick, M.P.	- <i>Minister in the Ministry of Labour, Human Services and Social Security (Region No. 3 - Essequibo Islands/ West Demerara)</i>
**The Hon. Manzoor Nadir, M.P.	- <i>Minister of Tourism, Industry and Commerce (Absent on leave)</i>
The Hon. Carolyn Rodrigues, M.P.	- <i>Minister of Amerindian Affairs</i>
The Hon. Dr. Leslie S. Ramsammy, M.P.	- <i>Minister of Health</i>
Mr S. Feroze Mohamed, M.P.	- <i>Chief Whip</i>
Mr Cyril C. Belgrave, C.C.H., J.P., M.P.	- <i>(Region No. 4 - Demerara/Mahaica) (Absent)</i>
Mr. Donald R. Ramotar, M.P.	- <i>(Absent)</i>
Mr Husman Alli, M.P.	- <i>(Region No. 7 - Cuyuni/Mazaruni)</i>
Mr. Komal Chand, C.C.H., J.P., M.P.	
Mrs Indranie Chandarpal, M.P.	
Mr Bernard C. DeSantos, S.C., M.P.	- <i>(Region No. 4 - Demerara/ Mahaica) (Absent on leave)</i>
Mrs Shirley V. Edwards, J.P. M.P.	
Mr Odinga N. Lumumba, M.P.	
Mr Heeralall Mohan, M.P.	- <i>(Region No. 2 - Pomeroon/Supernam)</i>
Mr Ramesh C. Rajkumar, M.P.	- <i>(Region No. 6 - East Berbice/Corentyne)</i>
Mr Kumkaran Ramdas, M.P.	
Mr Khemraj Ramjattan, M.P.	- <i>(Region No. 6 - East Berbice/ Corentyne)</i>
Dr Bheri S. Ramsaran, M.D., M.P.	
Mrs Philomena Sahoye-Shury, C.C.H., J.P., M.P.	- <i>Parliamentary Secretary, Ministry of Housing and Water</i>
Mrs Pauline R. Sukhai, M.P.	- <i>(Region No. 1 - Barima/Waini)</i>

Members of the Opposition (30)

(i) People's National Congress/Reform (27)

Mr. Hugh Desmond Hoyte, S.C., M.P.	- <i>Leader of the Opposition (Absent)</i>
Mr. Robert H. O. Corbin, M.P.	- <i>(Absent)</i>
Mr. Winston S. Murray, C.C.H., M.P.	- <i>(Absent)</i>
Mrs. Clarissa S. Riehl, M.P.	- <i>Deputy Speaker of the National Assembly (Absent)</i>
Mr. E. Lance Carberry, M.P.	- <i>Chief Whip (Absent)</i>
Mr. Ivor Allen, M.P.	- <i>(Region No. 2-Pomeroon/Supenaam) (Absent)</i>
Mrs. Deborah J. Backer, M.P.	- <i>(Absent)</i>
Mr. Deryck M.A. Bernard, M.P.	- <i>(Absent)</i>
Mr. C. Stanley Ming, M.P.	- <i>(Absent)</i>
Mr. Raphael G. C. Trotman, M.P.	- <i>(Absent)</i>
Mr. Vincent L. Alexander, M.P.	- <i>(Region No. 4-Demerara/Mahaica) (Absent)</i>
Mr. Andy Goveia, M.P.	- <i>(Absent)</i>
Mrs. Volda A. Lawrence, M.P.	- <i>(Absent)</i>
Dr. Dalglish Joseph, M.D., M.P.	- <i>(Absent)</i>
Miss Amna Ally, M.P.	- <i>(Region No. 5-Mahaica/Berbice) (Absent)</i>
Miss Sandra M. Adams, M.P.	- <i>(Region No. 10-Upper Demerara/Berbice) (Absent)</i>
Mr. Jerome Khan, M.P.	- <i>(Absent)</i>
Dr. George A. Norton, M.P.	- <i>(Absent)</i>
Miss Myrna E. N. Peterkin, M.P.	- <i>(Region No. 4-Demerara/Mahaica) (Absent)</i>
Mr. James K. McAllister, M.P.	- <i>(Region No. 3-Essequibo Islands West Demerara) (Absent)</i>
Miss Lucene A. Nestor, M.P.	- <i>(Region No. 4-Demerara/Mahaica) (Absent)</i>
Mr. Abdul Kadir, J.P., M.P.	- <i>(Region No. 10-Upper Demerara/Berbice) (Absent)</i>
Mr. Ricky Khan, M.P.	- <i>(Region No. 1-Barima/Waini) (Absent)</i>
Mrs. R. Bancroft, M.P.	- <i>(Region No. 8-Potaro/Siparuni) (Absent)</i>
Mr. Nasir Ally, J.P., M.P.	- <i>(Region No. 6-East Berbice/Corentyne) (Absent)</i>
Miss Judith David, M.P.	- <i>(Region No. 7-Cuyuni/Mazaruni) (Absent)</i>
Miss Genevieve Allen, M.P.	- <i>(Region No. 4-Demerara/Mahaica) (Absent)</i>

(ii) Guyana Action Party/Working People's Alliance Party (2)

Mrs. Sheila V.A. Holder, M.P.

Mrs. Shirley J. Melville, M.P. - *(Upper Takutu/Upper Essequibo)*

(iii) Rise, Organise and Rebuild Party (1)

Mr. Ravindra Dev, M.P.

OFFICERS

Mr. Sherlock E. Isaacs, *Deputy Clerk of the National Assembly*
(Performing the functions of Clerk of the National Assembly)

PRAYERS

The Clerk read the Prayer.

ANNOUNCEMENTS BY THE SPEAKER

(i) Appointment of Clerk and Deputy Clerk of the National Assembly

Hon. Members, His Excellency the President, Mr Bharrat Jagdeo, has approved the appointment of Mr Sherlock E. Isaacs as Clerk of the National Assembly and Mrs Lilawtie Coonjah as Deputy Clerk of the National Assembly with effect from 1st May, 2002. *[Applause]*

Hon. Members anticipated me. I was about to say, on behalf of the Members of the Assembly and myself, I wish to congratulate Mr Isaacs and Mrs Coonjah on their appointments and to wish them great success in their new positions. *[Applause]*

(ii) Leave

Leave has been granted to Mr Bernard De Santos for today's sitting, the Hon. Mr Manzoor Nadir to the 2nd June, 2002 and the Hon. Members -

Mr Desmond Hoyte

Mrs Clarissa Riehl

Mr Lance Carberry

Mr Ivor Allen

Mrs Deborah Backer

Mr Stanley Ming

Mr Raphael Trotman

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Mr Vincent Alexander

Mrs Volda Lawrence

Dr Dagleish Joseph

Miss Amna Ally

Miss Sandra Adams

Mr Jerome Khan

Dr George Norton

Miss Myrna Peterkin

Mr James McAllister

Miss Lurlene Nestor

Mr Abdul Kadir

Mr Ricky Khan

Mrs Rajcoomarie Bancroft

Miss Judith David

Miss Genevieve Allen up to the 15th August, 2002.

Mr Winston Murray up to 8th August, 2002

Mr Robert Corbin up to the 30th August, 2002

Mr Deryck Bernard up to 12th August, 2002

Mr Nazir Ally up to 13th June, 2002; and

Mrs Sheila Holder up to 11th June, 2002.

Friday, 24th May, 2002

INTRODUCTION OF BILL

Presentation and First Reading by the Minister of Finance

PROCUREMENT BILL 2002 – Bill No 6/2002

(Published 2002.05. 21)

PUBLIC BUSINESS

MOTION

PROBLEMS OF THE BAUXITE SECTOR

BE IT RESOLVED:

That this National Assembly acknowledges the genuine efforts by the Government to deal with the chronic problems of the bauxite sector and its various specific manifestations including the current situation of BERMINE and Kwakwani in today's depressed bauxite markets.

The Speaker: The Hon. Prime Minister.

Hon. Samuel A.A. Hinds: Mr Speaker, Hon. Members, I rise to move the Motion standing in my name that this National Assembly acknowledges the genuine efforts by the Government in particular and the previous one also, to deal with the chronic problems of the bauxite sector and its various specific manifestations including the current situation of BERMINE and Kwakwani in today's depressed bauxite markets.

Mr Speaker, it grieves me some whenever I have to speak on this subject, because I have lived through during the first twenty-five years of my career, much of what I will speak about, I did for many years experience the continuing difficulties of the bauxite industry. Then somewhere in the 1980s, I read a paper which put a particular view to me and which crystallized (brought together) all of our experiences and it was a paper by the Jamaican Bauxite Institute, which spoke about the life cycle study of various bauxite producing areas.

Our bauxite producing area was certainly the desired area in the world for many years and particularly up to World War II, when its very success sparked prospecting and search for other areas. Coming out of that War, bauxite was considered a strategic material and there were stock piles developed by the Government of the United States of America. But after the War, many new areas were developed, Jamaica was totally developed, Guinea; Suriname was expanded; subsequently China in the 1960s; and since then Venezuela, Brazil, India, and many other places.

That article was based on the life cycle studies of bauxite producing areas and generally the same pattern goes for all sorts of production, all situations. It goes like this, that one looks at the markets here that a particular producing area manages to capture and if one plots it over the years, one sees generally it starts off, it rises, it levels off and then it starts to decline as new areas of greater advantage come into production.

When one goes through that sort of analysis for bauxite production in Guyana, one gets the same story, one can see it on a graph with our share of world market production of bauxite leveling off in the 1940s at about twenty-eight/thirty percent and falling away since then. So that in terms of that sort of analysis, the bauxite production in Guyana had already matured by the end of World War II, but more importantly when you are losing markets share, prices are being determined by the more recently developed places and they are taking market share more often than not, almost certainly by being more advantageous, offering more advantageous prices or conditions to customers.

But what is happening at the same time, was that overall world production was increasing so that the loss of market share was being hidden by continuing growth, but growth that was lower than the overall growth of the bauxite aluminium/alumina sector in the world.

This is where we are today, some fifty to sixty years after that point and that there were many signs all along the way. Those of us, who are old enough to remember *Music from McKenzie* with Mr Fraser and Mr Campbell, they always talked, even in the 1950s and 1960s, about the

battles of the overburden in Guyana.

I would admit, Mr Speaker and Hon. Members, that I, like many other Guyanese felt that all this talk was just talk to avoid having to make a proper contribution to our country and people in terms of wage rates and taxes paid to the government, but it was a serious issue. We would then think of going to nationalizing in 1971 and again there was a signal that bauxite was into a 'matured' period, a senior level producer in the world, and I refer, Mr Speaker and Hon. Members, to a one-man Commission, appointed by the then Prime Minister, Mr Burnham. He commissioned Mr Joseph Tyndall to do a one-man study after some incidents in McKenzie, which were also related to regular call for more wages.

In discussions with him he has pointed out that DEMBA was the name of the Company at that time; never speaks about not having the ability to pay, but being himself a mathematician and an economist and looking at the data, he did not think that the operations then were earning enough to sustain itself going into the future; and that it was living off of the fat of its past years. But that sort of message for us at that time (I would admit even myself) would have been overridden by our sense of winning independence and taking over the heights of economic activity in our country.

But the signal was there and it was not long after, Mr Speaker, when troubles began. In fact already in 1976, several projects that were started (I think we can still see in LINDEN some skeletons of buildings which began in the programme of 1976) which could not be continued because cash was not available.

In 1979, we already had the first study by a Mr Lui Hi from the various Multilaterals, and so it continued. In 1983, at least two World Bank studies and in that time the first big retrenchment which was accompanied by the closing of operations at Ituni, that everyone hoped would be resumed some day, but as things turned out the conditions never came back again that they could resume.

We also saw the closing of the aluminum plant, a place where I think I did all my good work and when I walked through, I see all my good pieces of piping and so on. I moved with a certain feeling of sadness as I go on. That was in 1983, Sir. There were repeated studies all through to 1989 and then an arrangement by the previous administration with the Multilaterals to accept going towards privatising the bauxite operations.

So, Mr Speaker, Hon. Members, it is quite appropriate that we should recognise the long history of the problems in bauxite, they have truly been chronic and I think that there are lessons for us to learn from that history. Let me hasten to say that, it is not that the people in bauxite did not work, did not apply themselves or at least it is not that many of the people in bauxite did not work hard or did not apply themselves, but we were facing the difficult challenge of moving some (up to now/in these days) six cubic meters of overburden per tonne. The cheaper places move much less, two and three, and even half and none, practically no overburden. So it has been difficult, but we have not been able to accept that even though we have the best bauxite in the world, the challenge of getting to it is extremely demanding.

I recall, Sir, in about the end of the 1980s where one of the groups from Shell Bilitant coming to review the situation in LINMINE and to consider participation and the gentlemen making a very astute statement that our bauxite is indeed the best in the world, but at the same time our mines are the largest and the deepest. Certainly our bauxite commands a premium, in making alumina, they may use only two tonnes, while other people's bauxite may use three tonnes. But the question was whether we could get enough of the premium to cover the additional expenses.

I think too, Mr Speaker, of the comment made by the Kaiser people, who did the review about 1983, in which they stated the tangible conventional things that could be done - computer systems engineering, financial investments and so on - while those would bring about ten percent improvement in our past situation compared with prices, we needed altogether thirty percent reduction in cost, and the other twenty percent,

if it would come, it would have to come from changes in spirit, working together much better as a team.

Mr Speaker, there have been comparisons made and this government has been accused of dealing with sugar and rice differently from bauxite. There have been references made into the plans more or less completed for expansion at Skeldon. But I think that we must be true to ourselves, to look at the story of bauxite and how much has been put into bauxite over a long time.

Starting from the 1970s and coming through to 1992, when we came into government, one can find from the books US \$300 million put by the government into the bauxite sector. One would find also a number of years when the bauxite sector earned less foreign exchange than was spent in producing bauxite. There have been years when bauxite was a negative foreign exchange earner.

Mr Speaker, if people would go back to the various speeches in Parliament, the Budget presentations over those years, one would find the references. One would see up to US \$300 million spent by the preceding government in bauxite. I would admit that a lot of it was money spent, maybe inefficiently in that I can recall the Company was being run for a number of years on overdrafts, at a time when we may remember, overdraft rates went up to forty percent and on three occasions those overdrafts had to be written off to the tune of US \$50 million or more on each occasion. The government of Guyana has spent money on bauxite and has spent many years trying to make a go of it.

Mr Speaker, Hon. Members, we have continued, in fact, while a number of people had said privately, even from the early 1980s that bauxite should be closed, it was also said at that time that the previous Administration could not close it because it was their people; and we can also say that this Administration could not do it either because it is not our people, if I am to use the common language and some common explanations being given. But in our time too, Mr Speaker, since 1992 and coming into Government, we too have continued to put US \$6 to

\$10 million a year into the bauxite industry, particularly into LINMINE. Last year G \$2,000 million and I would admit that while some of it went into the Company itself, a good portion too - a third or so - also went to support social services. But this distinction doesn't matter much because as one of the workers from Kwakwani said yesterday to the President, you know chief, even if you help us out here to raise the electricity, you put price on electricity, and I've got to look for more money, so it doesn't make a difference. It is not such a big thing. To the extent that support was not given to electricity and water, there would have been increased demands for increases in wages which would have been reflected in direct increased contributions to the operating Company.

Mr Speaker, this is an essential background for us here and for the country at large as we think of this bauxite question. It has been very long in the making, it is a reflection of lost advantage and when we came into business as I happened to read in a book which turned out to be an old book, when we came into the business earlier, other places were closed and I had the privilege or the opportunity, experienced in my bauxite years, of visiting a plant in Scotland. They showed us large areas of equipment parked for a long time, because bauxite came along and replaced some of their materials that they mined and utilized there, some of the clays that they used there.

Mr Speaker, I had with me some good articles that appeared in the *Stabroek News* or *Stabroek Business*, April 1, of this year and in particular a graphical representation of experiences in the bauxite industry, the fall in production.

That brings us to the current situation. The current situation is that under a number of influences bauxite/alumina/aluminium have been under pressure from the general recession in the world but more particularly for us a restructuring of places where bauxite/alumina/aluminium business is pursued against a loss of our advantageous position.

Let me read some notes which were cut from a report by Mr Lewis, the CEO of BERMINE, and Mr Julian Archer, the acting CEO of BIDCO

on some recent visits in North America, at least from studying the information about the situation of bauxite: I read here from some items that were cut from those reports:

The current world market situation –

The Brazilians have completed an expansion from 11 million tonnes of bauxite a year to 16.5 million tonnes on schedule for October 1, this year.

ALCAN bauxite operations in Ghana increased to 1,000,000 tonnes this year.

India a joint venture between the Russians and Guinea has increased production from 100,000 tonnes to 250,000 tonnes per year and much of this is going to Russia.

Indian bauxite is available and most people are saying the quality is okay

and there has been a note here,

'the future supply wild card.' The industry is wondering as to what efforts people in India would put into taking up a big portion of the world market.

ORMET, an aluminium plant which we have supplied over twenty/thirty years, an aluminium plant in the USA was closed last December and is likely to remain closed until aluminium prices surpassed \$200 per tonne and ORMET currently has 1.1 million tonnes of bauxite on stockpiles, approximately 1.8 million tonnes of the US defence stockpile being distributed.

Bauxite inventory at Point Cosbert plant is 1.2 million tones and so on.

350,000 to 380,000 tonnes of committed bauxite in Brazil and Guinea where people, I think ALCOA being one of them, take our paid contracts and say, look, we will pay you for the bauxite, leave it on the ground and when the demand rises again, we will come and pick it up, but we are not going to spend money now to move it because we've got to control our cash flows.

This is the current situation and Mr Speaker, Hon. Members, it is in this situation that we have had the recent events that included the transformation of ABC, the proposal from ALCOA and so on.

Mr Speaker, Hon. Members, to revert a little to ALCOA and the ABC situation, Members would recall that in the circumstance of a worsening bauxite situation in the world and its own particular situation of ALCOA having merged with Reynolds and having been required to get rid of some aluminium plants, and therefore finding itself with excessive amounts of bauxite on hand, they put a proposal to us that it would be a good thing to combine BERMINE and ABC so as to get the benefits of the combination and avoid some problems that each has.

Mr Speaker, as I said then and maybe feel forced to repeat, this idea is not a new one, it was around from the very moment that the previous administration worked and developed the ABC arrangement with Reynolds. It was there; it was an obvious thing to combine the operations in the interest of lowering costs and improving competitiveness. Of course the other side of that coin is immediate loss in jobs. It was considered all through the decade since then.

Mr Speaker, Hon. Members, you may recall the fury with which some people responded to the Government's statement that we were inclined to accept the proposal and eventually we went against the expectations of World Bank and Officers of the Multilaterals and accepted full ownership of ABC against arguments that the proposal of ALCOA to close the operation and salvage as much money as could be salvaged was the rational and proper thing to do. We went against it, so these argument that this Government goes against Multilaterals only at

the time when it perceived stress of its perceived supporters are at risk, there is no substance to it. Our moves to keep ABC going demonstrate that we stand up for all Guyanese; we are moved by the needs of all our people.

Mr Speaker, as I said in one of my many responses to this ongoing quarrel that even as one does things, one reflects on it and I said how comforted I was visiting ABC at the time of concluding all the arrangements for its ongoing, when one gentleman (one of the Senior Managers) got up and said, *I never voted for the PPP/C and don't let me fool each other that I will ever vote for them (you PPP/C), but you are in the Government, you have to sign up all those forms, make the arrangements, keep ABC going. We need the work and that was the spirit with which we went to the problems of ABC.*

There are people who are making much that we have avoided our arrangements with the joint bauxite resuscitation committee and so on, but let us look back at the positions they have been taking, let us look back at the time, the delay, the lags in which they have taken positions, but most of all, I have been puzzled by some of the positions taken by a former Hon. Member of this House, a Member when we were debating the Common External Tariffs 1993 or 1994 who pointed out that even though at that time wages in Guyana were the lowest around, our efficiencies, our effectiveness were also so low that in the final product, our cost was higher than others, and that we would have a problem with competitiveness. I have always regretted that someone with such standing in the academic world and in our country would not be seized and driven by that idea, would not be seized and driven to the idea to bring to the attention of our people, all of our managers, owners that workers, we need to become competitive to stop all of the quarrelling and fighting and focus on our work.

Mr Speaker, it is in this regard too that we want to address the question of all of this that has been said on the mooring basin, and I say it again, because we need the repetition so that every last person in Guyana hears it that a mooring basin dredged in the river and with

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anchors, buoys and mooring lines installed, there is a facility of a company like a silo on land or a dock (it's a facility), and we had mooring stations before in the Demerara River. The first one put in by BIDCO, GUYMINE, when the trans-shipment station in Chaguaramas became too expensive towards the mid 1980s, there was a dredging done for which BIDCO and the government who held responsibility coming into the Demerara River and a mooring station was constructed off the channel and when the arrangements were made with ABC, Viceroy and J.P. Knights (Goliath Knights at the time) another basin was made in the Demerara River. In the first one there was a loading ship, because if you put a ship in there, it acts as a silo ship and it allows more rapid loading of the boats that come from abroad. The ABC/Viceroy station in Georgetown did not have a ship; you had to load more slowly, maybe half the weight, from barges directly into the boat. It was going abroad and you needed to have boats that have their own cranes to load the bauxite from the barges into the boats.

So this is a known thing, Sir, and my argument about referring to the previous assurance that was entered into by the relevant Minister of the previous administration at that time. Those arguments, I think, people have misinterpreted the purpose of them. It was not to say that the PNC did it so we are continuing it. I have said it right out there in my letter even to Mr Sampson, the President of the GBS/GBGW in April, that it was a good, proper and sound decision to grant the exclusivity of ownership to someone who would spend \$2 or \$3 million dollars in developing the basin, that is apart from the issue of the money spent on the channel. I said there that it was a good sound position then and it continues to be a good, sound position.

Mr Speaker, at the same time, we certainly want all our businesses in Guyana, the bauxite business in particular to be as helpful to each other as they could, but the final judgment as to how far one could go in helping another rests with each company - the final judgment must rest with each company. There, I rest my case, but I would like to inform this House that we have not left it there, and over the last week or two, we have continued to try to find an arrangement so that BERMINE and

ALCOA can have access to the mooring station and those arrangements be put in place. Such arrangements would offset the jeopardy which ABC and Viceroy would face, because there are issues about congestion and scheduling and we can spend a lot of time talking about the numbers, going through the scheduling and so on. I don't think it is necessary. I hope you take my word that this is not entered into my position, as I said, it is not a position that I reached litely but after considerable considerations.

Mr Speaker, I have here some listings of this Government's spending in the bauxite industry and in Region 10. In the last three years, the allocations in the budget for Region 10 were:

- \$62.7 million in 1999
- \$88.39 million in 2000; and
- \$101 million in 2001.

I spoke earlier on our expenditures in the bauxite industry itself.

Mr Speaker, it is with the gist of my presentation so far that we have particular difficulties with bauxite competition in the world and this is a particularly difficult time for bauxite in the world. There is a question that we are very sensitive to. The question of the future prospects for people who are in the bauxite industry and we have been approaching this in the area of Linden. We pursued for five years a grant from the European Union which came on line earlier this year, the *Linden Economic Advancement Programme* (LEAP) for Linden and Region 10 and the thrust there is to develop an entrepreneurial contract in the Linden area and to promote self-employment, small and medium level enterprises and also overall to create a new environment that would be more welcoming to foreign investment whether from other parts of Guyana or from outside of Guyana.

Mr Speaker, Hon. Members, we have met, I myself have met, with some of those protestors last week, eight of them, and I sought to respond

to their queries and put their minds at rest and the President himself spent most of yesterday meeting with workers, some from Everton, some from Kwakwani, but, maybe more important, the CEO, Mr Lewis, of BERMINE was present and the Manager, Mr Bender, at Kwakwani was present also. Out of that, Mr Speaker, and maybe it should be written into the records, I would like to read the joint Press Release that came out of yesterday's meeting:

Joint Press Release between Government and BERMINE Workers

President Bharrat Jagdeo and Prime Minister Samuel Hinds met with workers from BERMINE in the Office of the President. The Government and the Workers and Managers of BERMINE agreed on the following:

- 1. BERMINE's Board will meet on Friday (today) to ratify a proposal from Viceroy Shipping to allow third party ships continued use of the mooring facilities in the Berbice River.*
- 2. Any employee of BERMINE who wishes to voluntarily leave will receive payment calculated in accordance with the severance formula contained in the Union Agreement, which said cost being funded by the Government.*
- 3. Management represents that subject to the continuance of the ALCOA contact and the payment of the voluntary severance cost by Government BERMINE will be able to achieve a break-even position this year.*
- 4. Government will take over certain responsibilities at Kwakwani that are funded by BERMINE; these include water, schools, hospitals and electricity.*
- 5. Government expressed its willingness to receive and consider the management employees' proposal to take over BERMINE. Government is currently awaiting a response*

from the BERMINE Employee Group on whether on whether their earlier proposal is still on the table.

6. Workers of Kwakwani urged that a merger of ABC and BERMINE be considered now.

7. Workers of Kwakwani requested that the LINDEN/ Kwakwani road be fixed. Government committed to fixing same at the end of the rainy season.

8. The President committed to visiting both Everton and Kwakwani in the upcoming weeks; and

9. Both sides welcome the cordial and co-operative nature of the discussions, which resulted in the decisions taken to address the current situation.

Mr Speaker, Hon Members, I can speak for much more on this subject but it is time that I come to an end.

I think, I would like to close with a thought that comes in my mind from some earlier quotations. It talks about changes and having to accept that there will be continuing changes, and it goes this way:

Since mankind will go on investigating, exploring, experimenting, discovering, ideas that things will remain the same forever are wrong and they are not in line with historical experience.

We do have a challenge in Guyana to recognize even though it may be decades after the fact that our traditional bauxite areas have lost their competitive advantage, one may still be able to run them and make some money, but one has to be everything, one has to go right, one has to be working as a team. No longer can workers expect to shirk on the job or to be alienated from the job or to depend on supervisors keeping an eye on them or to depend on security people to see that bearings don't disappear and such like things.

Even as I speak, we are working to conclude arrangements with CAMBIOR, the parent Company of OMAI for participation in a bauxite operations in LINDEN. I would like that to go forward, but I would like everyone to know, every last worker and every last Guyanese that it would be a real challenge, it is not beyond us, we have the ability, we have the skill, but it would call for a change in our concepts and ideas of the world. We have come from a time when with good reason, we have been suspicious, particularly us, largely working people, have been suspicious of owners and managers, and suspicious of foreign investment. We have to put those days behind us; we have to recognize, too, that old things can be made to serve the new. We have to refashion as things change, times change... we have to refashion the elements... we have to... so that old situations, old plans serve a new situation and we have to accept that foreign things, foreign investments, foreign persons can serve us and are here in our service.

Mr Speaker, we, of the PPP/C regret the continuing behaviour of the PNC/R including its Leader, a behaviour as if we are still in at elections or if we are having elections tomorrow. We understand the rivalry that elections bring and we are fully aware of this rivalry between our different peoples or many of our different peoples, but there must be a time when we stop politicking and when we get down to working, working to build this country and working to bring our people together as one.

I again want to assure this nation that this administration is continuously aware of its responsibility for each and every single Guyanese, those who voted for us as well as those who voted for others. We are interested in going forward; we want the Opposition, the PNC/R and its leader to bring an end to the activities, which have been playing with people's lives. We want them to bring an end to their actions which fill many average people with terror and which do nothing to attract foreign investment into Guyana. How can they accuse us of not bringing foreign investors, when they are bent all the time on scaring foreign and local investors away?

Mr Speaker, as I close, too, I want to say again, this Administration

is conscious but it does not know everything and particularly in questions like plotting our future economic activities in a world globalising, restructuring and in changing times. We could not be sure of everything, perhaps we are only sure of a little that if we Guyanese get down to our problems with cordiality and goodwill, we will survive all of the challenges and we will even do better than that, we will succeed. I thank you.
[Applause]

The Speaker: Thank you, Hon. Member.

Motion proposed.

Is there any other Member who wishes to speak?

The Hon Member, Mr Ravi Dev.

Mr Ravi Dev: Mr Speaker, I rise to comment on the Motion as it relates to the efforts of the Government to deal with the problems of the bauxite sector.

I do not pretend to be an expert as the Prime Minister is on the bauxite industry, so at least I will have to give great credence to what he says, because we all know his history in that industry.

As it is, coming from the sugar plantation of Uitvlugt, in my boyhood, I remember people from our village, a part called Cashwa, leaving for McKenzie, as it was known in those days for the higher wages that the bauxite industry offered and, I think, as we reflect on where the industry is today, we have to factor in that great drop. Everything is related from where we started, so I think that we have to be very conversant in terms of the reaction of the people in the bauxite industry as to their experience, as to where they were, and also, maybe, what might have been.

I remember too, from my own experience that our problems with bauxite began with politics, that upon the nationalisation of bauxite which the PPP supported, that the PNC politicized the industry, as it did everything else, and that in the politicization of the management and

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operations of the bauxite industry, we began to have problem very early on, and I know the Prime Minister, being an expert, spoke about the problems of the overburden, but in terms of the type of bauxite we have, which can be used in kilns, the calcined bauxite produced, we almost had a monopoly in the world for this type of bauxite. Let it be known that we lost that market not because of overburden or anything like that, but just because we could not deliver. We lost markets to China that had much inferior products, because of our not of being able to deliver and that came out of politicization.

I mentioned that not to cast blame (we have passed that, I believe) but to caution that if we are to go forward and resolve the crisis in the bauxite industry, we cannot continue to play politics. First of all, we have to look at the industry as an industrial enterprise and to deal with it as such, so that if the present management of the bauxite industry are not performing to scratch, then they also have to be made to understand that their tenure have to be dependent on their performance.

But I want to step back as I looked at the re-actions of these individuals from Kwakwani and from LINMINE that have come to Georgetown as you see them on the television everyday, these representatives of the workers, as they speak of our problems, the words that resonate are:

- *Good faith*
- Trust
- *Credibility*, in terms of the Government's dealing with the issue.

So I think the matter has been moved from the arena of industrial relations to one of political credibility and this is unfortunately the case in Guyana, that almost for every object that we try to confront in our society, we end up in politics. Unfortunately, more specifically again, we end up with the politics of the ethnic divide and so I would like to comment on

this aspect, because I feel that this is the crux of the matter that we have faced, that by and large, the workers and the residents of the bauxite industry understand and know that there is a crisis facing the industry, but it is my contention that they do not believe that the Government's efforts are sufficient to get them out of their straights. So that is a political question in terms of whether they trust the government or not. It then becomes very easy, as it is in other arenas, for such sentiments to be exploited. Now it is of no use, we feel, for us to bemoan the fact that others might not be co-operative. As the Prime Minister said, this is not elections year, but the reality in Guyana is that fortunately people in politics - the politicians in this country - do not stop politicking when the campaign stops and the people are very leery about actions whether they are political or not. I would then like to say that if this or any other restructuring is to be successful and the Prime Minister mentioned that we live in a globalised world, where there would be the need for many restructurings as we try to survive in this new world, therefore we should look at the problems in the bauxite industry as only the beginning of many that will confront us. We should then confront what under-girds the problem, which is the credibility of the Government's efforts as to whether they are really doing all they can.

We come back as I said, therefore, to the ethnic divide and, to be blunt, the people in the bauxite industry, at least based on their Union Representative whom I heard last night on television, the Union Representative feels that they are being discriminated against only because of their ethnic background, but the government is playing politics or... not and the Government, I am sure will dismiss this as the Prime Minister did.

But unfortunately when we are dealing with people, we are dealing with psychics, we are dealing with states of mind, where reason and rationality are not necessarily at the top of the criteria when people are facing loss of jobs, loss of their homes and loss of their status, who they are as people, individuals in life. Whether we like it or not, it is a social fact that individuals compare, so it is inevitable that the people of the bauxite industry will compare themselves and their predicament with other

industries, other sections of this country. People do not compare in an absolute sense, they always compare in a relative sense and they will always feel deprived relatively, because relative to others, they are not doing so good.

We come back, therefore, to the norm in Guyana for people to exploit such sentiments. So what do we do about it? In my speech on the Budget, I mentioned, and I am mentioning it again, that in Guyana, every policy of the Government will be evaluated, after the policy is executed through ethnic lens. That is the nature of our society and ROAR has been calling upon the political players, including the Government, to enact something that we called an Ethnic Impact Statement. Just as how we used to scoff at those who say we must worry about what our industrial efforts would have on the environment, on water and on forest, nowadays we accept that we must have an environmental impact before we go ahead with industrial enterprises.

In Guyana, I am hoping that we have learnt by now that no matter how good our intentions are, as the Motion says, *the genuine efforts of the Government*, no matter how genuine they may be in an objective sense, we have to be aware as to how these things will be exploited and play out. Therefore, if before a policy is embarked upon, one openly talks about the ethnic impact, then at the end of that people will have less axes to grind, so to speak, because from the very beginning we would have been allowed an effort to say, well, the government is going off here, it is favouring its own supporters or it is punishing others.

The second initiative, we would like to commend to the Government is one that the Leader of the PPP, the founder of the PPP, Dr Jagan, since the 1960s, beginning in 1962 at the aborted Constitutional Conference in London, when he proposed to the PNC that for Guyana to go forward there has to be a relationship with the PNC, where the PPP and the PNC in representing most of the people of Guyana can work together to confront the great problems. This is the 1962 Constitutional Conference, where Dr Jagan talked about four Ministerial seats and other arrangements to the PNC. The PNC rejected that - Mr

Burnham rejected that then – but Dr Jagan did not give up. In 1977, he again floated what he called *a national front government* and consistently through to 1992, he spoke of such an arrangement, where the parties that represent all of the people of this country, because let's face it, that is the fact of Guyana. As the Government likes to remind ROAR, party like ROAR, is just a one-seat party, even though Mr Nadir has kindly given me another one for my briefcase. It is the PPP and the PNC that have to resolve this problem, so we commend the proposal of Dr Jagan that he has made on so many occasions that our country, the way we see it, is unfortunately going through what I remember from my boyhood the marches and the strikes, the heightened violence, the industrial actions, the sittings and the blocking of the entry to Parliament. It is like *déjà vu* and again I commend what Dr Jagan proposed at that time.

I would like to conclude my presentation by saying this, that we cannot just address the symptom of the problem in the bauxite industry. The bauxite workers have always shown themselves to be very militant. I remember again in my youth, when the PNC had nationalised bauxite and to their great surprise, when they tried to fiddle around with their pension scheme, the RILA Scheme, the people of LINDEN rose up against the PNC and they did so on several other occasions.

We therefore must understand that they have a history of struggle and that their struggle must be seen against the background of the politics of Guyana and that this is not the time to define people in terms of being evil or being bad or not caring for the national good. I think it is up to the Government of the day to cast their policies within structures that give incentives to those who can then come to the table to make sure that we come out of the downward spiral that we seem to embark upon. Thank you.

The Speaker: Thank you Hon. Member.

The Hon. Member, Mr Odinga Lumumba.

Mr Odinga N. Lumumba: Mr Speaker, it is always unfortunate that

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we have to have continued discourse on bauxite and the bauxite industry in particular. I anticipate that one day soon that the discourse on the bauxite industry will be one that is positive. Hopefully today, after our explanations, we would be able to obtain a picture that would allow us to move forward in the future.

Mr Speaker, in 1975, I did my Masters thesis on aluminum smelter and my thesis clearly stated that the only way the bauxite industry can move forward is with the aluminum smelter.

At an early age, Mr Speaker, I anticipated the problems in the bauxite industry. I know that there had to be some level of integration.

If you look at the countries in the world that are doing well in the bauxite industry, they are those which not only produce bauxite, but also produce aluminum and also make pots, pans, spoons *et cetera* – there is a relationship.

Mr Speaker, it is like the rice industry, if you just plant paddy and you don't have a mill, then you open yourself to all types of competition. It is like our Forest Industry, if we continue just to cut logs and we don't make enough doors, windows, cabinets and other items, we are going to have the same problems.

Mr Speaker, those who know the industry must recognise the fact that *bauxite* was a very powerful word in Guyana at one point in time.

As a matter of fact, the place to go on weekends as a young man was LINDEN and if you were a sportsman, it was LINDEN. On Friday afternoon, you wanted to get home to change, so you could go to LINDEN, because it was the most active community in Guyana. There is where you had to go - to LINDEN - and sport. 'If you want fun, you go to LINDEN.'

Mr Speaker, I learned to eat with knife and fork in LINDEN, I learned to sit at the table and have a small tablecloth (napkin) put over my lap in LINDEN, because LINDEN was very middle class;

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LINDEN was a strong community with a strong middle class, that is a basic characteristic of a strong economy.

But something happened, Sir, and we tend to forget. There was the Arab Oil crisis and that period led to the demise of the aluminum industry. During that period many companies decided never again major European countries and major developing countries said, never again they would allow a few Arabs to control their livelihood. There became a movement away from the use of aluminum and the dependency on aluminum.

Mr Speaker, less aluminum is now used in aircrafts, in battleships and in automobile. There was more money put in research for alternative metals, research in Kaolin, non-content bauxite.

Mr Speaker, during that period of time and after the Arab Oil crisis, dozens and dozens of bauxite facilities were closed down. That is a fact not fantasy and those that did not close went into modernisation.

Mr Speaker, we have a bauxite facility with twelve hundred (1,200) or fourteen hundred (1,400) workers. Throughout the world today a modern facility of that type would probably hire two hundred (200) or three hundred (300) individuals.

But, Mr Speaker, there are other factors. There is a tendency for everyone to blame the PPP/Civic for the present state of the bauxite industry and there is a lot of dishonesty in that. The problems of the bauxite industry, LINMINE and BERMINE, did not begin in 1992.

Mr Speaker, I don't think Mr Sylvester Carmichael owns or has access to a PPP Party card. As far as I know, he is one of the strongest, brightest and one of the most knowledgeable person in the industry, and this is a document dated 8th October, 1969 and I do not think Mr Speaker, I am not here to criticize any government or any former government, but what I know of history, is that the PPP/C was not in power in 1969...

Mr. Carmichael said in his conclusions, in his paper:

Over the period 1956 to 1968 bauxite production in Guyana has been increasing at a rate far below the world industry and generally well below that of any other major producing country. The figures indicate that over the period 1956 -1965, there was virtual stagnation in bauxite production in Guyana. The stagnation in the industry with production of that period was below the 1956 level, while countries like Jamaica, Suriname, Australia and Guinea were expanding rapidly. The factor that is often said to be responsible for stagnation in Guyana is the cost of production.

Mr Speaker, according to Mr Carmichael, there is no doubt that being a change in the product line in the Guyana bauxite industry over the period 1959 - 1969 with calcined bauxite, alumina (now I come to the bulk of the bauxite exports).

However, the paper tried to show that the diversification of production has not been exploited as fully as possible and can suggest that pre-occupation with establishment of aluminum smelter might have caused us to lose sight of the benefits gained from the expansion of the industry for increased production of aluminum.

In essence, Mr Speaker, what Mr Carmichael had said is that even though it was important for us to move towards aluminum smelter, our pre-occupation with the theoretical approach to that may have caused us to stop and look as opposed to moving towards modernisation in the area of alumina and even in terms of how we deal with bauxite ore.

He also recommended then in 1969, that immediate steps should be taken to stipulate a standard system of identifying and reporting reserves. He further said, Mr Speaker, the Geological Surveys Department should play a more active role in the identification of bauxite and lateral deposits.

Mr Speaker, he also stated that the Guyana Government should take the initiative to have a substantial increase in aluminum capacity

since the minimum economic size of plant is not considered to be 650,000 tonnes.

Mr Speaker, this is in 1969. We saw the signals in 1969. If the bauxite industry was owned by a private person, if the bauxite industry was owned by the shareholders of Banks DIH or by Mr Yesu Persaud or by the Beharrys or by Courtney Benn, it would have been closed down.

But, Mr Speaker, governments are guided by ideology, they are guided by philosophy and our government is guided by humanity.
[Applause]

Let us not think about the social effects if we should close down BERMINE or LINMINE, let us think about those thousands of employees multiplied by five or multiplied by ten in terms of the impact on community. There will be ghost towns, there will be more thieves, more criminals, more social problems. So, Mr Speaker, I am at sea when the Opposition states that we are discriminating against LINMINE and BERMINE. We did not create the social conditions at LINMINE and BERMINE.

The problem of LINMINE and BERMINE was created by lack of planning, lack of vision, lack of understanding. Economic growth is not based on a one-industry policy. A society cannot develop based on one industry, but if they were planning, if people had vision, Mr Speaker, they would have seen these problems.

You know, the Opposition tends to be critical of GUYSUCO. Mr Speaker, if I go to Mr Webb or any other Senior Officer of GUYSUCO tomorrow morning and say, I want to see your plans, GUYSUCO will show me a plan that will tell me precisely which drain or which canal have to be dug or cleaned in the next six months to the finest detail. GUYSUCO will tell me that.

But, Mr Speaker, I am on the BIDCO Board, and I will go to a

Board Meeting on Monday at 9:00 a.m. and by 10:00 a.m. I would hear from the Executives of BERMINE and LINMINE that *we just realise that we need US \$300,000 to repair something*. I would go to the same Board meeting the next month, the meeting is at 9.00 a.m. and about 9.30 a.m. the Executives would tell me that *we need a spanner at 10.30 a.m.*

Mr Speaker, even though we are responsible for these individuals, every time this Government tries to make a change, it becomes a colour issue, it becomes an ethnic issue, it becomes who blames who.

Mr Speaker, this Government has provided over US \$7 M annually to LINMINE, that is \$1.4 billion. Mr Speaker, does that sound like discrimination? Mr Speaker, maybe we are discriminating against others. *[Interruption: "Yes"]*

Mr Speaker, I don't know of any other industry or any other community in Guyana in its history, even before independence that has received that kind of support from any government.

Mr Speaker, those who are making these charges deserve to apologise to this government. I mean, we are not going to get it. Mr Speaker, we have protest today because of the issue of BERMINE. We are put in a position where individuals are saying that BERMINE might be shut down because they cannot have access to that trans-shipment station, but since November of last year, the Executive of BERMINE knew that there would be a problem with shipment because the relay station can only accommodate 1.2 million tonnes of bauxite ore. They knew this, yet they went ahead and consolidated agreement with ALCOA without consultation with ABC or with Viceroy. But, Mr Speaker, that is not the real story. The real story is that the ability of BERMINE to sell bauxite for the last five years, has dropped thirty to forty percent. So even if they have total access to the relay station, even if they own the station and even if they own the basin, they can only sell just over 200,000 tonnes of bauxite. So that is the real story. The real story is to cover the incompetence or inefficiency by hiding the fact from the public that they

are unable to sell the required amount of bauxite ore, to make the government feel guilty. But once again, Mr Speaker, this government has gone beyond race, colour or creed.

This government had made it very clear that we are not going to allow BERMINE to be shut down based on any type of conditions that are not real. The President has made it very clear that:

1. We will ensure that BERMINE has access to the relay station.
2. We have said to the workers in BERMINE that if you choose to end your relationship with BERMINE in a decent manner, the Government will provide you compensation.

Mr Speaker, this is a small country, we cannot have three or four bauxite companies. It is a small amount of ore. We are not a major player in the world any more and we will never be again. The time has come where we must have one company in that area. You cannot have two companies competing with each other for the same market internationally.

The good news, Mr Speaker, is that the workers who were present at the two-days meeting have said to the President, that they are now willing to move forward him for you to look at the option of one company. That is how things are done, reality come home.

Mr Speaker, we have sat for the last hour and the Prime Minister has outlined the case of the Government. In my small way, I am suggesting that the issue of bauxite is not a national issue, is an issue that cannot be solved just by Government, but also by the Opposition.

The most important thing for us to do is that we must educate people. Often we assume that people know the facts. I think it is important that we educate the communities of Kwakwani, LINDEN and Everton. We must have outreach programmes; they must know the facts about the industry. But at the same time, we must continue the process of creating

alternative employment in those areas. As a Government that is our responsibility, we cannot say the industry is taking blows and shut shop and walk away. We are elected to serve everyone and we must bear in mind that those communities are predominantly Afro-Guyanese communities, so you can understand the sentiments, that when one picks the newspapers up and they see that Skeldon expansion; and when people see Skeldon, they see Indo Guyanese; and then on the next page they see problems for BERMINE and LINMINE, they may shut down, they see Afro Guyanese.

If we don't educate people, if we don't work with people, they would believe that it is an institutional problem. It is important, that we show our citizens the type of opportunities we are beginning to create with both communities.

We must talk more about the LEAP Programme, the \$2 billion that will be spent in LINDEN. The President has just announced, Mr Speaker, that the Government would take the responsibility of health, water, electricity and he will work out a reasonable programme so that the economic cost of those things would not fall on the citizens of those communities. That is a caring Government.

The President has said clearly that he wants to encourage companies to get investment opportunities in those communities. We have to work together as a nation to ensure that these things happen. The PPP/C alone cannot do it. No Government alone can do anything in a society where race and class are at conflicting situations. We have to work together, we have to find the kind of mechanism to get the PNC/R back in Parliament, to get the PNC/R back in the dialogue process and I want to thank the President for taking a major step to ensure that that is going to happen, so we cannot continue to get blame for the situation.

But then, Mr Speaker, the Opposition has to be more responsible, they have got to work with us to develop these communities and they cannot blame us for historical problems like that which we have found in the bauxite industry. Thank you very much, Mr Speaker. *[Applause]*

The Speaker: Thank you, Hon. Member.

16:00H

Hon. Reepu Daman Persaud: Mr Speaker, allow me to crave your indulgence to propose that the sitting for today continue uninterrupted until the business for today is over, which will be less than another half an hour for the last speaker. I so propose, Mr Speaker.

Put and agreed to.

Motion carried.

The Speaker: The Hon. Member Mrs Philomena Sahoye-Shury.

Mrs Philomena Sahoye-Shury: Mr Speaker, today, in Guyana, we are observing a situation that is causing some restlessness, uncertainty because of political machinations and it is my view that they are using the bauxite industry as a lever to create confusion in Georgetown, very well knowing that the bauxite industry in Guyana has been on the decline for several years.

The previous government and the Trade Union Movement in the bauxite industry knew the prices for bauxite kept falling while the cost of production was rising. Still at that time nothing was done.

This industry started its decline, according to two other speakers before me, years ago when countries like Suriname, Brazil, Jamaica and many others started to increase production of bauxite and we must also realise that investors in any country are there to make money. Investors in these industries be it bauxite, coal or steel, are very careful in shaping their strategies, taking into consideration volume of production, consumption, repairs, renewal of plant and machinery, labour costs, *et cetera*, and edging their bets whereby they will stay into the industry to make profits or walk.

The present situation in Guyana is that our cost of production exceeds

the price that we could receive for bauxite. What therefore are the facts dealing only with BERMINE, Kwakwani and Everton, where four hundred and thirty-three (433) persons are employed?

In addition water and electricity are supplied, on a twenty-four hour basis, free. They also maintain and operate a sixteen-bed hospital, which serves a radius of fifteen miles around Kwakwani., in addition footing the bill for community and social services estimated a US \$400,000, which is equivalent to over G \$76 million.

The irony of this sad situation is that the Trade Union representing workers in this industry is first of all not doing their job, in that they should have known long ago that the bauxite industry is in trouble and more so since the President of this Trade Union is also the acting Chairman of the Board. We are not hearing this coming out. If he is a member of the Board, and a leader of the Trade Union, how come nothing was done in the interest of the workers? I respectfully submit, Mr Speaker, that representation of workers continue to be mediocre, downright appalling, as any Trade Union that is worth its salt, would have been negotiating a long time ago to come with a solution in the interest of the workers. What we are observing today, Mr Speaker, is an irresponsible Trade Union Movement, where because of its shortsightedness and irresponsible behaviour, the workers at BERMINE are held at ransom. It therefore begs the question, is this manoeuvre to divide and rule, putting the working class against this government, trying desperately to erode the government's capability of financially shaping the economy of Guyana. It is the responsibility of all trade unions to be honest in the delivery of the representation to its members without fear or favour, but in Guyana, it seems that some trade unionists have lost their zeal to negotiate in a responsible manner and instead cherish confrontational methods, which ultimately bring no benefit to either the employer or the employee.

The Trade Union Movement long ago should have been in the forefront in putting on the table constructive options in the interest of the workers, but when it did wake up from its sweet slumber, to take itself out of the precarious situation, it came up with an option. Let us examine

the option of the Trade Union and its members, who said they had an investor to come in to bail out the workers. When contacted, this interest (as they said) wrote the partner saying that they had no such plans. Why then did the union claim that they had an investor, when in truth and in fact they knew that their dreams were not a realistic possibility and was mere wishful thinking?

Mr Speaker, to create more fear in the hard working people at BERMINE, Everton and Kwakwani, political figures collaborated to compound the agony by using the media to peddle lies such as pensioners not being paid, there was no fuel to run the operation, no water or electricity for the hospital and other essential services, load shedding, no payment to contractors, when really all these squabbling, collaborators of doom knew fully well that certain decision had to be made to cut cost in the interest to keep the workers. But it is sad, very sad and then I would like to say, *Oh, what a tangled web we weave when first we practice to deceive*. I am certain that ultimately the workers at BERMINE and throughout the bauxite industry, even at LINMINE, will conclude that you could fool some of the people some of the time, but not all the people all the time.

The Government of Guyana, fully conscious of its obligations to the people is consulting and negotiating with everyone concerned to help to alleviate this problem. The residents of Kwakwani and Everton are experiencing difficulties and, yes, this government as a caring one, is prepared to leave no stone unturned in the interest of the working class. We are not prepared to offer pie in the sky like other destructive elements, but will assess realistically the situation of bauxite, production costs and sales and negotiate essential options for sound solutions.

The political situation in Guyana as it is today, does not auger well for people's upliftment and prosperity, when the opposition forces instead of opposing constructively (no problem with opposing, as long as you oppose constructively) seek other means of confusion and creating fear among the people of this country. Many of us are saying, *no, we would not allow this to continue*. For the Opposition to say that this

government has nothing for Region 10, because they are black people, I wonder who am I, and that they did not vote for the PPP/Civic is like hiding their heads in the sand. It is therefore necessary that all the people of Guyana know how much was done for the residents in Region 10, where billions of dollars was spent and continue to be spent and I just want to read out a couple of them:

1. Burnham Drive that was done for the third time, twice the government gave money to the Region to do Burnham Drive and this Government had to come out to make Burnham Drive a reality. *[Applause]*
2. The markets in McKenzie and Wismar are being renovated, again millions of dollars.
3. The Abattoir was built in LINDEN, Region 10.
4. Pure Water distribution is being implemented.

Mr Speaker, let me just deal with the communities now. Also the communities in Region 10 from Moblissa to right down the Berbice River have benefited immensely through the building of schools, health centers, health posts, chicken farms for production, farming, six tractors were given to Region 10 alone, seeds and plants, building of bridges across creeks so that our children would have good access to schools. What more the communities have done? We are involved in Region 10 Adult Education and upgrading skills for dropouts funded from the Poverty Alleviation Programme respectively. All of these are being done in Region 10 - sewing, handicrafts, home economics, building of community centers, paling grounds, upgrading of sports grounds and sporting facilities. To add, Mr Speaker, they have just been awarded \$30 million by the Depressed Community Needs Committee for Region 10.

Mr Speaker, no one could deny the thrust of this Government in trying to answer the wishes and aspirations of all Guyanese irrespective of race, colour or creed. Yes, there is much more to be done, but Rome

was not built in a day and if only we could all put our hearts and our hands together to help and not destroy, to build, maintain and improve conditions for our citizens, then Guyana could become a country where we would love to reside and spend the rest of our days in peace and harmony. Thank you, Mr Speaker. *[Applause]*

The Speaker: Thank you, Hon. Member.

The Hon Prime Minister.

Hon. Samuel A.A. Hinds: Mr Speaker, Hon. Members, I rise to thank my colleagues who have spoken on this side of the House and also to thank the Hon. Member, Mr Ravi Dev *[Applause]* (that was not an intended slip). I think that we have had a good debate here and the other speakers have added particular views.

I want to assure that we in the Government recognize that people become very agitated and could become paralysed with anxiety or move to do all sorts of violent things from anxiety, when one cannot see a job, but we would like to urge patience and we would like to continue giving the assurance that we would work with the people in Kwakwani, in LINDEN and in all the bauxite communities, and in all other economic activities in Guyana to let us see how we could get through our difficulties in a sustained way.

Mr Speaker, it was with some kind of regret that I approached this debate in that we should be spending time and efforts, more or less fending and proving, but maybe it is not a lost exercise. I think there would be some people who would have a clearer picture of this situation and I would like to refer to the words, I think, coming from my colleague, the Hon. Member Mr Ravi Dev to the effect that this could be a time in Guyana when we recognize our common predicament. As Dr Clive Thomas, who was sitting in that same area said years ago, *in all our economic activities in our traditional areas, we are quite uncompetitive.*

I would like to encourage all Guyanese particularly those who are

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not in the bauxite sector to be sensitive to the particular problems of the people in the bauxite sector now, and particularly the BERMINE operations and let us extend the hands of common citizenship, of friendship, fellowship to each other because, as we say, these problems come to all of us, today to one, tomorrow to another. If we are going to be a country and a people, we have to be prepared to lean on each other, to expect others to lean on us so that we can feel free to lean on the other in times of our difficulties. With these words, Mr Speaker, I would like to thank you and the Members of the House for this useful debate. *[Applause]*

The Speaker: Thank you, Hon. Prime Minister.

I will now put the **Question:**

That this National Assembly acknowledges the genuine efforts by the Government to deal with the chronic problems of the bauxite sector and its various specific manifestations including the current situation of BERMINE and Kwakwani in today's depressed bauxite markets.

Put and agreed to.

Motion carried.

ADJOURNMENT

The Speaker: Hon. Members this concludes our business for today.

The Hon. Minister

Hon. Reepu Daman Persaud: I wish to move that the National Assembly stands adjourned to Wednesday, 29th May, at 2.00 p.m.

Adjourned accordingly at 16:20 H