

# National Assembly Debates

**PROCEEDINGS AND DEBATES OF THE NATIONAL ASSEMBLY OF THE FIRST SESSION (2006-2008) OF THE NINTH PARLIAMENT OF GUYANA UNDER THE CONSTITUTION OF THE CO-OPERATIVE REPUBLIC OF GUYANA HELD IN THE PARLIAMENT CHAMBER, PUBLIC BUILDINGS, BRICKDAM, GEORGETOWN**

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54th Sitting

14:00h

Thursday 26 June 2008

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## ***MEMBERS OF THE NATIONAL ASSEMBLY (70)***

### ***Speaker (1)***

**The Hon. Hari N Ramkarran SC, MP**

*Speaker of the National Assembly*

### **Members of the Government (41)**

#### **People's Progressive Party/Civic (40)**

#### **The United Force (1)**

The Hon. Samuel A A Hinds MP

*(Absent)*

*(R# 10 - U Demerara/U Berbice)*

*Prime Minister and Minister of*

*Public Works and Communications*

*Performing the functions of the Office of the President*

The Hon. Clement J Rohee MP

*Minister of Home Affairs*

The Hon. Shaik K Z Baksh MP

*Minister of Education*

The Hon. Dr Henry B Jeffrey MP

*(AOL)*

*Minister of Foreign Trade and International Cooperation*

The Hon. Dr Leslie S Ramsammy MP

*(R# 6 - E Berbice/Corentyne)*

*Minister of Health*

The Hon. Carolyn Rodrigues-Birkett MP

*(R# 9 - U Takutu/U Essequibo)*

*Minister of Foreign Affairs*

\*The Hon. Dr Ashni Singh MP

*Minister of Finance*

The Hon. Harry Narine Nawbatt MP

*Minister of Housing and Water*

The Hon. Robert M Persaud MP

*(R# 6 - E Berbice/Corentyne)*

*Minister of Agriculture*

The Hon. Dr Jennifer R A Westford MP

*(R#7 - Cuyuni/Mazaruni)*

*Minister of the Public Service*

The Hon. Kellawan Lall MP

*Minister of Local Government and Regional Development*

\*The Hon. Doodnauth Singh SC, MP *(Absent)*

*Attorney General and Minister of Legal Affairs*

The Hon. Dr Frank C S Anthony MP

*Minister of Culture, Youth and Sport*

The Hon. B H Robeson Benn MP

*Minister of Transport and Hydraulics*

\*\*The Hon. Manzoor Nadir MP *(AOL)*

*Minister of Labour*

The Hon. Priya D Manickchand MP *(AOL)*

*(R# 5 - Mahaica/Berbice)*

*Minister of Human Services and Social Security*

The Hon. Dr Desrey Fox MP

*Minister in the Ministry of Education*

The Hon. Bheri S Ramsaran MD, MP

*Minister in the Ministry of Health*

\*Non-elected Minister \*\*Elected Member from TUF

The Hon. Jennifer I Webster MP

*Minister in the Ministry of Finance*

The Hon. Manniram Prashad MP

*Minister of Tourism, Industry and Commerce*

\*The Hon. Pauline R Sukhai MP

*Minister of Amerindian Affairs*

Mr.. Donald Ramotar MP

Ms Gail Teixeira MP (AOL)

Mr. Harripersaud Nokta MP (AOL)

Mrs. Indranie Chandarpal MP, Chief Whip

Ms Bibi S Shadick MP

*(R# 3 – Essequibo Is/W Demerara)*

Mr. Mohamed Irfaan Ali MP

Mr. Albert Atkinson JP, MP

*(R# 8 - Potaro/Siparuni)*

Mr. Komal Chand CCH, JP, MP (AOL)

*(R# 3 - Essequibo Is/W Demerara)*

Mr. Bernard C DeSantos SC, MP

*(R# 4 - Demerara/Mahaica)*

Mrs. Shirley V Edwards JP, MP

*(R# 4 - Demerara/Mahaica)*

Mr. Mohamed F Khan JP, MP

*(R# 2 - Pomeroon/Supenaam)*

Mr. Odinga N Lumumba MP (AOL)

Mr. Moses V Nagamootoo JP, MP (AOL)

Mr. Mohabir A Nandlall MP (AOL)

Mr. Neendkumar JP, MP

(R# 4 - Demerara/Mahaica)

\*\*\* Mr. Steve P Ninvalle MP (AOL)

*Parl'ry Sect'ry in the Ministry of Culture, Youth and Sport*

Mr. Parmanand P Persaud JP, MP

(R# 2 - Pomeroon/Supenaam)

Mrs. Philomena Sahoye-Shury CCH, JP, MP

*Parliamentary Secretary in the Ministry of Housing and Water*

Mr. Dharamkumar Seeraj MP (AOL)

Mr. Norman A Whittaker MP

(R# 1 - Barima/Waini)

\*\*\*Non-elected Member

## **Members of the Opposition (28)**

### **(i) People's National Congress Reform 1-Guyana (22)**

Mr. Robert HO Corbin

*Leader of the Opposition*

Mr. Winston S Murray CCH, MP

Mrs. Clarissa S Riehl MP

*Deputy Speaker of the National Assembly*

Mr. E Lance Carberry MP (AOL)

*Chief Whip*

Mrs.. Deborah J. Backer MP

Mr. Anthony Vieira

Mr. Basil Williams MP

Dr. George A Norton MP

Mrs. Volda A Lawrence MP

Mr. Keith Scott MP

Miss Anna Ally MP

Mr. Dave Danny MP

*(R# 4 - Demerara/Mahaica)*

Mr. Aubrey C Norton MP

*(R# 4 - Demerara/Mahaica)*

Mr. Ernest B Elliot MP

*(R# 4 - Demerara/Mahaica)*

Miss Judith David-Blair MP

*(R# 7 - Cuyuni/Mazaruni)*

Mr. Mervyn Williams MP

*(Re# 3 - Essequibo Is/W Demerara)*

Ms Africo Selman MP

Dr. John Austin MP

*(R# 6 - East Berbice/Corentyne)*

Ms Jennifer Wade MP

*(R# 5 - Mahaica/Berbice)*

Ms Vanessa Kissoon MP

*(Absent)*

*(R# 10 - U Demerara/U Berbice)*

Mr. Desmond Fernandes MP

*(Region No 1 – Barima/Waini)*

Mr. James K McAllister MP

*(Absent)*

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

Mr. Raphael G Trotman MP

Mr. Khemraj Ramjattan MP

Mrs. Sheila VA Holder MP

Ms Latchmin B Punalall, MP

*(R# 4 - Demerara/Mahaica)*

Mr. David Patterson MP

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

Mr. Everall N Franklin MP

*(AOL)*

***OFFICERS***

Mr. Sherlock E. Isaacs

*Clerk of the National Assembly*

Mrs.. Lilawatie Coonjah

*Deputy Clerk of the National Assembly*

14:10H

**PRAYERS**

*[The Clerk reads the Prayers]*

**ANNOUNCEMENTS BY THE SPEAKER**

**Death of Mr. Arthur Raymond Chung, Former President of Guyana**

Honourable Members, as you are aware Mr. Arthur Raymond Chung, President of Guyana died on the 23 June 2008. Mr. Chung served as President of Guyana from the 17 March 1970 to the 6 October 1980. I was asked by the Protocol Division of the Office of the President to inform you that the viewing of the body will take place on Sunday, 29 June 2008 from 10.00 am to 2.00 pm at the National Cultural Centre. The funeral service will be on Monday, 30 June 2008 from 10.00 am and there after to the seven ponds for interment. Parking will be at the parking lot of the National Cultural Centre.

Honourable Members please let us stand and observe one minute silence as a mark of respect for the late President Chung.

*[Members stood in silence for one minute]*

**PRESENTATION OF PAPERS AND REPORTS**

By the *Minister of Finance*

The Guyana Securities Council Financial Statements for the year ended 31 December 2007

**INTRODUCTION OF BILLS**

**Presentation and First Readings**

**1. VISITING FORCES BILL 2008 - BILL NO. 5/2008**

By the *Minister of Home Affairs*

**2. STATUS OF VISITING POLICE FORCES BILL  
2008 - Bill No. 6/2008**

By the *Minister of Home Affairs*

**3. HIJACKING AND PIRACY BILL 2008 - Bill No.  
7/2008**

By the *Minister of Home Affairs*

**The Speaker:** Honourable Members, we can now proceed to the next item on the Order Paper



PUBLIC BUSINESS

(i) GOVERNMENT BUSINESS

MOTION

IMPACT OF GLOBAL FOOD PRICES INCREASES

*WHEREAS globally there is an increase in food prices caused mainly by four factors, namely, increase in the price of fossil fuels, effects of Climate Change, increase in production of bio-fuels, and growing demand for food in large emerging economies;*

*AND WHEREAS that the increase in food prices, amounting to over eighty percent over the past year and a half, is having a devastating effect on the supply and affordability of food for populations in both developing and developed nations.*

*AND WHEREAS that various multilateral and regional institutions, including the Food and Agriculture Organisation, the World Bank, the World Food Programme and CARICOM, have already called for urgent and heightened collaboration to tackle this crisis;*

*AND WHEREAS Guyana, having recognised this crisis and its impact within the CARICOM region, is working with its sister CARICOM partners to transform Guyana into a major player in the development of Food security in the region;*

*AND WHEREAS the Government has established an Inter- Ministerial Committee on Food Prices tasked with monitoring this emerging situation on a constant basis and to make recommendations on action that may be needed to be taken to cushion the impact on the Guyanese population, especially the poor and vulnerable.*

***BE IT RESOLVED:***

*That this National Assembly takes note of the impact on Global rising food prices on the cost of living in Guyana and supports the interventions taken by the Government to cushion the impact of these global price increases on our population especially for the vulnerable groups;*

*BE IT FURTHER RESOLVED:*

*That this National Assembly undertakes to follow the implementation of these governmental interventions that include increasing the disposable income of ordinary Guyanese; subsidizing the cost of accessing utility services, implementing the Ministry of Agriculture's GROW MORE Campaign and its concomitant budgetary interventions; zero-rating of all essential food items, diesel, diesel and agricultural inputs; monitoring exports of some essential agricultural commodities to ensure adequate local supply and monitoring of prices and supply of various food commodities; and assistance to single-headed households.*

*AND BE IT ALSO RESOLVED:*

*That this National Assembly be provided with the deliberation of the Inter-Ministerial*

*Committee on Food Prices on a  
quarterly basis, set up by  
Cabinet to review the impact of  
rising food prices on Guyanese  
and make recommendations  
intended to cushion the impact;*

**AND BE IT FURTHER RESOLVED:**

*That this National Assembly  
recognises that the situation requires  
national action, and sustained efforts  
and engagement with critical sectors  
and groups to confront this challenge  
locally and regionally*

Honourable Minister of Agriculture, you may now proceed.

**Hon. Robert M Persaud:** Mr. Speaker, and certainly the President and the Prime Minister himself and other officials of the Government side would have prior to this Sitting, expressed condolences on the passing of the late President, Arthur Chung.

Mr. Speaker, this Motion has been tabled before the House for several weeks now, but we have deferred its debate, because we wanted to ensure that we have and facilitated full

participation from the Opposition and that is why on two occasions, I moved that we defer the debate on this Motion. I am Happy that we are this afternoon proceeding to debate this Motion and certainly I am sure everyone in this House looks forward to a debate that will give us an update as to what is taking place globally; what has been done nationally and its impact; also possible constructive suggestions in the Assembly.

The Motion primarily seeks to garner the full support of the National Assembly for their interventions taken by the Administration and supported by many stakeholders and these interventions were aimed at cushioning the impact of global food and other price rises.

Further, the Motion seeks to ensure or enlist the National Assembly recognition of the global dimension of this problem that every single State faces today.

Certainly it asks the National Assembly for full support as we move forward in implementing these interventions and as the Government in fact along with other stakeholders, continue to consider other possible interventions to cushion the impact of this global situation.

Mr. Speaker, the situation that we are faced with globally has been fuelled or driven by a number of factors. Many of these

factors we are well aware of and in my statement to the Parliament on this matter I have so expanded. These factors continue to be ever present and also they continue to impact on the rising price and rising cost of living globally.

I refer to the increases we have seen in fossil fuel moving from about \$32 per barrel to close to \$139 per barrel over the last two years.

The effects of climate change and the resulting destruction of crops and as we speak we see the US Mid-West certainly its Agricultural sector there is being devastated by heavy floods.

The increasing consumption patterns and also wastage of food that we have seen taking place in some affluent societies; it is estimated that take for instance:

- In England and Wales about \$18 billion of food is wasted.
- In the European community it is close to \$145 million.
- In the United States, it is close to \$102 billion.

Another factor too has been the conversion of food for bio-fuel and [*Interruption: 'Is it and NCN Ad you are reading?' ... listen carefully you will learn something ... certainly the other aspect too has been speculative trading in various food*

commodities and these problems have been compounded over time by some faulty, poor and destructive trading arrangements that we have seen that has devastated agriculture in many parts of the world.

Is you look at the situation that exists in Africa for instance as one example. At the time of de-colonialisation in the 1960s, Africa was not only self-sufficient in food, but it was actually a net exporter of food, but because of the changes in trade and other factors, today we see that the continent imports close to twenty-five percent of its food due to severe problems.

Mr. Speaker, according to the FAO Food Index, the price of food has risen by close to eighty percent over the past seven months and today's price is in fact the highest to be recorded over the past thirty years.

In terms of its impact globally, in many developing countries two-thirds of those population spend significant amount of their income on food and certainly with the escalating food prices we know what that means. In more than thirty countries, we have seen that they have been protest resulting from increase in price, increasing in terms of scarcity of food.

Today, it is estimated that the problem of food security also threatens national security so much so that Sir John Holmes, the Under Secretary General for Humanitarian Affairs in UN

emergency relief pointed out that escalating prices would continue to trigger protest and riots in vulnerable nations. He added that food scarcity and fuel prices would in fact fuel internal instability in many nations. So the impact has been severe and certainly we are not out of the danger.

It is also predicted that by the end of this year, the world is forecast to spend close to \$1 trillion, different countries if you aggregate that sum in importing food; the highest ever. The impact has not only been restricted to developing or poor countries, a recent United States Department of Agriculture Report said that one in ten US household is experiencing hunger or hunger amid rising food and petrol prices. In fact, the surging oil price is also leading to demand in destruction in the US that can also cause or is causing a slow down in the global economy.

Turning to home, if you look at the impact on our population and the Government has been very cognisant of that factor. We saw between the periods October 2007 and as we speak, the prices of many basic food items have risen; particularly those items which have been imported and I refer to:

- Powder milk; and
- Flour



Also locally produce crops have also increased, because that has been due to the increase in the cost of the inputs, specifically fuel and fertilizer. The rising fossil fuel price has also led to an increase in production cost in all areas. Also this has had a tag-on effect if you look at its impact on transportation, processing, manufacturing and so forth. For our farmers, they have felt it very hard, because if you look at what the price for inputs was from the last crop to this crop, you have seen that fertilizer, agro-chemical and other input have gone up by over seventy-five percent.

Mr. Speaker, the Government has not only recognized this problem; we have not only empathized; and we have not only made statements saying that the situation, what is taking place globally can have a severe impact on the living conditions of our people.

As far back as 2007, when we saw indications of how serious this could be on our people, on our economy, the Government commenced contemplating and initiating measures so as to cushion those impacts. In fact when the Government started to talk about this, no one including the opposition was mentioning anything about rising food prices then. It is clear that the focus and proactive menu of measures was devised to cushion the impact on our people. Guyana also brought this important issue to the attention of our various Regional

Institutions including Regional Heads and in December a twelfth Special Meeting of CARICOM Heads was held right here in Guyana to address rising prices and one of the conclusions was that Governments of the Region needed to focus more closely on fast implementation on the Jagdeo Initiative on

Agriculture. So Mr. Speaker, as you can see that the Government did not panic and did not venture into experiments which would lead to weak, national remedies to cushion the impact. Further to that the Government also initiated a process of country wide community consultations and these consultations were initiated by the Government:

- To listen to the voices of our people;
- To listen to their suggestions;
- To apprise them of what was taking place locally and internationally; and
- To involve our people in the solution and that process was very successful.

Further at the Cabinet level the Cabinet set up an Inter-Ministry Committee to monitor, report and to recommend on possible interventions to address this issue. So if we look at the approach the approach of the Government:

- It has been early;

- It has been studied;
- It has been one which we sought to involve all stakeholders, our public; and
- Also at the technical level there was early work that was being done to give this matter serious attention and urgent action as it deserves. *[Applause]*

Mr. Speaker, if we look at the interventions that flowed from:

- That studied approach;
- That comprehensive approach; and
- That focused approach

You would see one that when the Value-Added Tax was introduced, the food items did not attract VAT, because that was a carefully studied approach and also basic essentials which are required for our people that was a much studied approach. Also there were salary increases and that started in 2007 and that also continued subsequently this year.

There was also a twenty-five percent increase in the Income Tax threshold freeing thousands of our people from paying income tax.

We are seeing that old age pension has gone up by close to sixty three percent and the special assistance which is given to vulnerable groups increased by as much as eighty-two percent.

Also, the Government spends or is spending \$200 million in terms of cushioning the increase in acquisition cost for wheat to ensure that ordinary people do not have to pay more for bread or for flour. Further to that a temporary cost of living adjustment of \$4,000 per month was introduced, targeting a vulnerable group in our society, those are public servants who earn \$50,000 and below.

In addition the Government has been pumping billion of dollars, putting billions of dollars in the utilities, primarily the Guyana Power and Light Company to prevent any increase being passed on or demand for high rates of increase in electricity bills to our people. We need to recognize that because this year alone, if you look at the acquisition cost for GPL for fuel at January and what it imports currently, we will see that that cost has moved by as much as seventy percent. - seventy percent alone for this year - but the Government has had to cushion that and avoid that from being passed on to our population by putting billions of dollars in as well as with the Guyana Water Inc.

To stimulate and to also cushion the impact on the productive sector; the Government removed the Excise Tax on diesel and also reduced the excise on gasoline. For some time now there has been no taxation on kerosene and cooking gas. Because we are a food- producing Nation and much demand for our

food, the Government has also been monitoring the availability of food supplies, especially with rice and we have put measures in place to ensure there is not only availability, but there is evenness in distribution and affordability of rice to many parts of our population. But as I pointed out, the price for rice as well as other commodities too has gone up, resulting from the cost of input, all of which are imported.

To further assist, especially our families and persons who may have to spend close to \$13,000 to \$15,000 a month in purchasing fruits and vegetables, the Government initiated the *GROW MORE FOOD CAMPAIGN* and through this campaign we are targeting families so they can produce for themselves and reduce the amount they spend per month. This is an important element of the Grow More Food Campaign, which also has another component which is intended to give our farmers some support, so they too can produce to take off the demand for their produce, the demand which exists in CARICOM and further a field and we assisted them in this regard and to accelerate and give this initiative some support, we have devised a five step plan.

It is a speedy implementation of the US\$21.9 million agri-diversification project; and also the \$6 million role enterprise in agri-development project.

Also to increase our DNI expenditure because drainage and irrigation is very important and as we speak, we are opening new farm areas and we will be spending close to in excess of US\$5 million annually on drainage and irrigation.

Improvements in our extension services and marketing support to our farmers, making much more seed and planting material available and the goal is that we will distribute close to 600,000 packets of seed before the end of November and also making available as we have started to do, breeding animals - goat - for the small ruminants in particular. Very importantly we will also be accelerating the approval of food production projects, investment proposals which have been before various Agencies.

So Mr. Speaker, as we can see the Government's intervention has been wide ranging. It has also been targeted, aimed at the vulnerable groups, but also to position ourselves to capitalise on the opportunities that would result from the escalating prices that we have seen. If we look at the impact of these interventions:

- We can see that the increase focused in terms of agriculture and food production.
- We can see our farmers responding positively;

- We can see the amount of investments, proposal that we have had and that is a positive spin off of the measures that we have put in place.

Already, close to 31,000 household have benefitted from the seed distribution programme that we have embarked upon as well as agro-chemicals targeted not only on the coast, but also in our Hinterland Regions:

- Working with our Churches;
- Working with our Labour leaders;
- Working with the private sector;
- Working with social groups;
- Working with every single Guyanese who wants to get on board

Further to that we have also seen that in terms of the ordinary population, the Members of the public, they too are contributing, they too are assisting in making these interventions successful. Many of them through the consultations have taken the constructive role of making positive impact, positive suggestions that will have a lasting impact on the situation, because our population recognizes that this is a global issue, which cannot be reversed by any single Government and cannot be reversed by the Government of Guyana. They also recognize that they need to get on board and support the national interventions that we have made. I

must say the various groups in civil society and in fact some elements of the opposition have responded positively and are in fact supporting some of the initiatives that we have. If we go out to the Regions, the local leaders, be it if they belong to church or political parties, they too are coming up with ideas and also with solutions and working with the different Agencies in rolling out and making much more effective the interventions that we have made. That has been clearly documented.

Also the assessments of the interventions that the Government of Guyana has made has won international commendation and I know that there are several groups, which are looking very closely and are studying Guyana's intervention with the aim of examining whether these can be used as models in other countries and also be used by these international institutions in moving forward. So Mr. speaker, we can see that not only our local population is responding and recognizing the dynamics of this situation, but in fact Guyana is being looked at very closely by the international community as to how it is that we are responding and how it is they can take some lessons on board in crafting and implementing the global response. If we look at what other countries are doing too and some of these have been recent; we have seen for instance, in India, there is now call for a greener green revolution and to reverse



the period of neglect of lack of investment in agriculture. And India over the last two or three years has for the first time since its green revolution which started in 1960s has had to import wheat and other basic staples. They too now are taking the approach, what Guyana has been doing that is investing and sustaining our investments in agriculture over the past decade.

In the United States too, various States and Councils are looking at programmes for instance such as the *Plant a Row for the Hungry* and also to ensure that families in the United States are encouraged to grow a row to cushion that impact.

Mr. Speaker, we have seen too, some countries have had to go to the extreme of issuing ration cards for basic food items and Some have had to expand their social protection programme, including the United States and other developed countries. Also we have seen that many food exporters have gone through the process of *Beggar thy Neighbour Trade Restrictions* and many have imposed bans or limitation in terms of food and many of the exporters of food are no longer exporting, but are in fact are importing. It is estimated that close to forty countries have imposed some form of trade restraint in this regard.

So those are some of the developments and some of the responses that have been crafted overseas and if you measure that against what is taking place in Guyana certainly you will see that our situation has been ... while it has brought some discomfort and our population is experiencing some discomfort by increased prices, we have been able to cushion those impacts. The response in terms of what we have been doing too, if you look at the world debates and the world discussions by the various international for a, you can see that many of the international institutions:

- The FAA;
- The World Bank; and
- The International Food Policy and Research Institutions

have also recommended that more investments be placed in agriculture and I am happy to say that we are doing that.

Also, we have looked in terms of the coherence and the need for short term assistance for vulnerable groups and if you look at the objectives and you look at the specifics of our interventions, you can see that indeed they have been focused on providing that type of support to vulnerable groups in our society.

Also it was recognized that Government need to work with local partners, but also in building national support and at the same time having coordinated international response and again that has been the approach that has been taken by our Government as we move forward in cushioning the impact and also in initiating and implementing interventions that are intended to bring relief to our people resulting from this global dilemma.

Mr. Speaker, while these challenges do in fact bring some difficulties for our people, they are pregnant with opportunities. Planning and crafting are very important; crafting appropriate solutions are important for us to maximise these opportunities and we have already embarked on a programme to do that and as I have said as part of the grow more food campaign have accelerated those interventions in this regard, but even as we look at these opportunities and position ourselves, we cannot also lose sight of the fact that we have already seen though in the last two months that the FAO Price Index average has seen a drop in some food commodities, in fact we have seen rice [*Interruption: 'Production or price?'*] No, no, in the price; we have seen the price for instance of rice on the Thailand Index dropping by twenty percent.

We have also seen that wheat too on the international market has also dropped, but it is also recognised that the prices will remain high in the medium and long term and in fact it is projected that prices will not go back to the levels that we saw in 2006 and before. In fact at the end of last year, the Economist Magazine declared on its cover that the era of cheap food is over and in fact the era of cheap food is over.

Given our vast agriculture assets we have the opportunity to produce, to take care of the growing market there is. If you look at the CARICOM Region which will import in excess of \$4 billion in food and I have said, we have moved forward some of our programmes, have accelerated implementation of some of our initiatives and already over the last six weeks, the Government has approved close to 150 food production projects across the country, in all regions of our country so as to maximize on that opportunity and these will see not only traditional types of farming, but utilizing new technology and investors bringing in their technology partnering with our local farmers and even our locals players too, ramping up and expanding their activities, because in this effort we do not want to restrict this only to opportunities being maximized by foreign investors or foreign players be it in the Caribbean or elsewhere, but also we want to work with:

- Our local players;

- Our local farmers; and
- Our local investors

So that they too are prepared and can maximize on these opportunities

Further to that we recognize that more land is needed that is why we are investing in various D and I projects, because take for instance on the East Coast, if you go there in villages of Victoria; Anns Grove; and other Communities - Buxton; Friendship and so forth. These areas for decades, their agricultural infrastructure has been neglected and the neglect of the agricultural infrastructure has caused farmers to leave the land as well as bad policies in the past and we are now restoring that infrastructure and we are also now looking at new areas to open up and by the end of this year, we will make close to 18,000 acres of new land available for our farmers across the country; *[Applause]* and that is all to support our initiative.

Mr. Speaker, further to that, we have just had a successful Regional Agricultural Investment Forum and that Investment Forum saw not only interest in the Region's agriculture, but certainly saw an intensification of direct involvement in our local agriculture and even days after the closure of that Regional Agriculture Investment Forum, several persons either came in on their private jets, sent in proposals and are

actively engaging various Agencies of Government in pursuing those proposals so that they can materialize. So as you can see Mr. Speaker, that the opportunity is there and we want to prepare our people for those opportunities. This drive and this environment can allow our people to get involved in more economic opportunities; they can prevent the young men who are given guns and given other weapons to kill people, this is an

opportunity to put agricultural implements in these young people hands so that they can have productive lives and that is what this will address.

Mr. Speaker, we have also listened carefully to some of the comments; some of the suggestions; and some of the recommendations that have been made in response to this situation, not only commenting on what our interventions have been, but the general population, the public was invited to those consultations. *[Interruption: 'By whom? You have not invited me.']* You are not the public, okay. Well there are mechanisms and that is why we tabled this Motion, Mr. Speaker. We tabled this Motion to give a very structured and a very constructive interaction so that the opposition and the people's representative in the National Assembly can sit here and make recommendations *[Applause]* I agree, you are not the public and that is why we should not be marching and

running around the street and engage in destructive behaviour, this is the place to talk about recommendations and we, this Government has given you the opportunity. It is us who brought the Motion; we did not wait on the opposition to bring the Motion and debate, because we recognize that there is a role for the opposition, there is a role for all Guyanese in contributing to a national response. So yes Mr. Corbin, this is the opportunity for you to make a positive contribution.

*[Interruption: 'We have a right to picket.']* I agree, picketing is a right, but it is also your obligation and responsibility to be here and to talk about issues of National concern.

*[Interruption: 'Who decides that?']* The people of Guyana, the people who elected you decided that as a Member of Parliament - remember that. Mr. Speaker, if we need to look at some of the comments which have been made by the opposition in response and I need to comment on these

*[Interruption: 'Where?']* ... All over the place, on the television, in the newspapers. One of the comments has been that there has been a lack of recognition of the international dimension of this problem and there has also been an attempt to down play that. Somehow or the other in a ridiculous manner, the Government of Guyana - the PPP/C Government - is being blamed for this problem.

- How can you blame the PPP/C for a problem that is affecting close to 900 million across the world?
- How can you blame the PPP/C Government for the rise in fuel prices by close to 900 percent over the last five or six years?
- How can you blame the PPP/C Government for the rise in wheat and soya beans prices by over 100 percent?

The omission of this fact has been carefully designed and crafted by the opposition. They need to recognize the global dimension of this and what we have seen also is an attempt to concoct and to create some action by the Government as causing this problem. One of which is to claim that VAT is the reason why it is things have gone up in Guyana and why it is things have gone up internationally. Mr. Speaker that is such a ridiculous and dishonest position, because if we look at the facts, when VAT was introduced, basic food commodities and also the essentials that people require did not and do not attract VAT. In fact, constantly the list of items which are non-Vatable is expanding.

The second thing too and all of us in this House and even some of those who have been making this false assertion knows that other input costs such as transportation has been



reduced by the removal of the excise tax and also on diesel and also the reduction. ... *[Interruption]*

**The Speaker:** Your time is up Honourable Member

**.Hon. Samuel AA Hinds:** Mr. Speaker, I move that the Honourable Member be given another fifteen minutes to continue his presentation.

**Question put and agreed to**

**Motion carried**

**The Speaker:** Proceed Honourable Member.

**Hon. Robert M Persaud:** Mr. Speaker, we all know that if a business is registered for VAT that business will get tax rebates on VAT and that will cover some of the cost of transportation and other cost that have been incurred so they do not have to be passed on to the consumers. Further we know that VAT has replaced many items, close to 400 items which were attracting consumption Tax at a rate of close to thirty percent, so the facts are very clear in this regard. There is no merit; there is no justification in blaming VAT or any other policy initiative taken by the Government for what Guyana is experiencing and what every other country is experiencing.

The other fact or issue that we have heard raised is CARIFESTA; it has suddenly been brought into this debate. It is very disappointing that Mr. Corbin should be taking this position and other Members of the PNCR-1G, because as we all know the role played by the late President Burnham in terms of CARIFESTA in our country and I am sure if he was around today he would be very upset with the opposition.

*[Noisy Interruption]*

**The Speaker:** Honourable Members, since we all know the role of the late President Burnham, why is there this noise? Allow the Honourable Member to proceed please.

**Hon. Robert M Persaud:** Thank you very much Mr. Speaker, but CARIFESTA cannot in any way contribute to rising cost of living as is the case being made out and that this preposterous position that the monies that are allocated for CARIFESTA should indeed be utilized to deal with the cost of living and other things. That is ridiculous, because CARIFESTA in fact is an investment that will create opportunities for our people; it will allow our people:

- Be it in the entertainment;
- Be it in the food production;
- Be it in the services sector;

Will create many opportunities for our people so if we look at the investments and the spin off on those investments we will all see that all of us will be better off and sometimes I am not sure whether the PNCR-1G wants the Guyanese people to be better off. *[Applause]* So this is an exciting opportunity.

CARIFESTA is an exciting opportunity for our people and for our farmers. It will give them an incentive to produce more, it will give them more markets and it will expose and showcase Guyana to thousands of people. Let Minister Anthony tell you the thousands of people who have so far confirmed they are coming. So do not use CARIFESTA as a reason or step that has aggravated the situation.

The other situation has been some criticisms of the Government's GROW MORE FOOD CAMPAIGN in this regard and there is some on the other side who say that the Government has not... while it is encouraging people to plant and grow more, it has not taken into account the issues such as climate change and rising current inputs and the need to support our farmers. If you look very carefully, we have been taking steps to improve that. *[Interruption: 'By taking away people's land.']* The Government will not take any land, be it MMA or anywhere else from any legitimate farmer. We will not do that so stop peddling this mischievous propaganda.

I want to say that as part of this effort, we recognize that there are challenges that our farmers will have to face and we are taking steps in this regard.

If we look at the issue of climate change, we are currently finalizing a development of a national agricultural sector adaptation strategy to address climate change in Guyana. We are already doing that; we are already looking at ways in which through the projects that we have to provide additional support to our farmers. So all the challenges that persons would have pointed out, we are taking steps to respond in this regard and there is also equity in access to these resources. The investments that we make in Regions across the country has been unprecedented, the millions that we spend in terms of bringing back the East Coast backlands as we speak has been unprecedented and have not been spent if you accumulate the sums under the last PNCR Government. Mr. Speaker, we have always maintained that agriculture and the initiatives that we have embarked upon, we want to ensure that they contribute positively to the development of our country. We will ensure that the implementation of these initiatives that they not only cushion the impact, but that they give every single Guyanese the opportunity to be a part of it.

Mr. Speaker, it is also important as we reflect, consider and debate on this important topic that we go back a bit in history

and we reflect and we look at what took place in Guyana when there was a similar situation. Let us look at the 1970s, the 1970s when there was a leap in the price of oil that sent up the cost of living and acquisition cost of fuel, fertilizer, machinery and so forth. In fact in the 1975 budget presented by the Honourable FE Hope, Minister of Finance; and I think it is important Mr. Speaker, with your permission to reflect on what the former Minister of Finance said:

*The prices of imports, fuel, fertilizer, machinery soared to unprecedented levels. It was also clear that the rate of internal inflation would have been far beyond anything this country had experienced before.*

In short, the Guyana economy like the rest of the developing world excepting of the oil exporting countries was in a crisis.

Then Mr. Hope went on to state in his 1975 PNC Budget:

*Steps were taken to conserve foreign exchange; steps were taken to restrain the consumption of non essentials and to tighten expenditure controls in the public service.*

Do you know what the last part meant - *to tighten expenditure controls in the public service*? It meant a wage freeze for the public servants. *[Applause]* We have done the opposite.

- We have increased the wages of our public servants;
- We have given a temporary cost of living adjustment;
- We have freed thousands more from paying income tax;

Mr. Hope went on to add in his 1975 Budget when Guyana experienced a similar situation and he said:

*On the negative side, the measures that were adopted to conserve scarce foreign exchange are now well known.*

What are these measures Mr. Speaker and again I quote from the 1975 Budget; Mr. Hope said

Imports of non-essentials were restricted. Practically all imports were put under a system of licensing. That means if you wanted to import a wheel or a bearing for your plant or anything else, you had to go to the Minister's Office and get a permit just to import a small part for your machinery. That is what that meant.

The availability of foreign exchange for vacation travel overseas and migrants' transfer was temporarily suspended.

Mr. Speaker, if you wanted foreign exchange to do anything, you had to go to the Bank of Guyana and a long and rigorous process. That was how the PNC responded then and then it added as part of its measure:

*Foreign companies operating in Guyana were requested to secure their working capital from external sources.*

What it meant was that the foreign companies could not go to the local financial institutions or other places to source foreign exchange to recapitalize or to invest in their industries. So what this shows was that when we went through a similar experience, the PNC Government and it is good that we reflect on this, because what this led to was the banning of food items subsequently. They banned flour and they banned a whole lot of items that is what it started. The genesis started from this measure and instead what we have done, we are spending millions- \$200 million to ensure that flour and other commodities are made available to the people of Guyana. We are doing the Opposite. *[Noisy Interruption]*

**The Speaker:** Honourable Members, Mrs. Backer could you please not shout across the floor?

**Mrs. Deborah J Backer:** Sorry Sir.

**Hon. Robert M Persaud:** Yes Mr. Speaker, we want to ensure that the measures that we are putting in place and have put in place do not have the same impact as what we saw in the 1970s under the PNC.

- We do not want to punish our people;
- We do not want to destroy our economy;
- We do not want to neglect our infrastructure.

We want to ensure that the measures we put in place are people friendly; to ensure that the measures that we put in place bring relief to our people.

- That is why we have been careful;
- That is why we have been considerate;
- That is why we have been very open in dealing with these issues.

So some of us who sit on the other side who cannot stand up and genuinely and honestly or with any track record, criticise this Government for not acting and for not taking the right measures within the context of our National constraints in dealing with these situations... *[Interruption]*

**The Speaker:** Your time is up again Honourable Member.

**Hon. Samuel AA Hinds:** Mr. Speaker, I ask that the Honourable Member be given another fifteen minutes to conclude his presentation.



**Question put and agreed to**

**Motion carried**

**The Speaker:** Proceed Honourable Member.

**Hon. Robert M Persaud:** Thank you very much Mr. Speaker, I think someone was asking who brought back the flour and the foreign exchange. It was not the PNC, it was the IMF [*Laughter*] The IMF came and forced it down your throat you did not want it. They came and forced it down your throat, not because you love Guyanese or you wanted to do good. It was not out of the kindness of your heart. [*Applause*] The objective of this Motion is for all of us in the National Assembly to send a very strong and clear message to the people of Guyana that in our debate and deliberation:

- We recognize the source;
- We recognize the dimension and dynamics of this problem;
- We recognize that efforts are being made;
- We recognize that all of our people should be involved and have to be involved in successfully implementing these interventions.

We must also send a clear message that protest and other types of destructive activities:

- Will not put food on the table of our people;
- Will not put more money in their pockets.

What will put food on their table and money in their pockets is support for the concerted action that the Government has implemented; also listening through various mechanisms the inputs by our different people.

Mr. Speaker, I must say different groups in our society. I must say that out of our strong belief and out of our genuine commitment to allow the participation of different groups in our society, particularly the opposition and those of us here, the elected representatives of our people. I have seen the Amendment to the Motion by Mr. Trotman of the AFC and I want to say that the Government at the right moment will be supporting the Amendment to the Motion to have a Special Select Committee to review this issue [*Applause*] and I think the AFC must be commended for the role it is playing and the position it has taken in this regard. It has not gone the route like others on the other side who instead of making a positive contribution, have sought to distract and to create confusion in our society. I think Mr. Trotman and the AFC deserves commendation for that. [*Applause*]

In conclusion, I wish to say that today's debate on this Motion gives us the important opportunity:

- To mobilize our people;
- To mobilize the ideas of our people; and
- To galvanise broad support in Guyana so that together as a Nation we can withstand:
  - The impact of the global price rise;
  - The soaring price rise; and
  - That we would be able to withstand the rough waters that we face ahead;
  - We would be able to confront the threats that we face to our productive sector;
  - The threats that we face to our basic commodities as we seek to move forward.

Mr. Speaker, on this note I seek the support of all Members of the National Assembly for this Motion which is tabled in my name. Thank you very much. *[Applause]*

**The Speaker:** Thank you Honourable Member

The Honourable Member Mr. Murray

**Mr. Winston S Murray:** Mr. Speaker, I would like to begin by congratulating the Honourable Minister for doing such an excellent job in selling the miniscule and half-hearted response of the Government to this international food crisis facing our country. He has spoken at great length and very much. I will address some of these issues and give another

perspective, somewhat different from that painted by the Honourable Minister.

Sir I wish first to contend very strongly that the Minister's assertion that the People's National Congress Reform-One Guyana does not acknowledge that many of the price rises that are occurring in the commodities market are price rises born out of an international situation. We have no problem in recognizing that. What we have an issue with, is the Government's response whether it has been:

- Timely enough;
- Deep enough; and
- Broad enough to take account of the situation that faces the Guyanese people.

So that is where we break issue. In fact in my prepared text this is how I began and will begin.

We of the People's National Congress Reform-One Guyana accept the fact that there has been and continues to be significant increases in the prices of food commodities. We accept that; to a great degree. Further, we, as a small country on the international stage are price takers that we have said and we have no problem re-asserting that position.

What should not be lost sight of is that food commodities have their base in agricultural production. Some of that food is

produced and exported in primary form and some in processed and/or package form, adding value to primary production.

Thus for those countries which have carefully and systematically nurtured and developed their agricultural sector to its true and full potential, the current situation may have brought a great boon and indeed perhaps a boom to their economies as indeed is the experience in some of the agricultural countries of the world.

Here in Guyana, it has long been the accepted and even the entrenched view among all stakeholders that agriculture and agricultural production must be the back bone of our economy.

It is indisputable that we have been blessed with many, many thousands of acres of arable land which provide the basis for a vibrant and viable agri sector.

Within CARICOM, we are acknowledged if not acclaimed as the one country with the capacity to ensure food security for the entire Region while still being able to export to others and even larger international markets. Against this background, the PNCR looked forward here in the National Assembly today to among other things, a stewardship report by the Government on what it has done over the past fifteen years, over which it has been in office to making a reality of

Guyana's agriculture and agricultural development in the national, regional and wider international context. This would have enabled us to assess where we stand today, re: the issues he has raised of food security nationally and regionally as our prospects to take advantage of the lucrative, wider international market for agricultural commodities that have now presented themselves as he himself has pointed out. I venture to suggest that we have not over these past years, put our selves in a position where today we can say that we can launch fourth in the international community to be beneficiaries of the opportunities that are here presenting themselves to us.

In fact when I look at the Motion presented to us by the Honourable Minister which I know is presented on behalf of the Government; I looked at the fourth WHEREAS Clause. What does it say? It says as follows:

*And whereas Guyana having recognised this crisis and its impact within the CARICOM Region is working with its sister CARICOM partners to transform Guyana into a major player in the development of food security in the Region.*

So what has prompted this excitement, having recognised this crisis? So what have you been doing over these last fifteen years? Have you not been preparing this country on the basis of its agricultural potential to be in a position where today it could take advantage? But what I am learning from your Motion is that you now having recognised this problem are going to work with sister CARICOM countries now to try to put us in somewhat of an advantageous position. As for the Motion itself, in other words, the Minister said and I made a note of it that he deferred this Motion on two occasions to facilitate full participation by the opposition. I want to say to him that in fact we wrote a letter when we received this Motion a few days prior to its first presence in the National Assembly; in which we expressed a number of views in particular:

We expressed the view of the peripheral nature of the role that was being created for the National Assembly in this Motion and I want to take the time Sir, to go through these RESOLVED Clauses which are the actions clauses to show what the Government thinks of this National Assembly in this Motion and to show that far from what he said, we have tabled the Motion to provide for structured interaction. There is no such provision here in this Motion, Mr. Minister. Let me tell you what in fact you have said in the RESOLVED Clause and

that you tabled the Motion to seek full support of the National Assembly for your policies. The RESOLVED Clauses are here that:

(i) *BE IT RESOLVED:*

*That the National Assembly takes note of the impact of Global rising food prices.*

That is our role, a passive one. We are to take note.

(ii) *BE IT FURTHER RESOLVED:*

*That the National Assembly undertakes to follow the implementation of these Governmental interventions.*

So what do we have to do? Look around, see what you are doing, and follow your interventions in terms of budgetary interventions and the various things. So that is what we are supposed to do.

(iii) *AND BE IT ALSO RESOLVED:*

*That the National Assembly be provided with the deliberations of the Inter-Ministerial Committee on Food Prices.*

So you are going to provide us with these things. What are we supposed to do with them? Nothing here:

- For us to debate them;



- For us to challenge them;
- For us to make Amendments.

We are to be recipients of these deliberations like little children being handed a report which we have to study and assimilate.

(iv) Then what does the final RESOLVED Clause say?

*AND BE IT FURTHERRESOLVED:*

*That this National Assembly recognises that the situation requires national action and sustained efforts and engagement with critical sectors and groups...*

We must recognise that situation.

- Where is the role that you say provides for structural interaction?
- Where is the role providing for us to support?
- Where is the role that provides for us to debate the issues?
- Where is the role for us to be participatory in the action that you propose to take?

- Where is the role for our opinions that you may take account of them as you fashion responses and reactions to what?

*[Interruption: 'KSI!]* Yes, all of a sudden Mr. Trotman has given you a way out and at least I must congratulate you, Minister, you had the common sense to accept this proposal, because if not you really would have been out on a limb in terms of your original Motion. This may have saved the day for you.

So Mr. Speaker, we in fact are extremely disappointed.

Firstly, because as I said the gist of the Motion *[Interruption: "You are moroons as usual with everything" 'No we must be pleased with what you do Leslie, at all times and then you are happy.']*... because we see this Motion here and if you look at it in its true contents; it can be summed up as a purely reactive and almost knee-jerk response to the situation we face as a result of these escalating acquisition cost for food commodities.

Secondly, we are saddened by the Government's continued contempt for this National Assembly because it has in fact seen us as merely takers of information and swallows of propaganda. We do not intend to be that to them.

Now as to this question of simply being reactive, I want to elaborate somewhat on that which is a big part of this Motion identifying the measures that the Government has undertaken to deal with this crisis.

Now let me begin here by saying that we do not wish to be misunderstood on this aspect. We agree on the need and indeed we have advocated vociferously for immediate and meaningful relief to beleaguered consumers. Indeed we want to acknowledge that the Government has done something, but it is our respectful view that when you take account of the magnitude of the problems that have been created for consumers; the Government's response is far from adequate to deal with the beleaguered consumers who fall under the weight of these price increases.

Beyond that Sir, if the citizens of Guyana are to live in expectation of a brighter and more prosperous future, we believe that this Motion should have contained a **RESOLVED** Clause committing the Government to producing for debate and approval in the National Assembly, a comprehensive national agricultural development plan and an associated programme of action for the agri-sector together with information on what has been done over the last fifteen years of its incumbency.

As to the measures that have been taken by the Government, I wish to proffer that more could have been done and should have been done. I want to start with this vexed issue of VAT and with the greatest of respect; I want to say to the Honourable Minister either he has a misunderstanding of the effects of VAT on prices or he has deliberately distorted those effects in his presentation to this National Assembly. Sir, in the 2007 Budget, the Minister of Finance put a sum of \$24.8 billion as that to be earned by VAT. VAT was introduced into this country with a clarion call to the people informing them that it was going to be a revenue neutral tax. That is that the revenues that were going to be garnered by this new tax were going to be no more than the revenues that were going to be earned by the taxes that were scrapped. At the time the impact study was done, the level of earning from those taxes was of the order of \$16 billion, but because rightly, the Minister of Finance presumed there would be a growth in those taxes then that is the basis on which he put the sum of \$24.8 billion in the Budget. But lo and behold what was the take on VAT? It was \$36.7 billion, an almost \$12 billion windfall. What was the Government's response to this windfall? Over the whole year of 2007, we could get no forthright information from the Government to tell us how revenue earnings were going against projections. We silently knew and I believe in one

case a report was leaked showing in fact that the actual were way ahead of the projections.

Now, comes the end of the year the Minister gets up and makes his Budget presentation for the year 2008. He does not refer at all to this question of revenue neutrality. The words suddenly went out of vogue. I believe it was but one Minister, who during his presentation made an admission that in fact there was a windfall and there was positive revenue take from the tax. [*Interruption: 'Nobody said that.'*] Mr. Prime Minister seems to be uttering *sotto voce* that in fact he also acknowledges... [*Interruption: 'No, no, no!'*] Oh so! Oooh I see; well let me quickly take you out of that category.']

[*Laughter*] Sir, it is my respectful submission that if the Government was true to its word and really intended to keep its solemn pact with the people about revenue neutrality then one of the immediate things it should have done in the wake of the 2008 Budget or at the time of the presentation of the 2008 Budget was to announce a mark reduction in the level of VAT [*Applause*] to not more than ten percent. That is what our estimation is that that is what could have been accommodated, but the Government chose to arrogate to itself the right to use this windfall as it sees fit. We may argue about that. That is a question that we may argue about, but this is the point; prior to doing that I think the Government had an

obligation to say to the people of Guyana that yes, notwithstanding our objective, we have made a windfall, but we believe in all the circumstances given the needs of the society we propose that the windfall be utilized in a certain manner and embark upon a process of consultation to arrive at a consensus for the use of this windfall, but that was not done. What I want to say to the Honourable Minister, is that for so long as the VAT continues to be at sixteen percent and so long as commodities prices continues to rise, for that long the windfall will continue to accrue to the Government and it is in that sense Mr. Minister that the presence of a sixteen percent VAT aggravates the problem of the beleaguered consumers that is the point I wish you to understand. *[Applause]*

Secondly Sir, I wonder how many people who are consumers and indeed some who are Ministers or for that matter, mere Parliamentarians like myself are aware that there are commodities that are currently imported that carry substantial ad valorem duties.

- Milk - a forty percent duty;
- Potatoes - a thirty ad valorem duty;
- Onions - a thirty percent ad valorem duty.

In the context of spiralling prices, what this does: is that it aggravates the ultimate price to the consumer, because as the base enlarges thirty or forty percent of that base adds

significantly to the final price. It is my proposition here this afternoon that if the Government is serious about truly cushioning the impact of the cost of living for beleaguered consumers, it should consider a conversion of these ad valorem taxes to specific taxes. By specific taxes, it means you can convert them at the date of the Budget when prices were at a certain level or even now which then means you will take thirty percent of what the present CIF price was, see what that number is and bind it at that number. So if it is \$5 or \$6 it shall continue to be specific; \$5 or \$6 per kilo or per pound or whatever the unit of weight or measurement. That way the Government would have lost nothing in terms of its revenue forecast unless the Minister is going to tell me that he had plans for these massive, unexpected increases and budgeted with foresight for additional incomes in his budget and by converting the taxes to a specific basis he is going to lose revenue. My humble and respectful submission is that that was not the case. I am therefore urging that if you really want to alleviate the impact that you seriously consider and in fact I urge you to quickly adopt the position of conversion of these taxes, because they are adding significantly to the burden of beleaguered consumers. So here are two specific proposals from the People's National Congress Reform-One Guyana today to further add to the measures that the Government has

already taken. Others of my colleagues may deal with other aspects.

Sir, now I come to the agri-development plan, which is something that I believe we were owed an explanation on this afternoon. If we want to lift the hearts and minds of the Guyanese people; if we want them to be aware and to feel confident that we are going to get out of this crisis, I think it would have done a lot of good to their spirit if the Minister this afternoon could have enlightened us as to the practical things that have been done on the road to creating this viable agricultural economy. Instead of that let me tell you the snippet that I have been able to glean from the writings in the newspaper and from reports elsewhere. We heard this afternoon that the region imports some US\$4 billion worth of food from third countries. The question that arises is what was being done because this is not something we discovered today. For some time now it has been common knowledge that the region imports has a large imported food bill and for some time now, it has also been acknowledged that Guyana is the one country that had the capacity to ensure food security and to supply the needs of the region. What has happened over this period of time? We have had no indication from the Minister, now... *[Interruption: 'What about the twenty-eight years?']*



But you are here for fifteen my brother, I am simply asking you to account for your own stewardship. Is that not fair?

Sir, I want to point to some very specific things that may be done, may still be done and that could have been done.

First of all, in a national sense, we need to have a comprehensive soil classification plan that sets out and demarcates where our arable land is and to classify such lands as to the type of products that they may be suitable for. So we have a national plan of soil classification.

Also that we take the food bill, the food items imported to the tune of US\$4 billion or US\$3 billion, disaggregate that bill to see what the bulk of these commodities are and to develop project profiles that we could take to potential investors in an aggressive way to market our country and its potential.

Further, we need to identify in an associated manner the full wrath of concessions; I am talking about law-based concessions. *[Laughter]* Concessions based on law and the legal framework that will be available to these investors should they wish to take up the challenge to invest in our country. Then Sir, I wish to say that the GO-INVEST which is the Agency that is supposed to be responsible for attracting investment into our country that it has to mount an international search for investors. Quite frankly I get the

distinct impression, apart from going to one or two places per year that GO-INVEST sits down and waits for investors to come to it and rather than go, they are probably like come investors. We are waiting for investors to come. The word *go* suggests to me that the GO-INVEST should go seriously, aggressively after investments. In the area of agriculture, GO-INVEST should have knowledge of the annual calendar of all agricultural fora internationally and be present at these fora and participate in these fora and sell Guyana to the investment community; because we need to understand that we cannot sit back here and hope for investors to come, because every country in the world today is vying for the investment buck. If we sit and wait they may never come. I suggest therefore a more proactive approach to investment in the agricultural sector. Of course Sir, this assumes a genuine desire to welcome private sector investment, both local and foreign. I must say that sometimes I get the squeaky feeling that all is not well with the Government in terms of its desire to truly welcome private investment. And I want to say here in all honesty today that the Government seems only to be inclined to grant or approve of investments when they have vetted the bona fide of the investor in the sense of his political loyalty, his commitment to them and when they feel comfortable enough with that involvement, with that person or company, they will allow the investment to go forth. That has to change

and we have to examine each investment on its merit and once the investment is in the interest of Guyana we have to approve it and let it go forward. *[Applause]*

Sir, I want to say a word about this so-called Jagdeo Initiative, it was an Initiative that has been much talked about, but as so far as this National Assembly is concerned, it knows formally absolutely nothing. For no one, notwithstanding what exists elsewhere, can truly say on the Government side that they, however, brought to this National Assembly, the so called Jagdeo Initiative if only for our information. I would suggest more than that it should have come here for a debate, so that at the end of the day you could go forward to the wider international community and say that this Initiative has the imprimatur of the Parliament of Guyana. *[Applause]* and I think that that adds a lot. *[Interruption: 'It belongs to CARICOM not Guyana']* Imagine that! Imagine the Minister thinks that it is enough Sir that the Region knows about it even if we don't. And because he looks after Guyana interest in CARICOM, we must sit down like little children again and take what they do and swallow it or shut u -take it and shut up. I object to that approach, I think it is wrong and it is fundamentally flawed. *[Applause]* In fact, where can you get information about this Jagdeo Initiative? What we know from newspaper reports, because it was never reported here in the

National Assembly, it would appear that in the year 2002, the head of Guyana of which we would be enormously proud if you brought it here and announced it to us, but not to read it through some Press; was assigned responsibility and or accepted responsibility to be the lead spokesperson for the agricultural sector within CARICOM.

What was so wrong with bringing that formally to the attention of the National Assembly? We would have lauded it, because we believe we should be proud and happy indeed that our country which has the greatest potential for agricultural development and for taking care of the agricultural and food needs of the region has been properly granted the responsibility to be the lead spokesman. Unfortunately Sir, as I say it is in the newspapers and by reports that we get that we are to glean what this initiative comprises. *[Interruption]*

**The Speaker:** Mr. Murray, I have to stop you, your time is up.

**Mrs. Deborah J Backer:** Mr. Speaker, I rise to move that Mr. Murray be given fifteen minutes to continue his presentation.

**Question put and agreed to.**

**The Speaker:** Proceed, Honourable Member.

**Mr. Winston S Murray:** Thank you Sir, now we are told that under this Jagdeo Initiative comprises the large scale agricultural plan of the region. Imagine that there is a large scale agricultural plan for the region proposed by the Government of which the representatives of the people on the opposition benches have no formal information and we are being told ... [*Interruption: 'You have to read.'*] ... which we would have no problem with that we are declaring this plan and it goes to CARICOM and CARICOM adopts it, but we are saying make us part of the process and strengthen the hand of the Government when it goes to deal with this project. Then we are told that under this initiative an agricultural donor conference was held in Trinidad and Tobago in June of last year and pledges were received of \$10 million for this project. What we do know is that while pledges were received, we have reasons to believe that not much or that not many of these pledges have in fact been honoured. And we are also told that the Trinidad and Tobago Guyana Partnership received the cultivation of 120 acres of land in Guyana with the Guyana Government supplying the land and the Trinidad and Tobago Government providing initial funding. It would have been useful even though you have not let us into the plan, to have informed us as to where this stands. Is this one of the legs on which we are being self-sufficient in the

Region? Is this one of the legs on which we will stand in the future?

Then Sir, we are let in a little bit further by some words by the Honourable Minister of Finance on Page 5 of his budget presentation, when he said:

*Heads...*

This is Heads of Government of CARICOM.

*...expressed appreciation for the generous offer by the Government of Guyana to Member States of access to land in pursuit of agricultural production and urged that advantage be taken of this offer.*

Is this linked to the US\$5 per acre figure that we have seen bandied about in the paper? Is that what the commitment is, when you say the land is available? Could we be told whether in fact this US\$5 an acre land is also available for Guyanese investors, who may be interested in development?

*[Interruption: 'What formally [1:33:39] do we start writing?'*

*'Well you need to inform us, not by chit chat between the two of us, but formally here in the National Assembly.']* Sir, we

are told this and I want to make a point. Following the mandate given by that meeting, work is currently ongoing to

finalising the list of products for Regional agreement to suspend or reduce the CET in an effort to lower acquisition cost for selected items imported extra regionally. This goes back to the point I raised earlier about the levels of duty on some food products that are imported into Guyana. Clearly they form part of the common external tariff and I note here that the Honourable Minister said that work was going on to finalising a list on which there was either going to be a reduction in the tariff or a suspension in the tariff to bring ease in the context of escalating food prices. We are not informed, I take it the Minister of Finance may inform us or Minister Nadir who tends to follow me. I hope he has an answer to tell us about the status of this matter.

Further, I want to say on behalf of the People's National Congress Reform-One Guyana that CARICOM is famous for dragging its feet on many issues. And if indeed, this is no secret. [*Interruption: 'Only now you know that.' "Man like you are in the dark ages; you are really in the dark ages."*] if indeed, as we believe that to be the case, we want to urge the Government that while they dilly-dally over reduction or suspension of these tariffs that we move to the next COTED meeting to seek a waiver on the CET on these items in the interest of Guyanese consumers whether or not they are ready

to move. I suggest that that is a way to go in which to bring further relief to our hard-pressed consumers.

But while all of these plans are being preceded with - the plans under the Jagdeo Initiative and the various other things the Minister has spoken about. I heard the Minister making some reference, but to my mind, not enough reference because in this issue with which we are dealing, there are:

- Short term;
- Medium term; and
- Long term solutions on which we have to work.

In the *short term* - we can only do something to alleviate the impact of these prices on the consumers - the very short term, but;

In the *medium term* - we have to look at what we are doing to our D and I Schemes. I heard the Minister speak somewhat about these schemes, but I want to mention these schemes by name and to say that in our respectful opinion, not enough has been done to maintain these schemes in a way that would have ensured their ongoing production and enhanced productivity over the last fifteen years, which if done would have put Guyana in a much better position than it is today to have taken advantage of these increased prices on the world



market and also to meet a greater proportion of its own needs. The Schemes to which I allude are the:

Mahaica/Mahaicony/Abary Development Scheme - when we demitted office in 1992, it was always the case that we were to go into another phase. I would like to know what has happened to that phase.

Secondly, in so far as the current phase is concerned our information is that the authority has failed to maintain its proper and good condition the D and I ... the infrastructural facilities that are intended to make this scheme the productive scheme that it is supposed to be. That is a big bone of contention between the farmers and the authority which wants now to put some of those farmers off the land. The argument of the farmers is simple that if you did not provide us with the wherewithal that was necessary to enable us to utilise these lands productively. We believe that it is wrong and unjust for you to now try to threaten us with taking away of these lands.

The other schemes to which I want to refer merely in passing because time does not permit me to deal with them and others will deal with them with greater specificity.

- The Black Bush Polder;
- The Tapakuma;
- Canal's Polder;

- Summerset and Burks; and
- The Cane Grove D and I Scheme

Sir, as I come towards the end, I also ... [*Interruption: 'That was done under the PPP'*] It is not a question. Mr. Persaud ... Sir, through you ... Honourable Minister of Agriculture that is not the issue. We are happy to acknowledge, as you should acknowledge our contribution to the creation of D and I schemes to improve Agriculture. [*Applause*] Let us have a mutual recognition of our efforts. So that is no problem. The issue that I am raising here is not who instituted the scheme. The issue that I am raising here is whether we have expended the necessary energy, effort and financial and other resources to have maintained these schemes, to have enabled them to be as productive as they could have been over the period of your term in office and accountability for your stewardship over your fifteen years in office. That is what we are talking about [*Applause*].

Sir, I want as I come to the end of my presentation to say this; I have heard the Minister speak about what the PNC did in 1975 in response to the petroleum crisis which occurred in the 1970s. We are thirty-two years on since that crisis and I would have hoped and I think I have every right to expect that over thirty-two years we would have matured and we would have

learnt and been aware of other things. Other factors would have come into play and maybe the conditions have changed. Now in 2008, as we speak, no longer can we contemplate and import substitution strategy. Now we have to contemplate operating on an open market international environment. We cannot contemplate subsidizing production or subsidizing exports, but we have to find innovative ways in our respectful view to make sure that we maximize the returns from our agricultural sector. We have to look beyond continuing to be essentially suppliers of primary products. We have been exporting rice and here in this National Assembly in one budget debate, I had the temerity to talk about looking at the possibility of making cereals - rice cereals.

It was scoffed at by the then young Minister of Finance as though this was something that was either beyond contemplation or impossible, but I heard the Minister of Agriculture pleasingly for me, more recently speaking about this same, matter. Minister you are on the right track, keep it up [*Applause*] and if you add value-added to our primary product, if you increase processing of our products you shall have the unequivocal support of the People's National Congress Reform-one Guyana in your efforts so to do.

I want to remind this Honourable House that there was a time when this county produced ham and bacon, when it had a very

large population of pigs and we actually exported ham and bacon to countries in the Caribbean.

I want to remind you too that we had... [*Interruption: 'You had it.'*] Anyway, I will deal with you'] then we also produced cassava flour. Do you remember the Look Out Plant, Mr. Prime Minister [*Interruption: 'Rice flour.'*] ... and we produced rice flour, there is nothing to be ashamed about. In India today rice flour in certain parts of that country is the staple on which they live, but you see, the shallow minded and the narrow minded cannot contemplate that of which we speak. [*Applause*] And some will eternally be content with the dusting of irrelevance. [1:43:41]

Sir, what I am going to say... [*Noisy Interruption*] Please listen to me Madame. In this day and age, we cannot talk about; we ought not to talk about only rice flour, only cassava flour. We have to undertake a massive educational programme that makes people aware that the imported flour that we bring are not necessarily the only ones that they can consume and get the necessary nutrients from. We have to mount that programme. We will support you in the mounting of that programme, so that we can maximize the use of the primary products we produce in downstream activities and remove our over and too heavy reliance on the import of foreign food items. I say that without fear and without apology to anyone.

We will support you, we have to be innovative; it is a massive education ... we cannot as I said go back to the days of withholding commodities from the markets so we have to educate. You have to mount that programme and you have to do it seriously, but you have first to revert to the re-introduction of those things; they have been abandoned.

Are you Mr. Minister in your response, are you going to tell this National Assembly whether you are going to go back to those things. Whether in fact [*Interruption: "We are going forward, backward never." 'I know, you see that is a false understanding of backward]* There are some things you see...remember the Minister went backward to 1976? Do you remember that? He went backward to 1976, because it suited his purpose. It works sometimes to reflect on the past because we can learn from it, not that we are going back, but that we can take the lessons of the past to go forward.

Clearly, what we have before us today are in our respectful view some half-baked ideas and actions as a response to the increase prices for food products; both those locally produced and those imported. Equally clearly, more could and should be done to cushion the impact on Guyanese consumers and in that regard we have made some very specific suggestions. Beyond that [*Interruption: "Protest!"*]...which would include

*that if the action is not taken; protest in the streets, I announce. [Interruption]*

**The Speaker:** Your time is up Honourable Member

**Mrs. Deborah J Backer:** Mr. Speaker, I know that we are approaching the hour of four, but I am respectfully moving that the Honourable Member be given ten minutes to conclude.

**Question put and agreed to**

The Speaker: Proceed Honourable Member

**Mr. Winston S Murray:** Thank you Sir, I will not take ten minutes, but I am thankful to my colleague for giving me space.

As I said, we believe that more could and should be done to cushion this impact and we have made some specific suggestions in that regard. Beyond that Sir, the Government has provided no insight whatsoever into its plans for the development of the agri sector. In our respectful view, continues unacceptably to treat this august body with contempt. We call upon the Government to defer to what I had in my original presentation, but now that the Minister has accepted or at the appropriate time plans to accept the suggested Amendments, I shall no longer necessarily proceed

along that road. What I would like to say is that if the Government, because I do not know what the faith of that... although he has expressed the view... [*Interruption: 'He!'*] ... the Honourable Minister of Agriculture Sir, per chance there was any anonymity in the word *he*, [*Laughter*] we call upon the Government to embark on a consultative process and even the Special Select Committee which is being proposed has to contemplate something more than just the routine Special Select Committee that we have set up, because I believe with the nature of the crisis that we face, this is something worthy of involving the multi-stakeholder forum, which we had called together to look at the crime situation. This is a crisis which requires that kind of broader consultation and we would like to invite the Government to embark upon that course of much wider consultation than may be envisaged by a Special Select Committee.

But let me say in closing that if the Government insists on proceeding with this Motion as it currently stands, we of the People's National Congress Reform-One Guyana will have no alternative, but to decline to support this Motion. Thank you very much. [*Applause*]

**The Speaker:** Honourable Members, before I take the suspension, I would like to advert your attention to the fact that I have a list of names of speakers – twenty-one. Now

having regard to the fact that one Member takes roughly about half of an hour and those who take a little bit less are made up by those who take a little bit longer. We are talking about ten hours of debate, starting as we did about 2.15 pm that takes us to 12.15 am, and add two hours for the suspension period that takes us to 2.15 am. What I would do is urge Honourable Members on both sides to see if this could be resolved in some way, but I need to remind you that unless that occurs, the time for suspension of the House under Standing Orders is 10.00 pm. Thank you very much, we will suspend for one hour.

**16:05H - SUSPENSION OF SITTING**

**17:05H - RESUMPTION OF SITTING**

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

**Hon. Manzoor Nadir:** Mr. Speaker, it is an honour for me to stand in support of the Motion by the Honourable Minister of Agriculture and to compliment him on a very passionate and well constructed contribution.

Mr. Speaker, equally, I must commend the Honourable Member from the opposition, Mr. Winston Murray on his well delivered contribution. I must say also the historic and researched one.



This, however, is the only similarities I see between the two presentations. When I first read the Motion that the Honourable Minister of Agriculture prepared and presented to the National Assembly, I was very, very pleased and in particular I was pleased with the RESOLVED Clauses. The Clauses which call us to action to challenge what is confronting our country and our people and to make the best as the Honourable Member, the Minister of Agriculture said, the pregnant opportunities that are presented to us. When I listened to the Honourable Member from the opposition Mr. Murray, I was even more satisfied with the RESOLVED Clauses in this Motion. In fact I think, Mr. Murray instead of pointing us to where the RESOLVED Clauses were weak has done us great justice in strengthening the resolve of the Honourable Minister of Agriculture in challenging the food crisis that we have before us and in particular making it pay for Guyana and Guyanese.

Mr. Speaker, if we look at the very first RESOLVED Clause; I think the Honourable Minister of Agriculture has already started to accomplish some of the objectives which this Motion has intended. We had by the Honourable Member Mr. Murray, unequivocal support for the contention that the impact we are seeing in Guyana is caused by global events outside of our control.

If we look at the Third RESOLVED Clause which calls for the National Assembly, after reviewing the deliberations of the Inter- Ministerial Committee on food prices to make recommendations intended to cushion the impact. We had the Honourable Member Mr. Murray making a number of recommendations. I do not agree with them, they have been tried and failed. I will go through some of them and what we have seen before us in the Motion and some of the plans of Government not only in the area of food production, but in the entire management of the economy and country, we have seen tested and proven measures that has delivered a better standard of living for the people of Guyana over these many years. *[Applause]*

If we look at the last RESOLVED Clause, again the intentions of this Motion already have positive effects. Mr. Murray included in the end the multi-stakeholder group, but the last RESOLVED CLAUSE calls for:

- National action;
- Sustained effort, and
- Engagement with critical sectors and groups to confront this challenge locally and regionally.

There could be no greater critical groups other than those elected by the people of Guyana - the National Assembly. So when you look at what was presented by the Honourable

Member from the Opposition and his arguments to lambaste the Government on what he says; minuscule, half-hearted and half-baked attempts. Mr. Speaker, none of that is presented in the plans for Government in:

- Production of food;
- Production of industrial goods; and
- In the social development of our people in Guyana.

Mr. Speaker, I was privy last Saturday to attend the annual business meeting of upper Corentyne Fishermen's Co-op Society. In spite of the challenges of piracy and some have people have their ID cards among the bandits; in spite of the high cost of fuel; today, because of the efforts of the Fisheries Department and the Ministry of Agriculture, we have an unprecedented number of fisher folks operating from that particular society - unprecedented amounts. In fact, the counting in excess of 100 boats left that port to do fishing out in the Atlantic - unprecedented.

I am speaking from some amount of knowledge of that particular facility and some amount of knowledge of working throughout this country especially when we had times of crisis. My first engagement with the Upper Corentyne Fishermen's Co-op Society was in 1983 and you know what I was doing then, I was taking a minibus full of baby food called Cerex. We had very limited production and in order to

allow some people throughout the country to get even a small amount of Cerex, we physically had to take it from the plant and distribute it in certain areas and that was one of the locations. The production was so low; I was only able to make that trip to the Fishermen Co-op in 1966 once because after that we had to concentrate it to the maternal clinics so that the babies could get it. That was a challenging time that was a time when the response to this crisis was to freeze employment and to freeze wages. Mr. Speaker that was the response then, the response now is to give more to our people. An interim payout of five percent coming immediately after a nine percent payout at the end of 2007, amongst to within a matter of four to five months, our public servants getting a fourteen percent increase on their salaries. *[Applause]* We do an annual survey of wages and salaries in the entire country and currently we have the draft 2007 figures perusing. When you examine the wages paid to our public servants and to those who are in our semi autonomous Agency; in many instances and especially at the lower end, Government is doing much better than the private sector. In fact, in some of the regular scale some of our top civil servants cannot do better in the private sector they make in excess of \$400,000 a month day salary. Let us speak to that too; I am not going to say that again as I said in my budget speech; I am not going to say that we are living in a land where everything is bright and

beautiful. We know we have tremendous hardships in the country, but one thing we can attest to is that the policies and programmes of the Government have been delivering a better standard of living for more and more Guyanese so that last year we produced a positive growth of 4.7 percent.

The Honourable Member from the opposition, Mr. Murray, went back to some of the issues that happened during the challenging times when the PNC regime was in power. He said, let us use the example of rice flour and you know one of the failures of that regime was their dogmatism, even when things were failing in their face they still continued with it. That was one of the problems. Let me use the issue of rice flour because I had first hand knowledge of it. At that time, a pint of rice which we equated with a pound of rice was thirteen cents a pint. I did the prefeasibility for rice flour Honourable Minister of Finance and so a certain Minister called and I was working at the Guyana Pharmaceutical Corporation and I can talk all about ham and bacon from my head. Mr. Speaker, thirteen cents a pound so dogmatically someone said, we have to ban flour and we must do rice flour *[Interruption: "Nonsense" 'Nonsense, I have the report. Talk to Dr Leslie Chin who is at IPED right no. He was my boss.']* When we extruded rice and pounded it into flour, the cost came out to \$1.27 for the same pound. I said to my boss, it is

unconscionable to ask Guyanese to pay \$1.27 for a pound of rice flour for the same nutriments as at thirteen cents pint of rice and we should not do it - PNC economics - and you know what, it is the dogma. The Honourable Member from the opposition is caught with a group and he cannot exercise himself from it. And even the thinking, but that is the problem, so he is sticking... and he is now recommending the same things. My boss said, we would not do it and then three or four weeks later we got a call; you have to do rice flour. What we did we have to extrude this rice and we took rice from thirteen cents a pint and sold it back to people as rice flour for \$1.27 a pound. So I am talking about tried and failed policies which have just been given to the National Assembly.

Mr. Speaker, he talked about ham and bacon and I will tell you about the decline of the ham and bacon factory because Sir, I was the economist working with the food unit then. Dogmatically we wanted to produce ham and bacon in the face of the cost of fuel then was more than the revenues from the sale of the products, but we still wanted to do it. It had to fail.

Breadfruit flour; plantain flour - We know some of these things, they are gourmet stuff and there is a market for it, but there is not a market for it in mass production. At that time we had the same challenges, if you cut where we are today and

you flip it back to the 1960s, you will see almost the same issues; you will see almost the same kind of quantum in terms of the challenge.

So the Honourable Member, Mr. Murray was recommending to us that we must look back again at rice flour. I remember recently with a particular meeting with several of the Ministers, I said it makes sense for us to sell one tonne of broken rice and buy two tends of wheat. If we follow the Honourable Member from the opposition, Mr. Murray, we will grind that tonne of broken rice, eat it and we would have one tonne less of food for our people, when we can sell it and buy two tonnes of wheat.

Mr. Speaker, the response under the PNC regime was to freeze wages [*Interruption: "I want to freeze you." 'I know, you want to preserve me forever, because you love me so much.'*] [*Laughter*]

The response was to freeze wages; to freeze hiring. I remember at that time, when you drove along Homestretch Avenue, His Excellency the President then lived on the right hand side, Castellani House and just on the fence of the YMCA Ground was a huge sign - Produce or Perish. Today the Government policies has put us on a road to produce and prosper [*Applause*] The investment in drainage and irrigation

and on May 26 I was so pleased that the Minister of Agriculture was turning on the pumps at the Dawa Pumping Station after that had been down for how many decades Mr. Minister - Two decades, well I do not know that this Government was in power two decades ago, but who was there to run the pump into the ground.

This is one of the issues, the Honourable Member from the opposition talked about the failure of ISI Strategy – the Import Substitution Industrialisation Strategy (ISI). Mr. Speaker, since when he was in LSC, they were debunking Import Substitution Industrialisation as the only means for development. They were debunking that and in fact, when I started doing some readings on that a few years later, export oriented industrialisation was vogue and it is still vogue now. We have right now, the current response to dealing with higher global prices. Higher global prices is causing an increase in global wealth and if we follow the GROW MORE FOOD CAMPAIGN as many are putting millions of US dollars into at this very moment - if we follow that Guyana is going to get its fair share of the increased global wealth that is being created. *[Applause]* That is the only way we are going to make a better life for our people by taking hold and exploiting these pregnant opportunities and I love that phrase Honourable Minister of Agriculture, because once we can



deliver on these opportunities, it will mean prosperity for our people.

Mr. Speaker, as I said we are not out of the woods, but if I happen to be on that Special Select Committee, I would vehemently oppose any of those failed strategies of the past that may be put on the table just because of etherics [19;22] and that is all. He is going to defend to death - to the death he is going to defend the failure, because so far they have not even stood up to the plate and said the policies we have produced when we were in Government have not produced the goods for Guyanese; they have not done that.

The Honourable Member from the opposition, Mr. Murray called for a stewardship of the Government's fifteen years Agricultural Development plan and he chided about GO-INVEST. Mr. Speaker, today and when I was in the former portfolio of Tourism, Industry and Commerce, the Economic Services Committee called GO-INVEST to make a presentation to them. The other hurtful thing is they know all of this and just for pure politics sake they do the grandstanding. So we went to the Economic Services Committee and did a full presentation on GO-INVEST and were commended for the efforts of GO-INVEST.

He called for the production of investment material to go out there, it is before us, cut off the press, and if I give it to you right now you will feel it. Here GO-INVEST has the millions of dollars and hundreds of programmes, the projects in the agricultural sector that are producing results for our people.

- That is why today we are self-sufficient in poultry;
- That is why today we are self-sufficient in eggs;
- That is why today we are among the six largest exporter of seafood to America;

*[Applause]* Because the policies have been tried and proven.

I want to commend again the Minister of Agriculture for continuing to go down the road with the projects that have been proven to work. I know today he has a big buzzword on his plate about tilapia. If you go into the supermarkets in the United States, you see tilapia at US \$4.50 per pound. In our competitiveness strategy, which is funded by a US \$27 million programme that will increase our competitiveness in many areas; tilapia production has been highlighted as one of the areas we should push and we are pursuing that.

The Honourable Member, Mr. Murray asked for the plans, they are out there on the website; if you search right now, they are out there on the website.

In terms of sugar, we have heard budget debate after budget debate about Skeldon. Today, thanks to the Skeldon Project

and the foresight we had with co-generation, sugar is very competitive and I would not be surprised if not too long from now we will hear about positive revenue flows from sugar. I remember under the previous regime, we produced sugar because we paid thirty-eight cents to get one US cent. I think that was a kind of produce. We still just produced sugar just because we wanted to buy some foreign exchange. Today, our foreign exchange reserves are stable. I think Minister of Finance we may have about seven months or five months - Four months, but we never had that before.

Then once again, we heard this talk about Value-Added Tax and this supposed windfall from Value-Added Tax. I will say it again. I am sure the Finance Minister will speak, the Value-Added Tax is a more efficient tax; it broadens the tax base and when we speak of revenue neutrality, we have to look at all of the revenues, not only the revenues which have been eliminated. This Government has come back and cut the taxes on petroleum products as the Minister of Agriculture says you have no taxes on diesel - none whatsoever. The tax on gasoline has been reduced, I think now it might be ten percent Honourable Member - seven percent; never in our history; revenue neutrality and he talked about the issue of the Common External Tariff and the Ad Valorem value of the way taxes are calculated on certain foodstuff. Last December

our President hosted his colleagues from the CARICOM Heads here to deal with the issue of food prices and I know at least three items were taken off the Common External Tariff, at least three; it is a start. [*Interruption: "It could be four or five?" 'It could be forty.'*] but let us sit down and do two things; come up with strategies we can all support and more particularly let this evening, the National Assembly send a strong message to the people of Guyana that those of us who they have elected to manage their affairs can put heads, hearts and minds together to ensure that we can prosper from the challenges before us. I have seen many countries and the response to it is not more destruction, but to flow all of those active energies into greater production. That is the only response. Never before in our history have we looked forward to the production of electricity for market [25:59] use from hydro power.

The dream of crossing the Berbice River Bridge on foot is going to be a reality in a few months. [*Applause*] It is not grandstanding; it is tried and proven strategies that are delivering better and better on the quality of life for our people.

So, Mr. Speaker, what this Motion calls for, I give full support to. I do not see necessarily the necessity for a very Special Select Committee. I will support it. The Economic Services

Committee is very empowered to do all of that and more particularly the Motion itself and the initiatives of Government has already gone down the path of wide-ranging consultations. Immediately that this issue started to become even more concerning the Cabinet went out and I remember the first time I heard of the proposal for an interim pay increase was on 15 April in Rosignol. So, the Government has gone out there among the people and listened to their views and within a month of the National outreach and there was some amount of stakeholder consultation at the highest level with his Excellency. There were produced for the Nation a series of measures. They are not miniscule Mr. Speaker, they are significant measures introduced that have cushioned the impact of these global price increases on our people. That is why today we have a relatively satisfied worker that if the worker was so battered as the PNC were saying; the marches that they caused here and what they tried to do a few months ago outside the gate here. Well swollen, except Sir, our workers, our people know that they have Government that has been responding positively to their needs and by their action of not joining in mass the irresponsible action of some Members of the opposition, they are signalling to us:

- (i) We must continue with what we are doing;

- (ii) Even reach out further to those who may want to fight us.

And so Mr. Speaker, my total support for the Motion and my commendation to the Honourable Minister of Agriculture.

Thank you very much. *[Applause]*

**The Speaker:** Thank you Honourable Member

Honourable Member Mr. Anthony Vieira

**Mr. Anthony Vieira:** Mr. Speaker, one tries to be kind as kind as possible when one comes here to the House to speak on any particular issue. We have to observe the niceties of the Standing Orders to refer to each other for example as Honourable Member. Sometimes it is very difficult, however, we try inevitably. However, no matter how hard we try we on this side of the floor are constantly bombarded with accusations of being negative and critical for the sake of being critical and un-supportive of the Government since such is the nature of opposition politics.

I stand here today, however, to say that if energy and commitment was enough, our Minister of Agriculture would probably achieve something positive by these initiatives, but he has too much baggage to carry which have been left by his predecessors, who did not understand the dynamics and complexity of our Agriculture. So to fix the damage they have

brought upon us we would probably have to spend much more than we can afford and given the sad state of our economic circumstances as a Nation, we probably would be not be able to afford it. I believe even Mr. Jagdeo has said in no uncertain terms that to fix some of the major issues with drainage in the country, you would have to spend near to US\$100 million.

Recently, we held a forum here in Guyana to which the Minister has alluded. The theme of the forum was how Guyana with its vast land area can participate in the Regional drive to provide potential investors and financial institutions with information on the changes in global and Regional markets and in agro industry systems, which could mean business opportunities for the Caribbean.

There is even a special pull out bulletin published on the 7 and 6 of June 2008, which I hold here in my hand. As far as the pull out is concerned, I have to say that I was not impressed; so here is the way I see the matter. Mr. Speaker, Guyana's agricultural infrastructure and resources for this sort of endeavour which is to quote: grow staple, vegetable and other food crops are not scattered over 83,000 square miles of this country. The viable, arable agricultural area we are discussing at this time until such time as we develop the intermediate savannahs is an areas of roughly 150 miles by 15 miles deep along the coastal belt say 2,000 to 2,500 square miles.

Trinidad has 1,980 square miles of land and Jamaica has 42,000 square miles. Now I am not saying that all of the total available lands [*Interruption: 'Well I am saying that a significant part of these lands are available to them.'*] So we do not have a tremendous lot of arable land more than Trinidad and Jamaica [*Interruption: 'We have fertile land'*] Okay, so over here was saying un-opened puzzle [32:59]; you did not say anything.'] Their land in Jamaica and Trinidad are better drained since they are above sea level; they do not nearly as much rainfall as we do; and their capacity for mechanization given the low rainfall and the high nature of their land is much easier. In addition in Trinidad since they have virtually abandoned growing sugar cane now, they have a lot of land available for other crops since in the end it will be the mechanisation which will determine who will survive and who will not. Those who can mechanise will prevail, those who cannot mechanise because they have heavy rainfall and low lying soils will not prevail. So Mr. Speaker, in all honesty if I were an investor and I had capital to invest in agriculture I would probably do it in Trinidad rather than here. Our low lying soils which are below soil level, our high rainfall; and poor drainage makes it a poor contender for the title. I really do wish that it was not so. Unfortunately, I am here to speak the truth and that is the way I see it.



What is even more reprehensible is that small fishermen that we are speaking so much about today in this country park their boats in the outfall channels restricting drainage and damaging thousands of acres of sugar cane, agricultural lands and housing areas. No one has any authority to tell them to move. Now it is my fundamental belief that no person should try in a country like Guyana to make his living by damaging the living of some other poor man, who is trying to grow a crop or to live in a housing area being flooded, because boats are blocking the outfall channels.

Mr. Speaker, I spoke about mechanisation and I am to highlight what I am saying in the year 1900, forty-one percent of the American people were directly or indirectly involved in agriculture. Today, with over a billion acres planted only two percent of the population is involved in agriculture and it is all due to mechanisation. In addition, this 2000 square miles was proclaimed contained all of the sugar and rice being currently grown in the country leaving very little for other types of farming activities on a major scale. It seems a little incredible to me that most of our people including people here in this House are completely unaware of the nightmares our farmers have been enduring on this coastal plain for the past seven years, *[Interruption: 'Including you.']* Including me! How much they have lost as a result of poor drainage; how much they have lost due to poor protection from the ocean, sea and salt water that the sea water brings in,

which causes further damage even after the water from the ocean has receded.

Our own President is on record as saying that to correct the siltation at the mouth of the creeks and rivers along the East Coast road, it would cost somewhere between US\$40 and US\$100 million. When one adds the Pomeroon, the others rivers and creeks in Regions, 1, 3 and 6 the cost becomes astronomical, the \$US40 to US\$100 million was only to desilt the outfalls in Region 4 which includes:

- The Abary;
- The Mahaica
- The Mahaicony; and
- All of the sluices and channels which are completely blocked by silt, making growing of anything in that Region a complete nightmare.

I am not going to dwell on the perennial argument of the small allocation of the National Budget to Region 4 compared to other Regions over the past sixteen years, which has led to this neglect and disastrous effects on the drainage system of the East Coast from Mahaica to Liliendaal. It is becoming self evident. In fact in his presentation, the Minister has now

agreed that Region 4 in regards to its drainage facility needs a lot of help.

- Let us keep fooling ourselves that Region 4 includes Georgetown and therefore has to get less allocation without having regard to the fact that with increasing frequency it is becoming impossible to plant anything except rice or cane there.
- Let us turn a blind eye to the fact that farmers have been dealt one nasty blow after another over the past seven years and have not only left the land, but probably the country and now reside abroad where there is better drainage, if in fact they are still involved in agriculture; this mass migration of labour not only affect other crops, but GUYSSUCO itself is beginning to feel the strain.
- Let us forget that the Head of our GO-INVEST is on record as telling the Nation that the farming community must reorganize themselves into market groups so that they can better market their produce. Mr. Speaker, these are peasant cane farmers of peasant farmers who are barely eating out a living under quite difficult conditions, but Mr. Da Silva does not see that they must get help from the Ministry of Trade to

organize market and transport for their produce to other countries.

He does not see that the Ministry of Agriculture must become more proactive in getting them the necessary chemicals and equipment to ensure that their improved yields optimize their returns.

I will not say profits; I will say returns since I am not aware that any farmer in Guyana makes much of a profit.

- Let us forget that the European Union has been giving Guyana massive relieve funds as compensation for the rice protocol being withdrawn over the last two years. This relief money is supposed to be shared by all cane growers in Guyana, farmers as well as GUYSUCO, but to date after receiving billions of Guyana dollars in relief, I am not aware that one cent was given to the farmers to compensate them for the loss of the preferential markets they once enjoyed.

Mr. Speaker, the farmer has been affected by the reduced price as much as GUYSUCO has and so it is only fair and just that they get their share of this relief money. Trinidad has already paid their farmers their part of this relief from the European Union so why has the Government of Guyana not

paid it? In Guyana we only speak about support for our farmers, but we do not do it in deed only in word.

Now having turned a blind eye to all of these critical areas of farming along the Coast, what has been the result? The result is printed by the Bank of Guyana on Table 10 (i) labelled *INDICES OF OUTPUT OF SELECTED COMMODITIES FOR THE YEAR 2007* which I extracted from the Bank of Guyana website. If we were to take the year 2000 or whatever production that happened in 2000, if we were to call that 100 percent. Here is what we did in 2007:

- In sugar, we produced 97.4 percent of what we produced in the year 2000;
- In rice we did quite well, we produced 102 percent of what we produced in the year 2000;
- In coconuts we only produced 69.3 percent;
- In cassava we only produced 45 percent;
- Other ground provisions we only produced 45 percent;
- Plantains only 18 percent.

If I am not mistaken Mr. Speaker and to take a little poke at my dear colleague, if I am not mistaken our Minister of Agriculture said that he is going to improve the Ps to a maximum level and I have to say that as I recall plantain was one of those things he had to improve, but frankly it has declined rather than improved. *[Pause]* And as I recall:

- Plantains;
- Pumpkins;
- Peppers; and
- Pineapples

Is that what you said? Well Sir, I have to report that it did not happen at all. Between 2006 and 2007 all four of the Ps declined vis-à-vis 2006 so there was no improvement at all.

*[Interruption: “That is why.....42:34]” ‘No, no in 2006 you promised, you gave an undertaking that you would concentrate your efforts to make it rise.’]*

- Banana production was only 31.6 percent of the 2000 level;
- Mango 44.8 percent;
- Pineapples 40.9 percent;  
Incidentally in 2006 bad pineapples were 95 percent of what it was in 2000. So pineapples have gone down drastically between 2006 and 2007. So the Minister’s efforts actually reduced the pineapple output rather than raised it;
- Citrus output was only 52.5 percent of what it was in 2000;
- Cereals and legumes only 32.7 percent of the 2000 level;
- Shallot 11.3 percent of the 2000 level;

- Hot peppers, another of the Minister's Ps was only 38.6 percent of what it was in 2000 that was even less than 2006 when it was 43.1 percent.
- Bora was only 36.6 percent of the 2000 production; and
- Tomatoes were only 42 percent of the 2000 mark.  
We could go on forever [*Interruption: "What about bhajie?" 'Bhajie was bora and only 36.6 [Laughter] Bhajie and bora are the same... No, no, the Bank of Guyana groups them together.'* "*Bhajie is bora*" [*Laughter*] "*I did not say one, they are grouped together, if I have not called it then the Bank of Guyana has not reported on it. I am reading about bora and tomatoes. "But no bhajie"*]
- As far as poultry meat was concerned, the fact of the matter is that there was an increase in poultry production by 200 percent. [*Applause*] The fact of the matter is that this country gave certain poultry growers a lot of duty free incentives, denied \$1 billion a year of revenue to the Consolidated Fund and in the end the major beneficiary of the poultry incentive went out of business.

- Actually, egg production was twenty-one percent of what it was in 2000, so as far as eggs are concerned - 21.6 percent, Bank of Guyana statistics.

A long time ago, a great man said that you could fool all of the people some of the time, you may even be able to fool some of the people all of the time, but you cannot fool all the people all the time. For the Guyana farmers, it is becoming increasingly clear to them that they are wasting their time planting anything which such a poor agricultural infrastructure to support them. I refer both to the physical infrastructure:

- The drainage;
- The koker;
- The sidelines;
- The out fall channels; and

I also refer to the other support which is the fertilizers; the insecticides and the weedicides that these people need to make an economical success of their farming. So I am afraid that a substantial part of the farmers in Guyana, except possibly the rice farmers, which is a highly mechanised industry in Guyana, has opted not to plant anything. Unfortunately it is my opinion that to bring them back to the land now will be a huge problem, since they will have to be assured that they will not be venturing their limited capital on an enterprise as dicey



as farming, because that is what it has been for our farmers in Guyana.

Casino gambling is like a joke compared to what those poor men have had to endure. Mr. Speaker, we have debated that Casino Gambling Bill in this House for many days and it is my humble opinion that a farmer in Guyana is suffering no less a gamble than someone in a casino.

In any event, migration has taken a grave toll in this Nation and we must pay attention to it. To not acknowledge it, is dangerous; to not understand that people have left the land and probably will not go back until you show them an infrastructure which can guarantee them a decent return, we could have as many forums as we want, it is going to take us nowhere; we are going to achieve nothing.

So where do we go from here, Mr. Speaker? I frankly do not know. From the presentations at the forum, I thought that Mr. Sharma from GBTI came closet to the threshold of a solution. He spoke about insurance for farmers who stand to loose their crops from acts of God or mishaps of the Ministry of Works and the D and I Board. I also thought that his submission on larger farms was a valid one - mega farms. The time for small scale subsistence farming is probably over; it is now time to look at the MMA and Black Bush Polder as areas which we

should create large farming enterprises based on share holding of the small farmers.

The following words were attributable to one Mr. Elridge Goodridge, a luminary of Republic Bank. In Guyana the agri-business possibilities are tremendous in light of the current food crisis. We have recognised the potential for development of agro processing since there will be the need to create value added products for export markets. Clearly Mr. Gooding I am reporting is not aware of:

- (i) Our drainage problems;
- (ii) The cost of electricity in Guyana; *[Interruption: The man is in Trinidad 'But surely he does not understand the cost of the electricity, [Laughter] because if this man is advocating agro-processing, he has to be from Trinidad in truth.']*

I will close with these points of wisdom from our own Mr. Jeffery Da Silva, the Head of our one stop investment shop, GO-INVEST fondly or not so fondly referred to by some as NO-INVEST. I quote him:

*You have to look at the different areas...*

He told the farmers.

*For instance there is the Linden Highway and find out where the land is already leased and where lands are not being leased not only along the highway but way in and we know that there is a lot of land available there. Guyana has huge amounts of land available for agricultural purposes.*

Perhaps Mr. Da Silva can indicate what exactly we can grow on infertile sand between Linden and Timehri. Even if there was potential for agro activity there where would one find electricity? With respect there is no fertile land there. It is very superficial.

Mr. Speaker, I want to end this way, because after all we are in this boat together and I want to quote the words of Mr. John F Kennedy in 1962:

*Our task is not to fix the blame for the past, but to fix the course for the future.*

*[Interruption: "That is what we are doing." 'Well your course going pure downhill - straight dead down hill.'] Thank you.*

*[Applause]*

**The Speaker:** Thank you Honourable Member

The Honourable Member Mr. Dharamkumar Seeraj

**Mr. Dharamkumar Seeraj:** Mr. Speaker, I rise in support of the Motion moved by the Honourable Minister of Agriculture that seeks to address the issue of the impact of global food price increases.

At the beginning of the debate, Mr. Murray did indicate some displeasure in the timeliness of the implementation of some of the programmes and I gather that he is thinking this process only started this year. But being the expert that he is on Budget and Budget debate, he should have considered where the emphasis was being placed since 1993 in the Budgets that came to this Parliament. He would have seen clearly that massive interventions would have been strategically placed in the area of agriculture. This Government recognizing the importance of agriculture, so it is not a process that started yesterday or last year. It is a process of rebuilding that started since 1993 [*Applause*] by way of the allocations in the Budget.

In relation to what happened with CARICOM, I support the Honourable Mr. Murray, when he said that CARICOM is famous for dragging its feet and it is because of this dragging of feet by some of the Member States of CARICOM that Guyana faced an uphill task during those years in promoting itself as the bread basket of the Caribbean especially when our brother and sister Nation States of CARICOM recognized the

food coming from North America as being of higher quality than those produced within Guyana itself and they seek not to move in the direction of enhancing cooperation in this economic atmosphere, especially not recognizing the role of the CARICOM Single Market and Economy until the present crisis started to be felt by these Member States. Now some of the very Nations that have been treating us with disdain especially in relation to our agricultural products have now rightfully so and they must be commended for that showing increasing interest in Guyana and its ability to supply food to CARICOM Member States.

Mr. Murray also spoke about our comparative advantages as an agricultural producing country. He spoke glowingly of that, but then the Honourable Member Mr. Vieira truthfully he said spoke about the rainfall, the soil type and he seems to be promoting a position that Guyana does not possess comparative advantages for agricultural production. I want to disagree with the Honourable Member, while heavy rainfall might be disadvantageous to sugarcane; there are other crops besides sugarcane. The Honourable Member seems to be stuck with only sugarcane. He needs to look at agriculture outside of sugarcane; it is encompassing a lot of crops and also livestock. Mechanisations, if you look at the countries that have been championing agricultural production, countries

like India and China, you can look at the level of mechanization and come back to this House with your finding and this will probably inform us better.

The Honourable Member Mr. Vieira also quoted extensively from a report that was post 2005 without having the... well I would not say that ... without mentioning, conveniently so, seeking to omit the fact that in 2005 Guyana experienced the worst flood in over 100 years, prior to 2005 and that caused tremendous damages to infrastructure that are basically in place for agriculture production.

Then in 2006, again the country was faced with another flood of gigantic proportions. These factors obviously would have had a severe impact on a country whose lands where we do most of our agriculture is on an average of four to five feet below sea level. So we have to take these factors into consideration if we want to give a true picture of what really is the situation. It is enough for narrow political gains to mention information of convenience, but we live here and we all know what is really happening. We know of the tremendous efforts that have been put in place to rehabilitate all the infrastructures and I would gather based on production information that the country is once again poised to surpass previous production levels in all crops.

The Motion in the first WHEREAS Clause spoke about four factors namely:

- (i) The increase in price of fossil fuels;
- (ii) The effects of climate change;
- (iii) Increase in production of bio fuels; and
- (iv) Growing demand for food in large emerging economies.

Mr. Speaker, you would recognise that all four of these factors are of an international nature and Guyana given its size and given its low population density would not in any way contributed to these factors that are the main cause for the global increase in the price for food.

Mr. Speaker, I wonder how many of the billionaires world wide, when they sit downs for a meal; spare a thought for the countless millions of men, women and babies slowly starving to death in different parts of the world. Even what is considered to be the largest country in the world - the great United States of America has its many hungry paradoxically juxtapose alongside some of the most overfed and over indulged people, some of whom appear on many talk shows to lament their addiction to eating. The most garbage in some of the US landfills is unused foods according to an American publication. My point is that there are enough food for practically everyone in the global arena just that the

distribution is so overwhelmingly inequitable that some have an over abundance while many others are deprived of the most fundamental right of any human being which is the basic right to affordable food.

In 1985, the United States had thirteen billionaires by 2007 this number rose to over 1,000 and in a programme I saw this morning, they said the major challenge in life is how to make more money. Across the globe even in first world nations, people have been increasingly protesting the escalation, steeply and inexorably so of food prices even of the most basic staples.

In oil rich neighbouring Venezuela, reports have indicated that while soaring oil prices have boosted that country's oil revenues to unprecedented levels the accessibility to basic food items have correspondingly reduced so much that the Government has intervened in an attempt to curtail food shortages, which include expanding credit lines to farmers and improving roads and transportation systems to rural areas in efforts to aid in food accession and distribution. So even in countries that are benefiting tremendously from one of the factors that is contributing to the global increase in the price of foods, you are having difficulty. Inimical changes in the global spectrum have created food crisis in geo aggregate locale such as Australia, where its rice crop has been reduced



by ninety-eight percent. The delinquent rice mill in Australia, the largest mill in the southern hemisphere, once processed enough grain to meet the needs of twenty million people around the world; today it has stopped because of drought, another telling blow of climate change, one of the factors mentioned by the Honourable Minister.

Some of the worlds' largest exporter of grain including:

- Egypt;
- Argentina;
- India;
- Vietnam;
- Kazakhstan; and
- China;

have restricted their export quotas thereby severely curtailing access to this grain in the global market place. What has been the result, Mr. Speaker? The result has been the soaring prices for these commodities. In Argentina a Government tax on grain led to a strike of farmers and the inhibition of the export of that commodity. As a result of ensuing shortages caused by restrictions on grain exports, such countries such as Hong Kong and the Philippines have been hoarding this essential

staple, which in a snow ball effect has set off violent reactionary protest in diverse countries which include:

- Cameron;
- Egypt;
- Ethiopia;
- Haiti;
- Indonesia;
- Italy;
- Ivory Coast;
- Senegal;
- Dakar;
- Burkina Faso;
- Indonesia;
- The Philippines, where deaths by starvation were reported;
- Thailand;
- Uzbekistan;

- Yemen and others

Even countries within Europe, South America and the Caribbean have had their share of food protest.

In Mexico the cost of National State tortillas rose correspondingly with the price of corn. Much of which was taken out of the world food chain as result of the conversion of its stock of this grain by the US into bio fuel. Grain prices have been climbing in the world market place for approximately five years and the world's wheat stock are at a thirty year low. Recent production figures have shown that they have been a gradual increase. According to UN records, global food prices have risen by thirty-five percent within a year up to January 2008. And Angel Moriah, Head of the Organisation for Economic Cooperation and Development has said that population growth in developing nations, which is estimated to peak at nine billion in 2050, would be a primary factor in an ever escalating demand for more food. According to Mrs. Moriah and I quote from writers:

*This is an additional set back for the world economy at a time when we are already going through major turbulence, but the biggest drama is the impact of higher food prices on the poor.*

UN records indicate that the upturn began in 2002 and began to climb over the years to an approximate sixty-five percent from that period to now. According to the UN Food and Agricultural Organisation world food index dairy prices rose about eighty percent and grain forty-two percent in 2007 alone.

Chatham House - the British Centre for analytical research has said:

*Society will have to decide the value to be placed on food and how market forces can be reconciled with domestic policy objectives.*

Total world production and distribution of agriculture products have changed in tandem with internal needs of nation States and caused a corresponding disruption in world trade of food products, which will impact the volatility of prices even further. Middlemen, speculators and traders are strategically exploiting the currently volatile market trends and creating false instances of product shortages in some cases thereby engineering avenues for steep increases in profit margins and thus further impacting and degrading world market forces. The fall out of these entrepreneurial acts of piracy is a steeper escalation of global hunger and deaths by starvation.

Commodities for human consumption is being taken out of the food chain and being converted to feed stock for bio fuels further reducing food stock and compounding the problem of global hunger. Janet Larson, Director of Research at the Earth Policy Institute has warned that turning food into fuel for cars is a major mistake and the EU Ambassador to the US John Burton has predicted a continuing rise in food prices for another ten to fifteen years.

Mr. Speaker while all this is happening, OXFAM and I refer to the Stabroek News of Wednesday, 25 June, the non-governmental organisation - OXFAM in a report said that bio fuels are responsible for thirty percent of the increase in global food prices pushing thirty million people world wide into poverty. I recall my contribution in the Budget Debate in February earlier this year, when I quoted about the effect of converting grains for bio fuel to supplement ten percent of the world use of fossil fuel as against a strategy of seeking to reduce consumption of fuel by ten percent, but of course in reducing the use of fuel that does not bring money into the pockets of anyone. Finding an alternative most likely will have that effect.

We must note that food aid is taking many blows, Mr. Speaker. America's largest aid programme - Food for Peace has seen its commodity prices jump forty percent, which

threatens its outreach programmes. The Director of UN World Food Programme, Joseph Seran in a global tour in search of donations to fill a US \$500 million funding gap caused by escalating prices for food commodities.

We must note Saudi Arabia donation of US \$500 million, which has covered two-thirds of the World Food Programme need of US \$755 million emergency appeal. But how is this crisis to be addressed in a viable, sustainable way? Attempts by individual countries to put strategic measures in place to protect their own consumers have largely impact other countries' access to basic food staples and proponents of free markets have argued strongly against subsidies. They adamantly oppose aid and other policy options to feed, hungry because they contended that these options distort markets and disrupts other economies. Genetically modified, higher yielding crops and better fertilizer along with an expansion of agricultural production is projected by world experts to bring supply more in line with demand, however, erratic climate changes are raking in-estimably havoc across the globe.

Again, I want to mention the conversion of food stock to bio fuels, an estimated hundred million tonnes of cereal as well as other crops and an appreciating population growth also compounded the problems. Grain production in Australia and other countries as I quoted before is a mere drop in the bucket

of this global phenomenon that is threatening the survival of man on planet earth.

- Livestock farming;
- Ruminants;
- Cattle and
- Other animal husbandry as well as most other crops are threatened by these multitudinous factors which need a global approach to resolution.

More than ninety percent of rice which is a major staple of the world's food is consumed by countries, by which it is grown. Consumption has over-reached production, which is further hampered by disease, pest, et cetera which destroy the entire harvest. The inter-governmental panel on climate change, which was set up by the United Nations predicted in 2007; that even slight warming would lower agricultural output in the tropics and the sub-tropics. However, they say moderate warming could benefit crop and pasture yields in countries that are located far from the equator such as Canada and Russia, which is estimated to improve global production in next several decades. This configuration factual or not have serious implementations for tropical countries like Guyana; we might become a desert country soon.

In 2007, a World Food Summit was held in Rome to address world hunger and inter-related issues. The conference which was sponsored by the United Nations Food and Agricultural Organization was attended by forty Heads of States so the recognition of the very real danger of future mass starvation is impacting the global sight.

Within the CARICOM Nation States, Guyana's President Bharrat Jagdeo has introduced an agricultural concept now termed the Jageo's Initiative, which has been adopted by CARICOM Nation States. An agricultural forum was held at the Convention Centre CARICOM Secretariat Headquarters in Turkeyen, Georgetown in May, to explore ways and means CARICOM nation states could address the issue of food security within the region as well as extra regionally by way of external exports, which could bolster economies within the region nation states. The region was hard pressed find an ameliorating factor that would counter the physical imbalances that would ensue from the enforced Economic Partnerships Agreement with the EU, which abandoned the COTONOU Agreement. The resolutions from the Doha Round seven years ago with all its fine ideals remained mere words on paper or in electronic systems. Developing nations are still being marginalized and exploited by first nations through high sounding rhetoric that mass finally edge verbiage



within disadvantageous protocols. The Jadgeo Initiative is a stagey that is being lauded by all, because the Caribbean basin needs to optimise the utilization of its own resources in the face of global challenges that impede the development policies of third world nations without compromising the ethics regulating trade liberation.

However, advocates for free trade need to be consistent and hold one measure for polices on subsidies. The Jamaica Trade Adjustment Team was formed with the intention of elevating impacts from the EPA. Other countries from within the region have also been attempting to put measures in place that target fiscal policies for self-subsistence. CARICOM nations can find salvation within the structure of the CARICOM Single Market and Economy, because this fraternity can only generate economic strength through an integrated approach to trading polices and programmes. One of the MDGs is to have by 2015 rather, an ultimately end to world hunger towards which the United Nations established a special taskforce on the Global Food Prices which is chaired by UN Secretary General, Ban Ki Moon The relevant agencies, along with the Vet .....[ 1:16:06] Institution will join the taskforce in its deliberations. Within Guyana our successive budgets have continue to take into consideration the plight of the vulnerable within the society. Our young Minister of Finance and his

indefatigable team have devised several measures towards poverty elevation. His Excellency President Jadgeo has made consistent interventions to cushion the impact of raising cost of living on the nation. The previous speakers of course mentioned a number of these interventions. Minister of Agriculture, Hon Robert Persaud GROW MORE FOOD CAMPAIGN has been gaining ground Guyana's fight to mitigate surging food prices. According to IICA, CARICOM representative, Dr Vincent Little; Guyana has made the best intervention on food prices and this IICA, Mr. Speaker, not the Government of Guyana.

Addressing the thirteen Plenary Meeting of the Caribbean Group, President Jadgeo said:

*This enthusiastic participation at the Plenary Session attest to the continued relevance of the group's meeting as an important forum for a deeper understanding of social, economic and physical challenges facing Caribbean Nations; especially in the context of globalization and economic liberation.*

There are indeed many confidantes made, many memorandums of understanding, many agreements of principles and resolutions and have not translated into solutions to sustain any enduring and viable

programmes to eradicate hunger in the world. This task seems too formidable and insurmountable even for the United Nations, which is committed to halving not eradicating hunger in the world by 2015. However, indications are that the figures are not decreasing, but are currently spiralling out of control. One can only guesstimate the millions who would die of starvation before and even subsequent to the United Nations target. (Like you did not heard that we got congratulations on our programmes)

UN interventions and projections regardless, unless the concepts as contained within Dr. Jagan's New Global Human Order are adopted and strategized to take the human dimension to development into primary consideration, there can be no eradication to world hunger, because the landscape and parameters for human development are contra-indicative to trading policies as engineered primarily by first world nations.

Mr. Speaker, the world needs the New Global Human Order. Guyana is delivering. Thank you. *[Applause]*

**The Speaker:** Thank you Honourable Member.

The Honourable Member Mr. Ramjattan

**Mr. Khemraj Ramjattan:** Mr. Speaker, I want to preamble what I would be saying here this evening with the fact that indeed with the Amendments that Mr. Trotman has put forward to this Motion that the Alliance For Change do support very many of the RESOLVED

Clauses largely on the letter there, but would like to see the spirit of those being implemented and enforced.

It would appear that this Government always gets its intention right, but they are omissions and deficiencies as regards to implementing those Governmental intentions concretely; just like we had the Amendments to the Tax Industry In Aid just recently. Our intention did not and was not reflected in the Act and to a large extent that is what has been happening here with this administration's efforts towards realizing a vision for that which can take us places; that vision being largely in this sector of Agriculture.

The world's population as you know is going to increase by hundreds of millions each year, more mouths to feed. Guyana has lots of land, if we can have what is called not simply a peasantry attitude towards, but an entrepreneurial attitude towards that will take us places and we have to appreciate that.

But what we see largely happening and we can have Motions like this saying; yes, the world and globalization; and climate change and the fact that prices of oil has gone up, all those yes, they contribute towards the difficulties we have with consumer prices, here in Guyana, regionally and internationally.

But what concretely has happened; let us say over a five year period? What concretely has happened within a larger period of time to realise that look, in anticipation of all these problems,

Guyana could have a firm foundation; can have substantial pillars upon which now we can take advantage if those circumstances are to be met.

Sometimes we seem to lack that kind of ability to effectuate the vision that we all can have it easy to have the vision but it is our implementation of that vision. We have to as part of the implementation ... [*Interruption: 'We have to work together.'*]... Indeed, we have to work together, but working together largely with the farmer out there. What we have seen and the results out of a World Bank Report have indicated that farmers and especially the skilled ones have been leaving this country in droves. You go to the Corentyne today, all those farmers that use to do well in relation to rice, in relation to other crops, they have largely abandon their combines, their tractors; their lathes; if you go to Bengal Village, some of the areas that I come from, you go to Essequibo, they have; why, because indeed their visa coming through now and they are leaving. We have not in anyway granted the incentives for them to stay or that greater incentive knowing that yes; there are lots of greener pastures, somehow they regard it as greener pastures and to go even when they do that by realising that it would be far more profitable to come back home and that has been happening as a result of a lot of things. It is so difficult to get financing to begin with and this administration is doing nothing about that, even at the micro-financing level. That is an important thing and I use to hear

Dr. Jagan in this Parliament talking about that all the time. If we have to borrow some money from the World Bank or the IMF, ensure that it goes directly into micro-financing and get...

*[Interruption: 'IPED']* ... you see, even that is the problem. IPED is trying its best...but we do have... *[Interruption: 'But where do we get the money from?']* ... That is the problem. Yet you are going to say you are doing a fantastic job with agriculture and you are now saying that you do not have any money. But you just said all the budgets so far you have been plugging so much money. Is it priority not for micro-financing? Could you not redistribute and reconfigure? That is what I am talking about. You will jump on me and say much money you spend in every budget; well it is wrongly being spent, that is what I am trying to tell you - reconfigure it.

*[Interruption: 'The Government has to put infrastructure in place.']*  
Absolutely, that is true.

Apart from that we also have largely to start re-educating, especially our young people in this country that there is something honourable and noble about farming. We do not have that in our curriculum; we do not have that in largely what are the educational institutions indicating. We have abandoned that literally. We have as a national policy to ensure that young people especially understand the profitability, especially in these times; because food prices have gone up forty/fifty percent. We have to start utilizing especially at the circular at schools the kind of educational

possibilities for our farmers. But more than that, we also have what is called a freedom of information that will allow them to tap into as to where are the arable lands; what are the water resources around that land? So that if you do have a young person graduating with an agricultural degree; he can go to a computer base or database and then take a look, where it is possible to go and so on; but that kind of information, we do not see anywhere.

We also have to understand some of the niche markets that link ... that if I am now a UG graduate and I going to make an investment having some micro-finance from some relatives from the Diaspora. What are some of the niche and how do I get around it? That is what has made especially Malaysia great, because their Government did not only start arguing the benefits of casino gambling; they also put aside a huge effort to educate there young especially as to where it is that you can find arable land. What are the logistics that can make you have it properly cultivated and so on and nurtured? Where you can get the plant seedlings and all of that? Information is what will make young farmers more powerful. This knowledge base is what is going to ensure that we concretely realise these things, but we have lots of people in the Ministry of Agriculture and they are not doing what are in my opinion these things or even if they are doing and they might have some people saying what and what they are not doing, it obviously not being appealing enough to

the extent that very many people are grabbing at these opportunities.

When I did my national service at Kimbia, we manage to see the lands at Ebini - wonderland lands. If I did not do that I would not have even known that they were some much beautiful grass lands there and so on. [*Applause*] It is only recently, when I went to Lethem that I could have seen those fantastic lands that can rear cattle and since we have what you call the ending of the foot and mouth disease; why is it that lands are not being given so that lots more sheep and cattle could be reared? I just cannot believe it. Only recently too in asking for some information in the cattle industry and in the goat and sheep industry, in view of the fact that we can have lots of these livestock reared; some of the personal from Annai were indicating to me that it has to do, of course, with some financing, even if we cannot get the financing from the Government. Could the Government have some, what is called a ranch in which it can produce the cattle and give us five and like a bank, (it has happened in Bangladesh) now in the context of Guyana, it must be physical assets here, after every two times the cattle drops (as we would say) one goes back to that ranch for another farmer. [*Interruption: 'Read the West on Trial and check what it says.'*] Yes, you all are not living Cheddi's legacy, it would appear and I am saying that is what we have to do. Very many of them are saying have a range of a hundred; start the distribution and



so whenever they pay back, like into a bank; that is their interest - whatever. If five newborns, two will go back to the bank and so on. You could do everything here now, where is that happening; what has happened at those areas because every time you come up with an idea...oh yes we are doing that. [*Interruption: Come to my office and I will show you.*] I want it done at Lethem not in your office; that is my point Mr. Speaker. A lot of things happen in their offices, a lot of things happen on television, they always get it right on the television, but they are not getting it right on the ground and that is my problem. Moreover, a lot of what we are supposed to see happening too is part of this vision and the implementation of the vision has to do with processing of these agricultural products. I know of a very good lawyer friend in Essequibo who started a processing plant, Mr. Dial Singh - absolutely no help. It has now gone right down. There is a person, who only met me a week ago on a legal matter - Nature grown Food Honey - No. 3 Village, West Coast Berbice. The man is begging for a duty free transport for his honey farm. That is the man you should give a little tax holiday and some concessions, he has one set of hives on West Coast Berbice and he is begging and cannot get it. You give him something to transport his honey from his farm to his bottom house, where he is going to bottle it and from there to wheresoever he sells it. That will help, but you do not give him. His name is Rabindranauth Rajkumar. More than that, we all knew that the difficulties very many of the even bigger entrepreneurs had in getting environmental

passes and so on. I just remember the difficulties DIDCO and BADAL had and when Mr. Badal invited *dem* to launch his new rice mill, not even one of *dem go...* none of *dem go*. [*Interruption: 'Dem who' "Alludese?"*]

Mr. Speaker, I want to indicate that they across there always have this problem of understanding the minutia - the details at the bottom. They could understand the withering away of the State, but they just cannot understand a man making a little honey and what is the need is there for him to have a transportation and how you can help him - no, they can really understand all the grandeur concepts, but when it comes to these things, they see nothing. That is what is going to help the farming community and that is what is going to help largely the Guyanese consumers as a result. It is then important that we pay attention to these details.

I indicated to the last Minister of Agriculture, not this one, the temporary and permanent backlands of GUYSUCO, a lot of the lands at Wales, we went across to the people of Wales and NARI recently and we were talking to them. These farmers are indicating to us that they want larger acreages and the acreages are there at Wales and other areas and this is not only for West Bank Demerara, but lots of other places. The land is very well irrigated, it might have some bushes and so on now, but it is well drained too, because they were GUYSUCO's land. But they are permanently abandoned lands, if you put it that way, the very important officials from

GUYSUCO, I forgot his name now, have indicated as much. Why hold on to them when you see that rice is going to pay big profits these days, give the people that is the agrarian reform we want. Let me just quote from a book and hope you do not start cussing up the book that is what has happened to India upon agrarian reform and what was the reform? The reform was giving land to small farmers and it can do much to reduce poverty...it is a people's world - alternatives to economic globalization and it is by John Madley and this is what it says:

*Dividing large farms into smaller units often means more food per hectare.*

In El Salvador, for example a ten percent rise in land ownership has boosted income per person by four percent and this is what happened in India, the States where poverty have fallen the fastest are those that have implemented land reform. Most strikingly in China, they shift from large farms to small holdings; from seventy-seven to eighty-five witnessed an unprecedented rise in farm output enabling millions to escape from poverty. This is important you need small farmers to become small entrepreneurs, but you want them not to have what is called this sense of independence. It comes out that I am right, when I said so - the control - because when small farmers attain big profits and they become independent in their pockets and when they become independent in their

pockets, they become independent in their heads and that is what all of you are afraid of over there. When you become independent in the mind, you can probably then say, I do not want to hear what you have to say. So we need as much of that so that our ordinary farmers can become farmers that could manage to know the world of business out there; could understand what they have to produce for where and how they must have the best husbandry.

There is need also for tax credits on agricultural exports. We got the rice and we are doing some big levy on rice, I cannot remember the figure of six percent - whatever it is. We have to start stopping that, bringing that to a halt. At this moment - right now - immediately, we should bring a halt to these exports ... [*Interruption: 'What it is used for?'*]... It is useful, maybe sending you and some other people on holiday sometime because the trouble is that when you asked what they have been used for, you are not having it. The information is not there as to what a huge amount that comes from rice, where it is going? Have you ever gotten a report here about the rice levy? No, we have not, but do you know where it is going? That is what we have from a big economist. I am also urging and I must indicate that this is very important; we have to have lots more feeder-farm roads. They always use to talk about that when they were in Opposition. I

remember Dr. Jagan talking about feeder-farm roads and water way systems that are going to ensure that the product or the milk or where so ever it comes from those large ranches do come at what is called not very expensive transportation cost. *[Interruption: 'Khemraj, the economist.']* I will try, but as an economist you are way outside too. I must say that you are simply not understanding what is called ... *[Interruption: 'A radar.']* Yes, he is not even on the radar, but if you were to ask the same economist how much was spent on feeder-farm roads to market roads and water ways systems, he would not even know. What we see happening is spending in relation to agriculture on what is called large ... *[Interruption: 1:40:16] ...well please do, because I am not getting it or probably I am getting it wrong]* There must also be what is called technical assistance. You see, I want to make mention of this; when we go back to this Motion they are saying that they would like all stakeholders to support them. We must all act together, that was one of the openings, now when you start indicating some of the things that should be done like micro-financing that I am mentioning - Oh, we get that done already. When you take about drainage and irrigation - we get that done already. When we talk about drainage and irrigation - Oh, we get that done already. I am now mentioning processing plants and plants and technical assistance - oh, we get that already. So what do you want us to talk about? We

should shut up. That is exactly what they want and they come here for us to support this thing and when you are trying to at least ...you are out of your league. So these are the guys that know everything, but they come to Parliament with a Motion. *[Interruption: That is why we are in Government.]* I was in Government once. Yes, I was over there. My dear, if you are going to keep that attitude we are not going to go anywhere. You want us to help support you on the Motion; you are trying your best not to get some support and what you do? You laugh it off. That is what is going to take all of you out of Government soon, but just for the record and to complete what I want to say, we have to have also processing plants. If the entrepreneurs are not there, then the government must at least make an intervention to have these plants so that we can have our meats, fruits or milk at least processed for local consumption and regional consumption. Yes, that is the attitude - lovely attitude. I am also saying that what we have heard after consulting with some agricultural experts in the Corentyne and especially Essequibo is that they are asking for some duty free on all agricultural spare parts and they must be at least a taking out from chemicals and fertilizers of these duty free and make those a lot cheaper. Agricultural inputs also and in any event we want specialized institutions within the Ministry of Agriculture that can do marketing. These are important points that I wish to bring to this National

Assembly. Indeed I am no agricultural expert, but all of them will get up and talk like if they are agricultural experts, all of them and that is why as Mr. Vieira mentioned just now as compared the figures in relation to other crops all have dropped so drastically. That is the kind of information we are not going to get, but at least we managed to get it from Mr. Vieira, but why you did not say that, why did Mr. Manzoor Nadir not say that that this information as of 2000 compared to now it is not there. No, we are not going to have that. I want to just conclude, we all have a role to play and we must all in our little way, because this is a big country for a very small population can make it happened. I am urging that they be this genuinely consultative process not like when Mr. Robert Persaud just go up and say that he is praising the AFC for that, it had that hollow ring about it. Let us genuinely and authentically come to the realization that we have to work together on these issues.

Mr. Speaker, yes, indeed with the Amendments we support the Motion and I am hoping that whatever little seeds that we have shared here in this debate by virtue of those eight points that I have raised that the Honourable Minister is going to ensure that they are implemented. Thank you very much.

*[Applause]*

**The Speaker:** Thank you Honourable Member

The Honourable Prime Minister and Minister of Public Works and Communications

**Hon. Samuel AA Hinds:** Mr. Speaker, Honourable Members, I rise to add my support to the Motion moved by my Honourable colleague, the Minister of Agriculture. Our world and the peoples of the world have come upon more difficult times, harder times, and even leaner times after centuries of the unquestioned burning of fossil fuels to produce the energy, which is an essential basis for the more productive; more comfortable life of the developed countries. Questions have arisen about the sustainability of the developed country lifestyle, which we in the developing country strive for. All the people of the world must contemplate that more thoughtful; more careful; even more costly living lies before us as been said before even during this debate this afternoon, the era of cheap food and cheap fuel and cheap energy is over. We will need to work harder, smarter, even more cooperatively; more harmoniously for what we need. All the people of the world must adjust to this new realization that if global warming and climate change with the rising incidents of extreme weather and the uncertainty in agriculture are to be avoided we stop increasing the concentration of carbon dioxide and other green house gases in the atmosphere. Not only must we stop increasing, but we need to reduce it from the level that it has reached. We can no longer burn fossil fuel, putting carbon dioxide and other gases into the



atmosphere; thinking that the atmosphere will look after itself. At the same time, the people of the world must adjust to the concern about the world's reserve of crude oil from which we derive petroleum base fuel; which is the most convenient fuel for use in vehicles. There are arguments - there are some who argued that we have reached the peak in extracting and consuming petroleum. Petroleum is important not only for fuel, but it is important for a number of other chemicals; it was starting point for criticising a number of chemicals and materials. So the world has come upon higher oil prices; higher food prices and we must respond and adjust. We in Guyana must response and adjust too; respond and adjust in ways which do not make our situation worse. We are into era of higher prices for energy and while it may be natural to protest this adverse change we have to get beyond the protesting and we have to get down by putting our heads together and working our way around through this problem. We need in Guyana a national discussion; a national education through a national debate of the change, which is upon us and how we could respond; how we should respond to the new opportunities that we can recognize at how we should take advantage of those opportunities. So this debate today, we think is aimed not only at us here, but it is aimed at bringing it to the attention of every one of our citizens, so that hopefully they too can pick up the debate; understand where we are; understand the need for change and understand that these difficulties are not from the Government's

making and they are not to the Government's liking. But we in the Government recognize that we must lead the way in responding and we have been leading as would like to talk about mainly with respect to energy and the electricity sector for which I carry responsibility.

When we meet changes such as this one where prices are increasing and they seem to be reduction in the supply of materials, food and fuel. We must think again maybe foregoing some activities altogether, using available alternatives and substitutes which may be cheaper and we have to be more thoughtful; more careful; frugal; I remember a term *guy-frugal* from some time ago. We have to look for more efficient means; we have to conserve particularly energy and electricity and we must realise that we have to come to terms with this change fully. We can have transitional arrangements and we in the Government have been looking and implementing a number of transitional arrangements, which cushion the immediate impact. We have also been aware and alive to the issue that there may be people who many not be well off before the change and who would be in even more difficult situation after this change, the increase prices of food; fuel; energy and electricity. So we also look to ways to provide a safety net to those who are in more difficult circumstances than before. Someone who is of my age could remember in the 1970s when there were the first oil shops and the

many policies and campaigns that were embarked upon to encourage changing in lifestyles. For example, there was much talk then and we need to get talking again and encouraging people to walk; ride a bicycle; rather than driving a car. We have to talk about reducing speeds so that one may get more miles per gallon in vehicles. We maybe have to talk again whether we should mandate smaller engine motor vehicles; whether we should take steps to discourage larger vehicles, maybe moving around Georgetown these days one may not need something more than 1100 cc; all those sort of things we have to think about and start talking about them. Foregoing; doing without; conserving; using alternatives substitutes, those are immediate steps and very important steps, which we should consider and take in that they reduce the demand and therefore they have a good impact on prices with the reduce demand prices if anything the further increase in prices would be slowed and they may even turn back particularly in the question of steady dollars. This is what some people say occurred after the first oil shocks. We could recall that they were significant increases in the improvement in the design of engines in vehicles, increases in the miles per gallon and I can remember even the USA mandating increases towards thirty miles per gallon for fleets of vehicles and so on. They were very much resisted even by the manufactures of the American cars saying it was not possible or feasible, but in time it did happened. Some people say that the reduction in price of petroleum or at least the

reduction in consistent dollars which followed was caused to some extent by the increases in inefficiency that were engineered for vehicles, for many household appliances and so on. So this prospect is before us and we would have to consider it.

I would like to speak a bit to promote knowledgeable discussion in this House and throughout our country about some of the consideration with respect to fuel prices and electricity. It was sometime ago that the Government after studying and reviewing the Petro Caribe Agreement decided to sign on to it and it was about a year ago that we started taking petroleum supplies on the bases of the Petro Caribe Agreement. Our consumption of fuel in Guyana runs about 10,400 barrels per day and we have 5,000 about half of it - 5,200 barrels per day we could have on the soft financing terms of the Petro Caribe Agreement and the prices today and the prices today and the prices that have been existing for some time, the arrangement is that half of it is paid in cash at this time and the other half is paid by a soft loan over some twenty-three years for which the Government provides promissory notes to the exporting petroleum company in Venezuela. This is turning out to be very useful to us in that it helps in reducing foreign exchange demand and so helps to maintain the stability of our Guyana dollar and also it provides cash reserve there that is available to help in various places. I

have mentioned in particular that that fund is providing cash for a number of projects to improve operation of GPL.

I can mention here too, that to cushion the effect of the raising the prices at the pump as number of speakers had said before me, Government finally took the step of zero rating the excise tax on diesel and reducing the excise tax on gasoline all the way down to seven percent. Again, we did this consciously, even though excise tax from fuel provides a significant revenue stream to the Treasury. We did this because we wanted to minimize the impact on all our work places, diesel fuels in all our work places; all our workers - be they fishermen, farmers, timber operators, truckers, miners it is diesel that fuels their operation. We consciously set the excise tax to zero not only to minimize the price they see at the gas station, but also hoping that they would be heartened by this step that Government has taken so that they could maintain production.

One of the things that one has to certainly do when he gets into harder times is that he has to keep on working and we want our people to keep on working. It is the only way that we can get around and get by this challenge that we face, but the increase in fuel prices is posing a huge challenge for our electricity utilities and in terms of water also for GWI.

In the case of GPL, when they made up the 2008 budget, diesel was projected to be available at US \$120 per barrel CIF. HFO was projected at US \$84 per barrel and even with those numbers, the cost of fuel for GPL would have been G \$17.5 billion out of a total cost of operation of G \$ 24 billion. As it is today, recently in last weeks diesel has risen from US \$120 a barrel to US \$172, indeed it had reached US \$178 and it has come down slightly. Heavy fuel oil is in the range of US \$100 to US \$105 per barrel and as a result of the increased prices for diesel and HFO; the fuel bill for GPL is projected now that it will increase from G \$17.5 billion to G \$24 billion. And so we had the Chairman of the Board of GPL raising the question as to how this gap; this additional \$5.5 or \$6.5 billion how is it going to be filled. That is a challenge for all of us, that is not a challenge for GPL per se; that is a challenge all of us consumers of electricity who receive electricity from GPL.

I am now hearing comments from my Honourable friend over on the other side, I notice a Notice on VCT Channel 28 sometime ago and I smiled and I wondered if we can take the same action in GPL and anywhere else, but it said that owing to the increase in prices of fuel, we apologise that we will close shop at eleven o'clock at night and we will open up back at six o'clock in the morning and I thought it was very reasonable. It was one of the kind of economic measures that one has to take, but I think it

illustrates this issue the increased oil prices is a real one and a significant one and it meets all of us and we have to find some way to meet the additional monies required. As the Chairman of the Board of GPL put forward one could run the business on the monies available, limit the amount of electricity that is provided and supplied and one could look towards the Treasury supporting GPL.

Now I see the Honourable Minister of Finance is looking at me and he is hoping that I do not say some words like *subsidies* and he is also hoping that I do not make his life difficult, if not impossible to make ends meet in the budget. This is a question we are attending to at this time; we do and would welcome ideas and thoughts as to how this can be met.

Let me say too in the case of GPL and in all we do, we must look for cheaper substitutes and what we can do more cheaply and in the case of GPL we did make reference to the difference to the prices of the two fuels at which time the cost of generation alone with diesel runs at about G\$ 65 per kilowatt per hour and this is generation alone, while heavy fuel oil runs at about G\$40 per kilowatt per hour. So there is an obvious advantage if one can shift from diesel to heavy fuel oil and this is one of the programmes that has been undertaken at GPL and has been initiated. In particular, at the beginning of the year, GPL had been budgeting that sixty-two percent of its electricity would

come from HFO, but during the year they have been managing to get up to sixty-nine percent and there is a number of projects in place, conversions and rehabilitations at the cane fields stations and the new generating station that is planned to be in service by the middle of next year, when those things come on stream, GPL would have moved its production and generation of electricity to a ninety-five percent of more on HFO. And so in terms of the cost of the fuel, it would be on to a lower cost fuel. I would like to just flag again that for the medium to the long term, we have been working for sometime to realise one of the long held dreams in Guyana to have a significant hydropower station and I can say that at this time Sight Global a well known financing and developing company has been visiting and working in Guyana to advance development of the Amaila site. I can report that the request for its EPC bids for building the hydropower station and supplying all that goes with it as one bid and the bid constructing the transmission line, those requests for bids are going out just about now, so that by September there would be firm prices for construction; there would be firm capital figures and this would provide a basis for a final negotiation about the prices at which electricity would be made available once this power station goes ahead. It remains our hope that by the end of the year, there would be the breaking of the ground for the construction of the Amaila hydropower station.



I want enlist this House and all Members of this House to assist in the reform of electricity tariffs in Linden. I rather belief that you would have heard me speak, I am still waiting for an invitation to speak on VCT 28 and Channel 9; I have been speaking on those stations that are available to me about the situation that we the people of Guyana; the people in this House; the people of Linden, the situation in which we find our selves today. The situation is that over the years, the cost supporting and I am staying away from that word *subsidies*, I know that my Minister of Finance does not like that word, that word causes him problems, so I am going to say support. Our support of electricity prices in Linden has been growing steadily and rapidly, this is the general growth that we have been seeing over the last years:

In 2001 it was G\$ 847 million;

In 2005 it was G\$1,279 million;

In 2006 it was G\$1,669 million;

In 2007 it was \$1,742 million; and

In 2008, as we prepared the budget we struggled to cover the projected cost.

The cost of supporting electricity in Linden was then projected at G\$2,043 million; because the historical rates in Linden at this time only defray no more then ten percent of the cost of providing electricity. [*Interruption: 'When are you going to tell them.'*] I have said it on a number of occasions

already Madame. And with the price increases that took place during the year, it became clear by about April that this sum of money would be exhausted and so we were again at a position as what to do. Do we wait until the day that it is exhausted; now it looks like mid October and from then on we have no electricity; at least no supportive price in Linden or do we just charge full prices from mid October. We have put a proposal which we think is very reasonable; we have put a proposal which protects a quantity of electricity that people could live on at the existing prices and if it be that they need more they can have more and pay the equivalent price to GPL, which itself is subsidized supporting ten to twenty percent. So this is the proposal we put and we think that it is a most reasonable proposal, and we think that the Honourable Members of this House, particularly those who are from that area and who have some support in that area, we expect that they will join with us in helping to bring the people towards a more realistic expectations particularly in these difficult times that we are all in. That is why I always want my people to have realistic expectations. So just for the record, lets us say for the record the proposal that we have put is that residents, domestic households, they receive one hundred kilowatt hours a month at the same rate as today. If they are pensioners, they pay zero; if they are bauxite pensioners they pay zero and if they are householders they pay G\$5 on the first hundred

kilowatt hours. [*Interruption: 'For the Community of Linden.'*] Yes, we have here representatives from Linden and they can help to spread the word, I look to you to help spread the word.

Mr. Speaker, Honourable Members, let me speak also to what is being done to promote and encourage other sources of electrical energy. We know about begasse at the new Skeldon factory and we are continuing to or GPL is continuing to work at realising a private sector initiative of a wind farm at Hope Beach.

**The Speaker:** Your time is up Honourable Prime Minister

**Hon. Dr. Leslie S Ramsammy:** Mr. Speaker, I beg that the Honourable Prime Minister be given fifteen minutes to continue.

**Put and agreed to**

**The Speaker:** Proceed Honourable Member

**Hon. Samuel AA Hinds:** I would say too for the records here, Members would have recalled that as part of the un-served electrification programme, we have been working to test electrification in hinterland areas. I can say we have now completed the installation in four villages; of all the homes in those villages some three hundred and twenty altogether, where we have installed photo-voltaic sets that provides three lights and

a point for a radio or even perhaps a television. We also have programmes to measure wind and also to study the potential of development of small hydros on the Cheong River in the Kato Kurukubaru area. Recently, we have had a number of manufactures or manufacture's representatives approaching us, talking about their equipment and possibilities of using wood waste, logging waste and sawmill waste as a source of energy and we would do our best to facilitate and encourage these.

I would like to mention and to draw attention to what we can properly be called another Jadge's Initiative and that is the question of our standing forest. There has been the argument and this has been the position in Kyoto Agreement so far that standing forest which is considered to be mature forest is in a net balance situation. They are not contributing to the removal of CO<sub>2</sub> from the air and as such they have not been considered to attract revenue so far, but we have been arguing that they do form a store of carbon and in these days when there is more and more talk that power stations in the future would have to remove carbon dioxide from there exhaust gases, liquify it or something and store it in the ground, when there is more talk about that, it is evident that storage is an economic function also - it is an economic good also. So this sort of thinking is gaining more ground and we believe that it would not be long from now that mature forest also would attract revenues.

Mr. Speaker, Honourable Members, as seen in the papers as reported by the President at his press conference recently, we are urging CGX to get on with the search for petroleum and we are working with another company Ground Star so that they too can get going as early as possible in drilling in the Rupunini Takutu Basin area and giving another example where we are recognizing and taking advantage of the opportunities in this new situation of high energy prices. I can say that we have received and we have granted various permissions for a number of mining companies to resume the prospecting for uranium as to provide nuclear fuels or to provide nuclear fuels from the uranium that may be found in economic quantities in Guyana. So this is an example of new opportunities that would come with a changed situation and we are alive to and alert to these new opportunities, and we are encouraging them, and hopefully we will receive some benefit from them.

Mr. Speaker, Honourable Members, in closing let me again entreat all of us [*Interruption: 'Tell me later.'*] Tell you later - Okay, if you want to hear about Lethem, we have reviewed the situation in Lethem. You know that some five/six years ago, there has been a landslide at the side of the mountain there and you may know that there have been continuous movements, so we are looking at rehabilitating it in such a way that it could absorb some movement so it may be off for

forty-eight/ seventy-two hours per week. If it moves again, we will fix it up and get it going again; we are going for that solution. *[Interruption: What about the Lethem generator?]* The answer to that is that you have to go to Boa Vista and bring the power all the way from Boa Vista.

Mr. Speaker, Honourable Members, I have focused on one part and an important part of what we face in the world today. The issue that we could no longer assume that we can burn carbon fuels, fossil fuels and let the carbon dioxide, the exhaust gases just go up in the air like that. There may still be questions, but I think we must take a precautionary position that climate change is real and it is being propelled by the increasing level carbon dioxide in the air and we must take urgent action to reverse that trend. So I was trying to point there, we need to find ways of reducing carbon emissions; we have to find ways of reducing energy use and we have to find ways to live enjoyable lives or to enjoy our lives even with reduced energy consumption per person. I think the best thing we can do here and the best thing that can come out of this debate is that at the end of the debate we would feel that we can overcome and that we can work things out and that in the end everything can be made alright. I thank you. *[Applause]*

**The Speaker:** Thank you Honourable Prime Minister.

The Honourable Member Mr. Basil Williams

**Mr. Basil Williams:** If it pleases you, Mr. Speaker...

*[Interruption]*

**The Speaker:** Honourable Member Mr. Williams, just pause a minute please? *[Pause]*

Let me put a question to the House. Honourable Members, we are supposed to suspend at seven for half an hour so that you can have some moderate and mild refreshments and come back energised to continue the debate? As the debate was going so beautifully and so constructively and Members were paying such rapt attention, I thought I would allow you to go a bit further, but it just missed me before I called upon Mr. Williams to suggest. I would recommend that we have the suspension now, sorry to disappoint Honourable Member Mr. Basil Williams but if we have the suspension now we can resume at eight. Thank you.

**19:32H - SUSPENSION OF SITTING**

**20:15H - RESUMPTION OF SITTING**

**The Speaker:** Honourable Member Mr. Basil Williams.

**Mr. Basil Williams:** If it pleases you Mr. Speaker, Honourable Members of the House, a few years ago, I was participating in an arbitration in Dominica and there was a SILK, who was one of the arbitrators from BVI - British Virgin Islands and he was talking about resources he had in Canada, Miami, et cetera and I asked

him what was the cost of living like in the BVI and he gave me a response that have remained with me since then. He said, I would not know. That was his response. In other words, he was saying to me that his income was such that he did not know whether the cost of living was high or low to him he had purchasing power to buy whatever he needed. The reality is that would be a pipe dream for the workers in this country and equally wishful thinking was that statement by the Honourable Member Mr. Nadir, when he said about some other annual survey on wages and salaries. That the wages to the public servants was much better than the wages of the private sector and that there was a better standard of living for all Guyanese that are enjoyed right now in Guyana. That equally is a misnomer and a pipe dream, because the reality is workers and the unemployed they now have to buy a pound of mixed vegetables. Gone are the days when they could buy:

- A pound of cassava;
- A pound of eddo;
- A pound of plantain

Now they are buying a pound of mixed vegetables, in other words they prevail upon the vendor to cut a piece of plantain; cut a piece of cassava and then cut a piece of eddo. *[Laughter]* In addition to this wonderful picture painted by the Honourable Member Nadir, the reality is now ...*[Noisy Interruption]* I was telling the



Honourable Member on this side that whenever I have to speak it seems to galvanized the Members on the other side, but to also highlight the fallacy which inheres in the statement of the Honourable Member is that right now in the area of bread; the vendors of bread especially sliced-bread are no longer selling a bag of sliced bread, they are now disaggregating the bag as people are purchasing two slices and three slices of bread, no longer a loaf of sliced bread. That is the reality of the country. We may want to believe that this is something amusing, but this is serious business.

If I might respectfully refer you to the First RESOLVED Clause:

*That this National Assembly takes note of the  
Impact of Global Rising Food Prices on the  
cost of living in Guyana.*

Unfortunately, another misnomer; it is not the full truth or nothing but the truth; it is a half truth because it belies the fact that the workers of this country have been struggling with the cost of living since in or around 2000 to the present and that has nothing to do with global rising prices and it is important that we highlight this, because we do not want this Government in the limited time that it has in office to continue to perpetrate this mystic type of mismanagement of the country and so we need to highlight it.

And so my presentation I would begin and make this dichotomy between before VAT and after VAT.

Mr. Speaker, before VAT the cost of living in this country was something very, very, very difficult for the workers. The workers could not enjoy a decent living wage, so this cost of living thing did not start in second quarter of this year 2008 and the PNCR-1G had always been at the forefront indicating to this nation:

- What is a nation?
- What is a Government?

If it cannot guarantee to each and every citizen; to each and every worker a decent living wage. I might respectfully refer you to the almost sage like incite of the Honourable Member and Leader of the Opposition Mr. Corbin in his Fifteenth Bi-annual Delegates Congress address. And this was since June 2007 and we are talking about the cost of living because of rising and global prices in 2008. He says this Mr. Speaker:

*It is important to stress our commitment to the welfare of the working people.*

He continued:

*In particular, our belief it is important of the rights and welfare of the small man, this is*

*something of the past for this present  
administration.*

He continued:

*Trade Unions must once again be given their  
rightful place in the development of our  
political and social order.*

Since then he presaged what is happening now. He continued:

*The battle must be to remove the tremendous  
burdens of the incorrect application of Value  
Added Tax on the people.*

Since then June 2007, he was talking about the incorrect application of Value Added Tax that was proposed. He continued on the economy:

*We have an unemployment over thirty-six  
percent; we have had several years of  
economic decline.*

We are talking about costing of living all the time; high cost of living; prohibited cost of living. We lag behind the rest of Latin America and Caribbean:

- In growth;
- In Investment;

- In Employment creation and as a result we are now numbered among the fifteen basket cases in the world.

Since 2007, we told you this and we go even beyond that one year again it finishes. The reality comrades is that the PNCR-1G have a duty to regain office, if only to put our economy on the path to self-sustain growth. The working people suffering under the hammer blow of the VAT tax and the young people trying desperately to leave Guyana deserve no less.

So Mr. Speaker, the PNCR-1G have always been in the forefront to guarantee to the Guyanese people a decent living wage and a beautiful standard of living in this country.

*[Applause]* But what do we have; imposition of wages on the workers at a rate that was always below the rate of inflation? In other words, this government have been confirming the Guyanese worker and the Guyanese people into poverty.

Then you have to deal with the taxation system which considerably reduces the disposable income, if that happened before VAT; let us now go to after VAT.

After VAT, the situation is no less then nightmarish and PNCR-1G have always consistently fixed VAT with this responsibility and the cause for the steep increases in prices, not global rising prices? Now the Government under pressure decided that they were going to give nine percent to the

workers and if you thought that was some significant increase that could have impacted real living conditions it was that because the rate of inflation was not thirteen percent that was stated. The rate of inflation for the last year was thirty-two percent and when you said you were making interventions and you were giving some additional five-percent that again was too .....[11:25] , because fourteen percent in wage increase has no relation to the inflation rate of thirty-two percent - none whatsoever. [*Interruption: 'What inflation are you talking about?'*] What inflation? You are going to get the VAT pestle.

And then the raising of the income tax threshold, what did that do? Did that increase disposable income? What did it do? Nothing, but you maintain the tax regime of thirty-three and one-third percent. What did you do? And then you have VAT now impacting at sixteen percent - Mr. VAT. So what we were having as I said before, is the most heavily taxed country in this region And then we have this, there were no increases in allowances for public service for the past decade and when we made that fact known, after ten years, now you are making allowances for public servants; they suddenly run and get some package worked out with the GTU and even the GTU complaining now, because last night I saw the President of the GTU on television threatening to take strike action; because it

transpires that this so-called package that the GTU got was usury, because the teachers are obviously not benefiting from it. And so that was the situation in which the workers in this country are faced. They have always been battling with the cost of living and they have always been paid well below the rate of inflation. The PNCR-1G as I said has consistently been in vain against VAT - the high incidence of VAT of sixteen percent and has always attributed the state of the workers of this country and the high cost of living and to the mismanagement of this Government.

Let me do a little diversion to reinforce the point that this is nothing new high cost of living in Guyana is not nothing new - but it has always been here within the last decade; it has always been with the workers. If I might respectfully refer you, Mr. Speaker and Honourable Members of the House, to the PNCR-IG press statement of 23 August 2007, under the Caption: The Crippling Effect of the Unconscionable Sixteen Percent VAT and I must say that I am proud of this party of ours, because when you look, you see this consistency - the consistent trend - No I am impressed with them, because when I did my research, I was hoping to find what exactly what I have here. The PNCR-1G will continue its campaign against the continued imposition of unconscionable sixteen percent VAT and the seeming unconcern of the Government over the

many calls to review this and it continues. The PPP/C Administration must deal resolutely and condignly with all of those business men who are now profiteering by exploiting the existence of VAT as an excuse for unjustifiably increasing prices even on the items which are zero-rated and I wish to read back these words, Mr. Speaker, *unjustifiably increasing prices even on the items which are zero-rated*, but I do not know what is global about this. Where is this global aspect of this? In fact the saying is true, so there is nothing with this; this is clear mismanagement that has been exhibited here.

Let us continue, that was in August and so let me refer to the September 13 Press statement - the Economy - the PNCR-1G wishes to state that the cost of living continues to rise and as a consequence causes great hardship to the citizens of the Republic – this is September 2007, Honourable Members, we have been consistently warning this Government; beseeching this Government; imploring on this Government to adopt proper governance measures so as to reduce the plight of the workers.

The rising cost of living is shrinking disposable income and a significant number of persons are finding it difficult to make ends meet. Now since then and you cannot doubt me that now in 2008 when you have the additional impact of the global rising prices that people are disaggregating a loaf of sliced

bread and selling it a piece of two pieces at the time and to show the consistency of this great party of ours it continues: *the main reason for the rising cost of living today and the economic burdens of the Guyanese people is the sixteen percent Value Added Tax.* The tax must be reduced in order that the Guyanese people might enjoy some measure of relief. Of course, the rising cost of living as a consequence of the VAT Tax is a reflection of continued mismanagement of the economy by this Government. You see the consistency of the People's National Congress Reform – One Guyana; this First RESOLVED Clause does not reflect the true state of affairs in relation to the cost of living and the impact of the cost of living on the Guyanese worker and the Guyanese people.

Now that was in 2007, now we are in the first month of the New Year - January 2008, we are dealing with local rising prices; we have not gone to global as yet. In this press statement of 18 January, 2008 - Cost of Living with each passing day; each week; each month, evidence emerges that is clear and persuasive which suggests that the cost of living in Guyana continues to increase dramatically. Even and you will ask for source; even the Government Statistically Bureau recently admitted that inflation was reaching alarming levels. This is January 2008.



I am so impressed with this consistency, And so I skip November to give you a little rest, but as you keep harping on it, let us talk about our November press statement 2007; captioned: *The Nine Percent Must Be an Interim award*. Is it not arrogance for a government which is raking in billions dollars on the backs of the Guyanese workers through VAT to declare that even though the official rate of inflation stands thirteen percent it could only arbitrary offer public servants and other government workers a nine percent across-the-board increase for 2007.

The PNCR-IG believes that this nine percent should be seen as an interim payout and causing the Government to restore the collective bargaining mechanism it inherited and open negotiations in good faith with the PSU and other Trade Unions.

Mr. Speaker, the evidence is overwhelming that the cost of living in this county had been impacted heavily for many years, because of the mismanagement of this economy and naturally the introduction of Value Added Tax at the rate of sixteen percent despite repeated protestation for that to be a least be half. When we talk about cost of living, perhaps it is illustrated that one has recourse to the basket of goods, because the basket of goods it never fails and when you see someone was talking earlier about a pound of flour; a pound

of rice being thirteen cents or whatever. We are looking at figures here between 2006; 2007 to present and flour increased dramatically from 2006 to present. Cheese at the time of this press statement was \$1,000; you know it is Mr. Cheese now, it has gone up. No longer for the ordinary worker go to anywhere in any store and feel that they can buy a pound of cheese, all of them now are mathematical geniuses; half pound; quarter pound; five-eighths; three-quarter.

When you put some vegetables and you put some callaloo; you put rice flour in that basket. *[Interruption: 'Rice flour!']* Oh, in the English language is a terrible thing, but really and truly if I were writing you, I would have seen comma after rice. *[Laughter]* When you talk about butter which is a luxury; garlic; onions but do not even worry about chicken and beef, those are big names.

What are we going to do with this, I go to the supermarket every week for force [23:14], when you finished with that basket you still have to take it home; you have to get transportation and then you have to cook it and then you come again with Sir Gas - Sir Gas or Boss Kerosene oil. I do not have to tell you about those prices. Now how could the workers of this country on those imposed wages given to them by this Government sustain themselves on that kind of income that is well below the rate of inflation? So this question of

cost of living increasing is not now a new phenomenon. What is appalling or what is frightening is having had to deal with it over the past ten years we now have Global Rising Prices as though it is imperative, because if you forget the past, you could then repeat it that we let this government know that they have to deal differentially now, because we have this imported aspect of rising prices, and so let us deal with that.

I must confessed that I had expected the Honourable Member, Minister of Agriculture Mr. Robert Persaud to have come to this Honourable House with some comprehensive package as to how we would deal with these new challenges that global rising prices present. Perhaps we all could look and make an assessment as to whether the Honourable Member's presentation relieves us; makes us feel easy and that we are in capable hands and that our future is assured in the light of these challenges.

In the second quarter of this year: Global Rising Prices started to impact and there is no excuse because the last such rise in global prices was in 1974 and 1975. Nobody can say that they always had global rising prices. Global rising prices since 1974 and 1975 have only now revisited the world; so let us deal with that. If I might refer you, Mr. Speaker and Honourable Members of the House today, 19 May 2008

Edition of Newsweek in the special report from Page 16 and continuing. These are the challenges that have been outlined:

The rate is now on to closed markets. Surplus rice growers including India; Vietnam; Thailand and Cambodia have imposed new export restrictions to curb inflation at home, leaving the Philippines; Indonesia and other neighbouring importers to scramble so we are dealing with closing markets. It is a starve-thy-neighbour policy that is sure to raise global prices and worsen the prices. For decades the American and the European Union have lavishly underwritten agri-business. So that is the second point. The question of subsidising agriculture, subsidies total two hundred and eighty-three billions in OECD nations last year while keeping domestic prices artificially high. That created a vast problem of over production which rich countries solved by dumping the excess on world markets which until recently was driving prices down.

Let us come to NAFTA - Mexico is a prime example. After NAFTA came into effect in 1993, subsidised US currency flooded the Mexican markets slashing local current. prices by seventy percent within several years. The same dynamic have sent cheap European sugar to Africa and cheap US rice to the Caribbean. So, those are your challenges Honourable Minister of Agriculture, all the while the EU and the United States

retain high tariff walls to keep out developing world competition in many cases. So you see these are the challenges we are faced with now in Guyana, to protect our industries; to maximize our exports and at the same time find ways in competing with subsidized commodities on the world market. I was hoping that you would have addressed those things Honourable Minister of Agriculture. Of course, it is not only the rich countries that are at fault. That is what we are coming to not only the rich countries are at fault.

Governments of the developed world have their own trade distorting policies and they have made mistakes that choked supply. They have allowed irrigation systems to break down. That sounds familiar Honourable Member and Minister of Agriculture and the public agriculture spending has fallen and irreplaceable rice land has had to be grabbed. So that is what is going on now in Guyana - grabbing of rice land, so let us hope that that does not become endemic and that good sense prevails. But these are the challenges that we would have hoped the Honourable Minister of Agriculture would have come to this Honourable House and enlighten us about and the way in which we are going to compete in this global environment where big countries imposed subsidies but we cannot and then they dump produce and commodities into our markets and we cannot establish tariffs and other walls to keep them out.

Mr. Speaker, these are the challenges that Guyana face and the Guyanese people, so it is not just a question of coming to this Honourable House and saying look we want you PNCR-1G to sign on with us that global rising prices really is the cause of the high cost of living in Guyana. No, that is not true; so the question is are the much wanted interventions mentioned earlier sufficient to meet those challenges and how are we preparing our people for these challenges.

We note the interventions that have been made to date, but we cannot support the same without more, because these interventions are hopelessly inadequate and the Honourable Member Mr. Murray have touched on the inadequacy of what has been done in relations to such interventions.

*[Interruption]*

**The Speaker:** Your time is up Honourable Member.

**Mrs. Clarissa S Reihl:** Mr. Speaker, I rise to ask that the Honourable Member be given five minutes to conclude his presentation.

**Put and agreed to.**

**The Speaker:** Yes, continue Honourable Member.

**Mr. Basil Williams:** Thank you Mr. Speaker. Because these interventions are hopelessly inadequate to enable workers to

combat the scourge of VAT. I note that in the Third RESOLVED Clause, an attempt is made to get political opposition parties support via a back door route and the Fourth RESOLVED Clause is somewhat typical of the approach of this Government wherein they tend to want to put cart before the horse. In other words, what should have been done first they tend to be done last. They are now trying or signalling or hinting or essaying that they want to bring the Parliamentary political opposition parties in play, because they are saying in the Fifth RESOLVED Clause that it is a national effort. When something as grave as this resort should have been had to Article 13 that is: this participatory democracy of ours and immediately the major political party in Guyana should have been taken on-board. You can not want to run with this alone looking for glory and then when it suits you; you come and then tag on the People's National Congress Reform-One Guyana and the other Parliamentary opposition parties. We should have been in the process *ab initio* and that would have confirm the bona fides is of this Government that they are really and truly intent to have inclusionary democracy and effective participation of all Guyanese in the process of dealing with these rising global prices.

Mr. Speaker, our position is that we would be very hard-pressed in the PNCR-1G to support this Motion as it now stands. We are attracted to the idea of the Government making a demarche in the stakeholders firm where we have all the major stakeholders. That body have already been constituted and really and truly they ought to withdraw this Motion and restart the process to have everybody on board so that we could have a holistic approach to deal with these global rising prices and the deadly effects that they are having on the population of this country and the workers of this country. Thank you very much, Mr. Speaker. *[Applause]*

**The Speaker:** Thank you very much Honourable Member

The Honourable Member Mr. Norman Whittaker

**Mr. Norman A Whittaker:** Mr. Speaker, Honourable Members of the House, it was heartening for me to hear this evening the PNCR-1G in the form of Mr. Winston Murray, a gentlemen who I have high regards for, very early in the debate acknowledged the fact that rising global price increases - food price increases - are the subject matter of the Motion before this House have their root cause in extraneous factors over which our Government have no control.

In fact, when I heard this I said myself the truth will set these people free even if spoken infrequently. And so I was about



to deduce that this perception; this non-sequitur in the minds of the Opposition, which often sees them blaming the Government for anything and everything that appears to them not to be going right, I felt that this had been removed.

I look forward to them debating the measures that we are taking as a Government and plan to implement for the further to cushion the impact of global food prices increases.

I look forward to them making suggestions on the way the measures that we have put forward can be strengthened, probably extended, improved and even perhaps and offer alternative measures, but alas up came the Honourable Member Mr. Basil Williams and he would have us believe that Mr. Murray was wrong and the Government was wrong. That is not those points raised in the Motion in Paragraph (1) and Mr. Murray spoke a few minutes on it; it is not the four factors adumbrated in the first paragraph of this Motion. He would have us believe that it is Mr. VAT, I know that the Honourable Minister of Finance would deal with that, but he goes further and I found it very satirical; very laughable when he said that you know what, the workers are suffering and the PNCR-1G has always been at the forefront of the fight to give workers a living wage. I found that very, very amusing. I recall when the PNC froze workers wages and consequently eroded living standards. *[Applause]* What nexus is that

between this love of workers and wanting to improve their living standards and freezing of wages?

I recall also when one had to present party cards to get food and a job. This is true. You had to do that and if that is part of loving people, then I do not want to be right.

I recall also since 1993 to now, we have increased workers wages by approximately eight hundred percent.

So what is the Honourable Member talking about? I enjoyed that session and I want him to know that. In addition my friends, we were subjected to harangues about government's interventions and responses being miniscule and half-hearted and inadequate, but these interventions are determined not only by what is required, but what is affordable - that is an operative word - remember that, what is affordable. We have competing uses for resources; there are lots of other things that we have to deal with. Perhaps if you were not so passive in your reaction to the crime situation and active in some cases, we would have more resources to address this matter.

*[Applause]*

Now that the causes of the global food price increases have been established, they have been acknowledged by no less a person than Mr. Murray. Mr. Speaker, Honourable Members, let us examine these measures that this government - our government - has been putting in place to cushion the impact if rising food prices and forgive me if you find that I focus

mostly on the hinterland areas, because lots of the speakers have been looking at the macro aspects of things.

The truth is that the efforts of this PPP/C Government to address the challenges of global price increases have been recognized and commended by many not only locally but internationally.

More recently at the CARICOM level, we hosted a Regional Agricultural Investment Forum right here in Guyana and I hope that some of you were present to discuss these issues. We recognized very early, in fact since early 2007, the possible devastating effects on supply and affordability of food, rising prices would have and so we began confronting the challenges on the ground; in the fields; in the villages; in the towns not on the streets, sorry, in the market places, in the Ministries and here in the Parliament.

Mr. Speaker, in the hinterland our government have recognized very early that agriculture and interior life is the heart of the Amerindian experience. It provides them with food; it provides many of them with employment and so the Government of Guyana concerned that rising oil prices inter alia will make farming more expensive if not addressed.

What did we seek to do?

Rather than stamp our feet on the streets and complain, we decided that we will use the experience of rising food prices to spark an agricultural revolution in our hinterland. Indeed, Mr.

Williams, we would prefer that our friends in the Opposition and that includes you Sir, support the Stamp-It-Out Campaign rather than stamp on the streets about food prices.

You may wish to learn that many of your supporters in the interior and I understand that you do not have that large number are being active in support of the measures in the many consultations that we are having and they are supporting the measures. *[Applause]*

Mr. Speaker, our people in the hinterland have been benefiting from all the several interventions of our Government to address global price increases. *[Interruption: 'Tell us about Yarakita.']* All of that you will get, take time. Several thousand residents, mostly Amerindians, but they are teachers; they are health workers; they are public servants and so they will benefit from the increase in the disposable income; the increase in the salaries; the cost of living adjustments, even some of our hinterland Parliamentarians, Mr. Fernandes, myself and others, we have all benefited. Thousands in the hinterland have benefited from the zero rating of essential food items and agricultural inputs. Two hundred-million to minimize in the increase in the price of flour – we have benefited and I know my friend will say oh, the Amerindians mostly eat cassava. My friend in this new dispensation we have hundreds flocking to the hinterland in our eco-tourism drive. We have lots of urban settlers heading to the

hinterland, the miners, the pork-knockers, they are all benefiting. Mind you, listen carefully; we are not saying that these measures, that these interventions will eliminate immediately the effects of rising foods prices. We are not saying that, listen carefully. These measures have served to cushion the impact and allowed for food to be available to all Guyanese including us in this Assembly and at affordable prices. Some will say, like you said that the interventions are not adequate. Increase in disposable income; zero rating is not adequate, hence this is where our Grow More Food Campaign comes in aimed at getting agricultural production and productivity expended and diversified.

Somebody mentioned earlier (I think it is the Honourable Member Mr. Vieira) about the decline in production of ground provision and a few other things, but I want you to understand from the very inception that if you go into the hinterland and go looking for the kind of agriculture that you would have read about or heard about in the 1950s, 1960s, 1970s you will not find that. Agriculture has changed its form in the Hinterland. Thanks to our education; thanks to our extension services, the people have begun to diversify. So do not go looking for the Amerindian man just planting cassava, you will not find that. *[Applause]* We consulted; we want to encourage our people to plant on just about every available piece of land for we have one of the greatest assets in Guyana

- fertile land. [*Interruption: 'Tell Toney that.'*] That tells me that you are listening, I am happy. This is not the time for the blame game or protest. No one is going to eat by walking the streets. You are only wearing the soles of your shoes and boats. Help us to enhance food supply and thus stabilized the prices of locally grown agricultural produce.

My friends, in the hinterland the demands for eco-tourism; mining; influx of coastal settlers and Brazilians have made projects in the schools; have seen a rise in the demand for food, cassava, green vegetables and legumes. You know, Mr. Williams that our people are now producing those things, those things use to come on the steamer from Georgetown. The people are producing them right now.

I know that the Honourable Member, thoughts and mind is focused on Mabaruma, while the speaker, the Honourable Member Norman Whittaker is looking at all ten regions that make up Guyana. Mr. Speaker, we are hoping that our farmers in the hinterland to meet this rising demand for we believe that this is one way of strengthening communities there.

Mr. Speaker, permit me to briefly run through some of these interventions. Planting materials - our government through the Ministry of Agriculture, NARI, the Ministry of Amerindian Affairs has embarked on a programme of assistance with planting materials, which when fully

established will see our farmers reaping the kinds of benefits that until now were outside of our reach and beyond that our hinterland farmers especially those in the Pomeroun, in Region 1 Mr. Williams and Region 9 are learning to apply conventional farming techniques in innovative ways.

Our farmers are being trained in the conservation of cassava roots and are being assisted to acquire and propagate high yielding varieties of cassava and I will ask those members of the Opposition who are here to tell Mr. Veiera this. I am sure he will be happy, so that when he speaks about cassava production declining is because they are diversifying and getting into other areas, but at the same time there are also looking at high yielding varieties of cassava. There have been farm trials with these new varieties within communities and I want to tell you this that beyond this primary production stage, there has been increase production of by-products such as farine; cassava bread; tapioca; casereep, et cetera.

Partnerships - my friends, that is the next thing, our government encouraging farmers to be in partnerships. They have been encouraging the village councils to be in partnerships. Take for example NARI - NARI and an NGO from Brazil named Pronatura remember that - write it down Pronatura. [53:20] They have established an agro-forestry project in the North Rupununi with a focus on crops and green

vegetables, like lettuce and pakchoy and a number of villages have their five-acre plots in which you can see lettuce and pakchoy being produced.

I want to name just two or three like Surama; Rowatta and Masara , these are not in Asia or Africa. I am talking about the interior of Guyana. At the same time, we are not against the individual effort and so we have been encouraging that also with assistance from the Ministry of Agriculture, Ministry of Amerindian Affairs, the RDC of course. Cassava sticks were collected from the North Rupununi and transported to the South and Central Rupununi and South Pakaraima and you know what, the people welcome it. Even the Honourable Senior Bell that used to sit on your side of the House and has now seen the benefit on being on our side of the House, Regional Chairman of Region 8 was able to supplies for his village.

Livestock - the Honourable Member from the AFC mentioned about livestock and I know that my dear friend, Honourable Member Mrs. Sheila Holder was informed that a number of breeds of livestock - sheep and goat - have been introduced in the communities of South Central Rupununi. These animals are intended to be used to improve the animal genetic resources of the area and to provide farmers and inhabitants with an alternative source of meat. Beyond that while I was at



Annai, I am talking about what I saw with my naked eyes ...  
.....[55:37] These are just some of the interventions and  
what about the cashew and peanut industry?

8I want to come nearer to Region 1, where the Honourable  
Member, my dear friend, Mr. Desmond Fernandes lives,  
because there we have the Women's Group at Hosororo  
involved in the processing of peanut butter. We have the  
peanut butter project at Wauna. We have the peanut butter  
project in Santa Rosa. I just have to mention a few. I must  
leave the others for the Honourable Minister of Amerindian  
Affairs, when she makes her presentation, because there is so  
much more that we can mention Mr. Fernandes; Mr. Williams  
and other members of this House.

Acouchi ants control - this is a very important aspect of  
agricultural development, because failure to adequately  
address the acouchi ants problem could render the Ministry of  
Agriculture's intervention in crop and legume production in  
expedient and it could reduce the effects or the impact of what  
we are seeking to do. Control is necessary and I want the  
House to know that training of farmers; training of  
agricultural field assistants in the use of swing fog machines is  
being complemented with the use of acouchi bait produced by  
NARI to treat with the problem of acouchi ants control.

There are other interventions – drainage, the increase cross border surveillance with respect to foot and mouth, somebody mentioned that, all of these interventions are aimed at assisting our farmers to increase their production; improve their productivity and make food available to residents at affordable prices.

Mr. Speaker, the paradox of all of the efforts of Government is that the high prices made it attractive to invest in farming and creating the opportunity to make a decent living. But these efforts must be a national effort; we want it to be a national effort; an effort we must sustain. We must sustain these efforts and have continuous engagement with critical sectors and groups. In other words, there would not be any short-term solution. We need to produce as one writer said more of what we eat and eat more of what we produce. We cannot; we must not sit back and lament. My friends the Government of Guyana remains committed to ensuring that this global prices do not prevent any Guyanese from being able to access adequate food and at affordable prices. Join us as we work towards finding other ways of ensuring that that is what happens .

Mr. Speaker, the nature and extent of the interventions of our Government to address the issue of Global Food Prices increases are commendable. Commendable not because

Norman Whittaker says so, but because the thousands of Guyanese are farmers and other residence who have benefited directly or indirectly said so. We call on those who might be misguide who for whatever reason or motive would not miss the come on board that you have time to reflect. Reflect on what you heard this evening; speak with you conscience and support, have that conversation now and please support this Motion that is presented here this evening. Thank you.

*[Applause]*

**The Speaker:** Thank you Honourable Member

The Honourable Member Miss Jennifer Wade

**Miss Jennifer Wade:** Mr. Speaker, I rise to make my contribution on this very important day on cost of living that is before the House.

Mr. Speaker, our country is plunged into an era of crisis for food; crisis for survival among the other ills of society. We have reached a stage where angry citizens have to march the streets to display their dissatisfaction on this current situation. Region 5 is not exception. We have hundreds of angry farmers; we have farmers who are dissatisfied with the MMA/ADA System; farmers who depend on no other source but farming. The business of Region 5 is farming; farmers who depend on no other source to put the bread on their

tables. Linden Forbes Sampson Burnham that visionary hero saw what Guyana was likely to face when he introduced the GROW MORE FOOD Programme and established the MMA Scheme.

It was in the year 1985 with the birth of the MMA relief came to farmers of my region, who had to depend heavily on the rainfall for an autumn crop just to survive. With MMA into being, two crops were introduced - the autumn and the spring and these brought relief to farmers, but with the mismanagement of the drainage and irrigation system farmers suffered and they are still suffering, hence the small farmers are subletting their lands for survival.

Farmers are confused, farmers are frustrated and farmers are in deep depression. The farmers who are subletting their lands have no choice; there are small farmers with no machinery of their own. Under the PNCR Government, MMA had a system to assist small farmers, a system of agricultural bank; a system of machinery, such as tractors, combines, et cetera, to take care of the farmers in order for them to cultivate their lands.

The Government is shouting grow more food. How can we grow more food if we are not given a chance to do so? There is a serious land battle with MMA and farmers on a very

serious note. Honourable Minister, please find answers to the questions the farmers are asking.

Mr. Speaker, in the rice industry, how will farmers grow more food when the cost of:

- Fuel is \$1,070 per gallon;
- Fertilizer jumped from seven thousand to ten thousand per bag for the Euro;
- When the cost of TSP from \$8,000 to \$17,000 per bag;
- Labour from \$3,000 to \$4,000 per bag; not forgetting
- The Chemical;
- The spare parts.

Just to mentioned a few. The question is: how will small farmers survive? Mr. Minister, how will small farmers survive if they are not given the chance to do so? Self-sufficiency cannot cushion cost of living, if facilities are not in place to access the farm lands. Facilities such as:

- Dams;
- Kokers;
- Bridges; and most of all
- Proper management of the system.

I truly believe that Honourable Minister is not getting the right answer he seeks from the management of the MMA; he needs

to listen to the cries and the voices of the farmers of Region 5.

All they are saying is and I quote:

*Please Minister give us some more time to pay  
our dues.*

The answer is not repossession, but continuation to plant for survival. LFS Burnham with a vision introduced grow more food, he introduced the FCH, he said to Guyanese: *utilized, plant every square inch of land in order to produce food.*

Burnham with a vision predicted that Guyana could become a bread basket of the Caribbean, many laughed and mocked.

Today it is before us, all he was saying to us: plant and provide economically for your families.

Ithaca, Bath Settlement and those villages took up the challenges and they planted cash crops, provisions and they supplied the then GMC and residents of West Berbice through the Rosignol Market benefitted not only my Region but other Regions such as 6, 3 and 2

This is nothing new. What we need in Region 5, are the extension officers to be more vigilant; to be more visible; for the seeds that are distributed to get into all the areas - equal distribution.

What is worrying is that the Government is shouting Grow More Food and the same Government continues to withhold approval for a number of European United Funded Micro Projects. We have before us high cost of living and in my region there are groups still searching for answers. Ithaca Agricultural Land Development Association with our thirty cattle and rice farmers, they came together to develop six-hundred acres of land to increase their yields and earnings capacity in a very depressed community; requested ten-million from the EU but was given five.

In my Region also, in the Trafalgar Union Development Council, they proposed setting up a poultry rearing farm to bring relieve to the communities of No. 28, No. 29 and No. 30, because jobs are scarce and cost of living standard poor, the group requested \$7 million but granted \$5.3..

Mr. Speaker, stated in Sunday's Stabroek News 22 June Page 16 - the Programme Manager Mr. Jimmy Bhosedatt, stated that the project officer always ensure that all requirements were met by applicants before going any further. The EU stated the applicants met all their requirements; even as I speak, the groups are still searching for answers as to the delay in the implementation.

Mr. Speaker, 17 August 2008 is the deadline for the implementation of all projects and if the situation remains as it is, the money will most likely return to Europe. What message is the Government sending to Guyanese people, who are already suffering from this current cost of living? We need less talking and more action.

In conclusion, I would like to know if the Government of Guyana is serious with this Grow More Food Campaign. I do not think so. I want to say to the Government that the people of my region especially the farmers are working hard to keep their heads above the waters with all the changes and challenges; with all the ups and downs; with all the disappointments and frustration to cope with the cost of living. I hope the Government will review its plan of action and come up with solutions to seriously address the issues of farmers in my region.

In 2002, farmers had a serious financial problem, because of the poor drainage and irrigation system in the MMA. The Government brought the bankers into the region along with the farmers then they came up with a package, I say hats off to the Government, I love to give them where things are due.

Farmers have to pay X amount of dollars per crop for X time that was the way forward. Mr. Minister, I am glad that you



are in the House; I am saying please revisit the situation as it is in my region and come up with something similar that Government came up with in 2002. So that the farmers in my region could cope with this cost of living, I hope and pray that you will review it, come up with that plan of action that will bring solutions and to seriously address the issues of farmers of Region 5, who depend heavily on their lands for survival in order to alleviate poverty. Mr. Speaker, all we need is a comprehensive plan that will assist the farmers and ease the burdens that this high cost of living is causing. Thank you very much. *[Applause]*

**The Speaker:** Thank you Honourable Member.

The Honourable Minister of Transport and Hydraulics

**Hon. B H Robeson Benn:** Mr. Speaker, Honourable Members, I rise in support of the Motion and the efforts of the Honourable Minister Mr. Robert Persaud to bring to this House, the matter which regard to the Impact of Global Food Price Increases in Guyana. I thought that generally we would have all somehow come together with a fairly short debate and that we would with some accord accepted the position that the global food price increases are a resultant of factors which have arisen outside of Guyana and that no Guyanese person is responsible for this or the Government itself.

I am somewhat perplexed that we seemed to be vacillating on the issue somehow and there is some amount of, I think, mean-spiritedness in terms of arriving at a position on the matter in the House.

We are aware today and I think it has been expressed before, where over the last two years the price of oil itself has risen from \$32 per barrel to now \$139 per barrel. In fact today it has risen to US \$140 per barrel for August futures and I think Mr. Chakib Khelil, who the OPEC President targets prices of US \$150 to US \$170 by year-end and is projecting that it will not go beyond US \$200 per barrel. This may be pretty ambitious and the jury is still out on it. There is a number of things which internationally we have no direct control over. They are some issues which we still wrestle with and there are some challenges for us still as a young developing nation. We have had the ever present issue of poverty, which we have been working at, we have added to this issue over the last few years the issue of terrorism; both international and domestic. We have the very topical issue of climate change; global warming; oil prices which I referred to and the discussion we have now with respect to food security. These challenges, I think in some ways present to us opportunities in many ways and the efforts of Minister Robert Persaud, which follows on too on the efforts of his predecessor in office, Minister Sash

Sawh indicates an indefatigable effort to bring to the farmers; to bring to every Guyanese the need to increase food production and the Grow More Food Campaign, the latest version of this Grow More Food Campaign and the frequent discussions, seminars and efforts that have been undertaken in the press; in the media with respect to this campaign exemplified Government's efforts to improve livelihood in the rural communities, to make sure we have food security and to re-established the position that Guyana would be the regional food basket in this area.

That Guyana, the only country in the Caribbean, which exports a stable crop will continue to increase its food production; to increase the livelihood of its people and make a significant contribution at least regionally in the international effort to make sure that its food security in the world.

I would like to speak somewhat on issues regarding infrastructure and transport, because I want to point to the efforts which have been made over the years by the Government in those areas; and it may thought to be pre-science in some ways, because the efforts with regard to improving the roads nationally with respect to building bridges and I think we all would have to note and to celebrate this year essentially as a year of bridges - of building and accomplishing and finishing bridges, because we look forward

to the completion of the Berbice Bridge and the Takatu Bridge. We are considering the development of a new Demerara River crossing, but significantly this year, we are looking forward celebrating the establishment of new bridges with associated roads, particularly the New Amsterdam to Moleson Creek Road and the continuing developments in re-establishing the farm-to-market roads . We have redone the Mara Road, which has been in a decrepit state for many, many years and while the needs with respect to infrastructure throughout the country are still great there has been significant progress and improvement in infrastructure with respect to roads and bridges and this is having a tremendous impact in making more efficient of national production in agriculture in de-bottlenecking our infrastructure and in making our efforts more pa ..... [1:21] clear to all Guyanese.

In terms of air-transport we run the risk even while we have improved the air facilities, the infrastructure in terms of the airports and we have the new partnership being developed at the Ogle Airport, where we expect to have a regional hub [1:21] established.

We have had impacting now the issue of increase fuel prices resulting in increase fares. We have had a number of failures with respect to operators who have been bringing passengers to the country and though we have had success in terms of

having Caribbean Airlines re-established and we have had the advent of Delta Airlines, which is a significant operator internationally and now have Sky Service intending to start on 1 July, we are basically holding the line with respect to international arrivals and departures.

All of this is important, just now because we expect to be having CARIFESTA and it is important that we are ready and significant investment continues be made by the Government inclusive of putting monies aside with respect to improving our air navigation equipment.

I spoke about the issue with respect to improving land transport. I think the important thing overall why we improve the infrastructure itself is that we continue our work with developing our maintenance expertise, finding improved options with respect to the repairs and maintenance of our roads; the better utilization of our equipment; the finding of the best approaches for repairs of hinterland and rural roads.

One of the difficulties that we have had over the years with respect to the land transportation is that it appears that where we have single aspects with respect to moving from one part of the country to the other, it seems to be fairly easy for operators when there is one difficulty or the other to block roads and bridges and to make it difficult with respect to

continuing commerce and activity between different parts of the country.

The recent episode that we had at Linden by my information resulted in bailing out of a number of investors in Linden itself and I would suggest that we have a continuing situation where people are being misguided and misled into creating conditions to make Linden remain or become progressively backward and not to become a normal town, which is the second largest town in Guyana to become a normal town..

And so with respect to that particular matter, we would have to be looking to alternatives to make sure we do not have that kind of situation repeating itself over and over again and will be taking steps in respect to that matter.

In terms of the capacity issues on our roads the issue of larger vehicles of making improvements in the way we manage our vehicular streets for public transportation is an important one and one that we are still looking at, there are some countries which are looking at park and ride arrangements; having arrangements where people are not using private cars everyday, where you have express routes for cars which are filled and various other options with respect improving our public transportation arrangements.

The issue of water transport, the advent of the Berbice Bridge will create a situation where we have additional assets on the Berbice River and there is the intention as I said before during the Budget Debate to resume a river service on the Berbice River upstream of the bridge to try to regenerate agricultural production on the Berbice River.

We have already as I intermitted before to resume operations in the North West District and we are having a significant response with respect to bringing agricultural material out of the North West District into Georgetown. Our activities will have to continue to focus on safety and reliability of our service; improving the movement of freight and significantly for both the estuaries of the Essequibo and Demerara, where we have a particular difficulty, where we have been losing gr .....1:29:00] to improve dredging on the Demerara River.

There have been some discussions with the Shipping Association and some discussion with the operators of the fuel wharves to make sure that we do not get a position where continued lost of gr ...[1:29:24] on the Demerara River and on the Essequibo will impose too high a price for bringing or exporting goods in and out the country.

There have been some discussions in terms in returning maybe to some of the suggestions that they should be a return

of the reckless and irresponsible behaviour, which occurred in a previous time and under a previous administration and I maybe need only to warn and point to the current example of Mugabe and Zimbabwe, where we have inflation in terms of hundred of thousand of percent; where they are learning, a lot of mathematics - somebody thought about learning mathematics - and where they are counting the purchase of bread in quadrillions. And a quadrillion is a one followed by fifteen noughts and I would note that Mandela and Madigan himself came out today. Mr. Mandela came out today to warn about the progressive deterioration in Zimbabwe and to bring back some stability to that country.

So particularly I want to suggest that we do not go back into the type of thinking, we do not degenerate in our proposed select committee in any discussion to the wild notions that we had of reducing VAT and VAT is important. People stand up here and talk about reducing VAT or not having VAT, but we forget that we intended to make sure that we have a better and a more even playing field with respect to the collection of taxes that the very VAT is required to build the roads, bridges and the streets that we all require ... [*Interruption: 'All taxes are intended to do that.'*] Yes, the point is that everybody has to pay taxes and not simply the government workers or simply those who are in the government payrolls and that



professional including all those lawyers who are heavily represented on your side House would be paying something too through VAT.

The Honourable Member Ms Jennifer Wade was making some statements with respect to the MMA and it takes me back to the issue of the establishment of the Black Bush Polder Scheme and a particular time ... [*Interruption: 'You have to ask you father that.'*] Yes and he remembers still ... when certain sections of Guyanese people were actively discouraged from taking up land in the Black Bush Polder Scheme - actively discouraged - entrenching rural poverty in those particular communities and then thereafter making them Denises [1:33:24] of the military and other forces and creating a situation which persist today, where we have social and other instabilities into those communities. I am heartened to say that I was Black Bush Polder area recently and things are indeed looking up.

Mr. Speaker, there was a lot of discussion about statements made about the farmers not staying to plant and abandoning tractors and combines and so on. Part of the problem we have is that instability and insecurity is being created in some political quarters and to the extent that you have insecurity and instability, some people may always choose to hedge their bets and establish themselves in different area in two

countries. Whether it is Miami or Canada or America, people will do that and this is why we all need to come together on the issue of what I said before was domestic terrorism and we should not continue to perpetuate and move to the streets on the flimsiest of issues and to promote the blocking of bridges and roads, which promote instability, insecurity and all those things the effects of which we decry when we come into this House, when you try to criticize and critique the Government's policies and the results thereof .

We Bennis, that I represent, me and my family had our personal experience of being shaken down, but I would say that the PNCR-IG has been shaken down this country for many, many years and it has not stopped yet. *[Applause]* That is the problem we have is that the PNCR-IG has been shaken down the country for too long and we say again, join us again with this opportunity so that we step forward together with all the hopes for a country to make sure that we develop Guyana, a Guyana that we could all feel safe and secure in and a Guyana that we can all develop together.

Mr. Speaker, I want to re-put again the issue they were talking about the feed, cloth and house ... with regard to Grow More Food ... *[Interruption: 'Yes, and what happened?']* ... It failed. We knew that in this Guyana here we had to line up for rice that Guyanese throughout the country had to fight each other

for rice and frying oil and for any describable piece of food grown here in Guyana. That we had import rice here into Guyana and that since the return of democracy on the 5 October 1992 that rice production has more than doubled in this country [*Applause*] and that we are exporting rice again, something that we should all be proud of.

Mr. Speaker, I want to publicly and in this House acknowledge a recent article written by the Honourable Member Mr. Irfaan Ali, who pointed out the beginners of rice growers and how it was developed in this country. We know that there is an enduring disinterest in rice and other productions in this country by the PNCR-1G because the feed, cloth and house failed; the Grow More Food Campaign failed and Guyana failed under the PNC. [*Applause*]

Now that we are having success, it is very easy to take pot-shots as critique, but we welcome them to the extent that there are useful, but we are having successes and we are developing. The MMA is having extension agents; they are using IT centres; IT areas for extension agents and the farmers have the ability to come to those centres for help. The MMA/ADA has waived rates for the farmers and is really no intention to take away land from farmers who are farming the land under the arrangement allowed for properly by the MMA/ADA.

There was some discussion about the EU projects - the micro projects issue - Government has already indicated its concern about certain aspects of the administration of this programme and this problem is expected to be resolved somehow.

Mr. Speaker, I would like to repeat to our intent here was to have a coming together of all the minds, expertise and experience here with respect to the issue of the global food prices to shape and fashion a non-partisan response to these issues.

I think that despite the pot-shots and the negative posturing and grandstanding that we still have an opportunity to do so, the Government is opened to this issue. The Government's side has indicated that it is willing to have a Select Committee established and to work with the Opposition with respect to the matter and to have that forum in which the issues where the Opposition may have doubts and anxiety with respect to matters and those issues can be resolved in that Select Committee so that we can all have a proper response to the issue.

With that, Mr. Speaker, I would like to commend the efforts of the Honourable Minister and to commend the Motion which stands in his name to this House. I thank you.

*[Applause]*

**The Speaker:** Honourable Members, this brings us to the end of our Session for today, we will continue on Tuesday, 1 July 2008. Thank you very much.

*Adjourned accordingly at 21:53h*