

**THE
PARLIAMENTARY DEBATES
OFFICIAL REPORT**

[VOLUME 6]

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

12th Sitting

2 p.m.

Wednesday, 13th December, 1972

MEMBERS OF THE NATIONAL ASSEMBLY

Speaker

Cde. Sase Narain, O.R., J.P., Speaker

Members of the Government - People's National Congress (49)

Prime Minister (1)

Cde. L. F. S. Burnham, O.E., S.C.,
Prime Minister

Deputy Prime Minister (1)

Cde. P. A. Reid,
Deputy Prime Minister and Minister of National
Development

Senior Ministers (8)

Cde. M. Kasim, A.A.,
Minister of State for Agriculture

Cde. H. D. Hoyte, S.C.,
Minister of Works and Communication

Cde. W. G. Carrington
Minister of Labour and Social Security

(Absent)

Cde. S. M. Field-Ridley,
Minister of Information, Culture and Youth

Cde. B. Ramsaroop,
Minister without portfolio and Leader of the House

Cde. D. A. Singh,
Minister of Health (Absent)

Cde. O. E. Clarke,
Minister of Home Affairs

Cde. C. V. Mingo,
Minister of States for the Public Service

Cde. W. Haynes,
Minister of Co-operatives and Community Development (Absent)

Cde. A. Salim,
Minister of Local Government

Appointed Ministers

Cde. S. S. Ramphal, S.C.,
Minister of Foreign Affairs and Attorney General

Cde. H. Green,
Minister of Public Affairs

Cde. H. O. Jack,
Minister of Mines and Forests

Cde. C. L. Baird,
Minister of Education

Cde. F. E. Hope,
Minister of Finance and Trade

Cde. K. F. S. King,
Minister of Economic Development

Cde. S. S. Naraine, A.A.,
Minister of Housing and Reconstruction

Parliamentary Secretaries

Cde. J. G. Joaquin, J.P.,
Parliamentary Secretary,
Minister of Finance and Trade

Cde. P. Duncan, J.P.,
Parliamentary Secretary, Minister of National
Development and Agriculture

Cde. J. R. Thomas,
Parliamentary Secretary, Minister of Information,
Culture and Youth

Cde. C. E. Wrights, J.P.,
Parliamentary Secretary, Minister of
Works and Communications

Other Members

Cde. J. N. Aaron
Cde. M. M Ackman, Government Whip
Cde. K. Bancroft
Cde. N. J. Bissember
Cde. J. Budhoo. J.P.
Cde. L. I. Chan-A-Sue
Cde. E. F. Correia
Cde.M. Corrica
Cde. E. H. A. Fowler
Cde. R. J. Jordan
Cde. S. M. Saffee
Cde. R. C. Van Sluytman
Cde. M. Zaheeruddeen, J.P.
Cde. L. E. Willems

Members of the Opposition

People's Progressive Party

Cde. C. B. Jagan,
Leader of the Opposition (Absent)
Cde. Ram Karran
Cde. R. Chandisingh
Cde. F. H. W. Ramsahoye, S.C.
Cde. D. C. Jagan, J.P., Deputy Speaker (Absent)
Cde. E. M. G. Wilson
Cde.A. M. Hamid, J.P., Opposition Whip
Cde. G. H. Lall, J.P.
Cde. M. Y. Ally
Cde. Reepu Daman Persaud, J.P.
Cde. E. M. Stoby, J.P. (Absent - on leave)
Cde. R. Ally

Cde. Balchand Persaud
Cde. Bhola Persaud
Cde. I. R. Remington, J.P.
Cde. L. A. Durant
Cde. V. Teekah

United Force

Cde. M. F. Singh (Absent)
Cde. E. DaSilva
Cde. J. A. Sutton

Independent

Cde. R. E. Cheeks (Absent)
Cde. E. L. Ambrose
Cde. L. M. Branco

Officers

Clerk of the National Assembly - F. A. Narain,

Deputy Clerk of the National Assembly - Mr. M. B. Henry

**ANNOUNCEMENTS BY THE SPEAKER
LEAVE TO MEMBER**

Mr. Speaker: Leave has been granted to the Hon. Member, Mr. Stoby, until the end of this week.

**PUBLIC BUSINESS
MOTION
APPROVAL OF ESTIMATES OF EXPENDITURE 1973
BUDGET DEBATE**

Assembly resumed debate on the Motion moved by the Minister of Finance on 7th December, 1972, for the approval of estimates of expenditure for the financial year 1973 totalling \$277,712,944.

Mr. Speaker: Hon. Member, Mr. Hamid.

Mr. Hamid: Mr. Speaker, the proposal of Government's fiscal policy for the year 1973 projects a Budget of \$319 million. Of this, the sum of \$173.6 million is earmarked for current expenditure and that of \$145.1 million for capital expenditure. This, as I said, brings a total of \$319 million approximately. But considering that the income that Government expects to receive during the same period is in the vicinity of \$312.3 million, leaving a deficit of \$6.4 million, Government intends to raise this sum of money by a measure of taxation. The expenditure of \$319 million as proposed for 1973, and claimed by the Government in the Budget Speech, is almost 45 per cent higher than the \$221 million Budget proposal for the year 1972. On page 37 of the Budget Speech, the first paragraph, it states,

“I now turn to the development programme for 1973. The 1973 - 1977 Development Plan will be published in the first quarter of 1973. That year will see the implementation of the

first year of the Plan and the Government proposes a capital expenditure of \$145.2 million - the highest in the history of this country.”

We are indeed very happy to hear from the Hon. Minister, of Government's intention to produce a long-awaited development plan, a plan which was scrapped several years ago. We will be expecting to see this development programme at least in the first quarter of 1973. We look forward and we are very happy to learn this, and when the appropriate time does arrive, then we will be able to have a fuller discussion on this particular issue. On page 45, we see that the development programme is to be financed by foreign aid in the form of loans, and a limited amount in grants is expected, to the tune of \$72 million.

“In order to finance the rest of the programme, for which another \$73 million would be needed, the Government expects to raise \$25 million from local savings... and \$1.3 million in miscellaneous capital receipts. The remaining \$40 million the Government hopes to derive mainly through suppliers' credit and other off-shore loans raised through financial institutions overseas.”

When all is said and done, the level of capital expenditure envisaged will surely necessitate an alarming level of borrowing in the vicinity of \$134 million, thus increasing the public debtburden from \$258.9 million in 1972 to \$392.9 million in 1973.

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It may be noteworthy that when the P.P.P. took office in 1957 the public debt stood at \$61.2 million. When the P.N.C. took over in 1964 the public debt stood at \$127.8 million. Since that time the social services have deteriorated from the level at which they stood during the premiership of Dr. Jagan in 1957. With unemployment the biggest issue of the day and still remaining so under the P.N.C. Government and. with development moving at an unsatisfactory pace, the people of Guyana are constantly' expressing the view that they do not know where the money collected by the Government is going. This is creating doubts in their minds. It is one thing to borrow and another thing to pay back. This Government, a borrowing Government, is going with cap in hand and does not seem to know what it is doing.

The 1966 to 1972 Development Programme projected an amount of \$900 million. When the P.N.C. members were with the United Force leaders they spoke of economic dynamism. They spoke of progress at every corner in Guyana. Everything was prosperous from the day they took office and the development programme of \$900 million was eventually reduced to \$300 million. This was a serious set-back. In fact, it was disgraceful that the P.N.C. Government was not able to carry through a Development Programme as proposed in 1966 and had to reduce it to a mere \$300 million.

That is not all. The then Minister of Economic Development, the former Minister, Mr. J. Henry Thomas, said that he was a financial wizard and that if the Government would only give him wings he would fly out of this country and bring back substantial sums of money with which to finance the Development Programme.

This was a very difficult task because when Mr. J. Henry Thomas returned to Guyana he could not find any money. He was such a frustrated person that he said that the money mission on which he went was just a waste of time and a waste of taxpayers' money. We lived to see the same Development Programme reduced from \$900 million to \$300 million and completely scrapped within a short period after that.

We are now hearing about another Development Programme. In many other Budget Speeches we have heard the Minister of Finance indicating that within a few months a Development Programme would be brought forward. This is over a period of four years and we cannot see it. I do hope that in the not too distant future we will be able to see this much deserving development plan, on which we will be able to speak to a greater extent when the time comes.

On page 41 the Minister of Finance and Trade says:

"During 1973 the \$70 million expansion programme of the Guyana Electricity Corporation will move into high gear."

[*Interruption*] Apparently the gear is there but the box fell out.

I do not know what will happen because earlier this year and in last year we were hearing quite a lot in the Development Programme about a hydro-electricity project which was scheduled to occupy some place in the Demerara River known as Tiger Hill. We heard of this since 1966. The site was then switched from Tiger Hill to the Mazaruni River to a place by the name of Tiboku. The Prime Minister, on the balcony of the Public Buildings, spoke so much about hydro-electricity that at one stage his audience was looking back to see if hydro-electricity was immediately behind them. Everything that we heard about hydro-electricity and a big programme of expansion that was to be put into motion seems to have disappeared into thin air.

Mr. Speaker: You are speaking very feelingly on this matter.

Mr. Hamid: I am very interested in electricity and the expansion of electricity in Guyana.

This country, it must be noted, has the highest charges for electricity in the world. The price per kilowatt hour for electricity is the highest in the world. The Minister in his Budget Speech spoke of a \$70 million hydro-electricity expansion programme. The plant in Kingston is breaking down every day and night so we become worried and want to know what will be the future of Guyana.

If hydro-electricity is introduced in Guyana it will be the cheapest source for all and sundry, whether it is used industry, in commerce or for domestic purposes. The charge per kilowatt for hydro-electricity will be very low.

It is no sense this Government telling us that GUYBAU is making fantastic profits, that the number of employees at GUYBAU is increasing, and the future for aluminium or alumina, the raw product, is very promising. We do not want to be only producing raw material for imperialist countries. We would like to see Guyana producing aluminium as well as alumina, but

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to produce aluminium you have to use power and this power can only be derived for a conversion of alumina into aluminium by means of hydro-electricity.

Let us face this and see what the Government is saying. We do not want to hear about expansion. The Government has been expanding electricity in this country, but it has been doing it in a rather callous and discriminating way in certain areas.

2.30 p.m.

Let us take for example, the Mahaica area. The Spring Hall area has been completely by-passed and electricity was given to another area where the P.N.C. is pretty strong. This is denying the citizens of Guyana the rights of having electricity in their homes. Further on in Mahaicony there is a 3-mile stretch where people willingly laid poles but this area was by-passed. This is ridiculous. I visited the Corporation on many occasions. I spoke to the Chairman. He said the reason why the Corporation did not offer electricity was because poles were not available. Your Honour, I told him that this could not be true because I visited the area and on the embankment of the railway lines there is a quantity of poles that by now must have been completely deteriorated. Had the Corporation taken cognizance of this, there would have been electricity in that small 3-mile area so that people would be able to enjoy the amenities of the Corporation.

We come now to a rather important point. This is in respect to local government. Not very long ago in Parliament a Bill was brought for the postponement of local government elections. From the Speech by the President of Guyana and from our debate, and the Bill before us it can be seen that Government has plans for local government in Guyana. I do not want to repeat my argument put up on that occasion, it is well known. But the fact remains that one would expect to see something more concrete in the Budget statement because the Minister went as far as to have a Bill introduced to postpone the local government elections so that councillors would have a further period in office. Surely it is a disgrace to know that nothing at all was said about local authorities except for a very small part of a line which showed that \$1.1 million will

be spent for infrastructural works between two Townships and those are Linden and Hew Amsterdam. We feel that this is not good enough. First, the Minister said poor administration in local authorities was due, to officers not pulling their weight. He went as far as to say that many of them could not be found on their jobs and many were found in shops eating chicken-in-the-rough and drinking rum, This is maladministration or misappropriation, but I would come back to the point where the Minister made a further statement, When we look at this carefully we wonder what really is happening, in the Ministry of Local Government. Because here you are having councillors taking more time to waste more time. The Minister said here, and I am going to quote from the Graphics, of 11th December, 1972. The headline is: Minister warns West Berbice village leaders.

“But he warned: Those Authorities that do not have a sound program and are incapable of collecting their rates and taxes must not expect to benefit from the loans and grants.”

Mr. Speaker: You do not think it is a good statement.

Mr. Hamid: No, sir. Up to 13th November every year the estimates must be submitted to the Ministry and the Minister will give approval for the development programme. If the Minister is saying that because of their not having a sound programme, it is because of negligence in the Ministry by not correcting the ills. But for the Minister to come and make a broad statement to say that local authorities would not get loans and grants because they do not have a sound development programme is ridiculous. It only shows that there is no co-ordination between the local government in the local authorities, district commissioners and the Ministry concerned. He went on further to say and warned:

"When loans and grants are given after examination of the programme I am not going to permit any misappropriation of the funds. I will like to see whatever money is spent for is well accomplished. As a result I am going to have chasing officers to look and follow-up these programme day to day and I hope I would not have the cause to use any sanction against any local authority."

Who rigged the elections to put them there? They selected the best and they selected their thugs and put them in high offices. Maladministration, misappropriation and bad conduct prevail. This is what the Minister is admitting and it is an admission from his statement. The Minister is claiming that because of the incompetence their thugs, because of these councillors not having administrative ability to function as councillors they cannot even collect their rates and taxes. It is tantamount to that. The Minister is to be blamed. The Minister must understand that Government is finding excuses already. For in the estimates here, and I do now want to debate that because you would not like me to, but a paltry sum of \$½ million is earmarked for over 60 local authorities in Guyana which is a downright shame.

What we need in Guyana is not rigged elections. The very people who they were using to collect proxy to put them in office the same thing is coming back against them because these very people who vote by proxy will not vote for them. The incompetence, the system of rigging is doomed, the system of proxy and the abuse of proxy is coming fast to an end and the handwriting is on the wall.

2.40 p.m.

We come now to the measure of taxation by Government. Government, as I said, in its Budget Speech may wish to impose a measure of taxation to clear off its \$7 million deficit. In this direction, it said it will go to tax shrimp. I do not know if the Minister meant prawns, because...

Mr. Speaker: I would like to know what the difference between prawns and shrimp is.

Mr. Hamid: The little fine one is shrimp. I do not know if he is talking about the fine one. I like to make a difference. I like to talk about the big things. Talking about this taxation on shrimp, Government said on page 48:

“Following consultation with the Companies concerned it is proposed to increase the export tax on shrimp from 7 cents (G) per lb. to 12 cents (G) per pound.”

The Speech goes on further to show why the Government is choosing taxation on shrimp.

“Therefore, the present export levy of 7 cents (G) imposed in 1967 has depreciated significantly, and is worth only about 5 cents (G)...”

This goes to show that while they were imposing a matter of 7 cents per pound on shrimp exported out of Guyana, by virtue of the devaluation of the dollar, that the value now of 7 cents is most likely to be in the vicinity, say, of 5 cents, but Government is only imposing a further tax of 7 cents per pound bringing it up to approximately 12 cents per pound.

When one considers the shrimping industry and the form of exploitation, one will see that Government is now finding a way to tax these companies, because since 1967, as the Government declared, it has not imposed further taxation; realising that the devaluation has reduced the Guyana tax to the value of only 5 cents, by imposing a further 7 cents the Government will be able to derive more money per pound for shrimp exported from Guyana. The trawling industry is a very profitable industry. It is one of the industries that make fantastic profits. To impose a mere 7 cents is a shame on Government's part. Let us consider something –

Mr. Speaker: It is 5 cents.

Mr. Hamid: I may wish to base my discussion on the Japanese trawlers. On the Japanese trawlers, the system of employment is very much discriminatory. Discrimination is rampant and it must be noted that the Japanese trawling business, which consists of six companies and twelve trawlers, employs approximately 72 persons. Of these, all are nationals of Japan with the exception of one person on a trawler who is a Guyanese. If something should happen to any one of these crews of these Japanese trawlers, he is sent out of the country by special airways plane to Japan to be treated and then sent back to Guyana.

This in itself shows the fantastic profits the industry is making. If they can take their people that become a bit sick in Guyana, and can send them out to Japan to be treated by doctors in Japan, and return them to Guyana, this only goes to show what profits are being made in that industry.

The system of employment in countries such as Trinidad, Surinam, and Venezuela, the Governments of those countries had introduced progressive legislation which compelled the operators of these trawlers to employ at least 75 per cent minimum of the people employed on those trawlers. In Guyana, one Guyanese is employed in the fleet of twelve Japanese trawlers.

Mr. Speaker: What percentage is that?

Mr. Hamid: It is about 2.142857 per cent recurring.

[*Interruption*] Guyanese like other West Indian seamen are known to be quite capable of doing their job with an abundance of experience in such form of employment but only one Guyanese is employed by this Japanese industry. Government further went on to say that not only will it impose this additional tax, this meagre sum, but it will allow the trawlers to bring in now a quantity of fresh fish which the Government will purchase at 12 cents per pound.

When the ordinary man in the street reads this, he will say this Government is a good Government, this Government will bring fish into this country at 12 cents per pound, but that does not necessarily mean that it will be sold to the public at 12 cents per pound. Government will make fantastic profits, for the least at which it will sell fish like snapper and grouper and deep sea fish, will be about \$2 per pound. We have no objection to that - until the time comes when the people will again cry out for the high cost of living.

Let us look at it. What provision is Government making in terms of the small man. Let us take fishing co-operatives, as it is, what will become of those co-operatives when these big trawlers will be bringing in fish at 12 cents per pound? What will be the fate of these small men who will become real men?

They will be completely wiped off the scene. What Government should have legislated for was to have 75 per cent employed, as a minimum, in that industry, otherwise the small fishermen will lose out in the end. They should be employed on the trawlers so as to have a livelihood. Absolutely nothing is said about this. I am bringing it to the attention of the Minister so that when he will have some vision about what is happening in this particular field and think of legislation so that we can have fair play among the small men. The Government has a new slogan, "To co-operate and innovate." These are nice words but meaningless to this Government.

We turn now to the other form of taxation, that relating to airline tickets. Government intends to impose a 10 per cent tax on tickets purchased locally. Let us go back a little into the history of this business. I want to base my arguments on the fares from Guyana to Canada. In 1970, the price for an air ticket from Guyana to Canada was \$410.12. This increased to \$430.20 on the 16th April, 1972, and there has been a further increase to \$452.30. Government now is to impose a 10 per cent tax if anyone purchases a ticket locally.

Mr. Speaker: This will not affect you. Your tickets come from abroad.

Mr. Hamid: I cannot afford that. It will affect everyone. If somebody leaves the shores of Guyana to travel abroad it cannot be concluded that that person is travelling to sport as our Ministers are doing. They go on holiday; they waste taxpayers' money; they travel freely; they waste millions of dollars. But, because they waste taxpayers' money in this direction it does not mean that everyone who leaves the country is going on the same issue. Many people who leave the shores of Guyana are really travelling to another country to better their position. Many are being chased out as though a monster is after them. Why are these people leaving Guyana? Hundreds of thousands have left Guyana from the time this Government took office because of the discrimination that is practised from top to bottom.

Mr. Speaker: Hon. Member, Mr. Hamid, you said hundreds of thousands of people.

Mr. Hamid: Hundreds, sir. The proxy voting will be reality. I do not wish to bring that up at this point.

Let us take a look at what is happening. A man is leaving Guyana to better his position. People are trekking to the United Kingdom, to Canada and to many other countries in the world. Why? Because of unemployment. Many of them cannot find jobs and have to save their few cents to book their passages to travel. The additional 10 per cent will create a burden on these poor people who are leaving to better their position. Coupled to that there is the problem of the high cost of living and, thirdly, there is no development within sight.

Fourthly, there is no industrialisation. Fifthly, only persons with P.N.C. cards can obtain jobs. Sixthly, there is discrimination in every quarter, especially with promotional opportunities. This happens even among the P.N.C. supporters. Seventhly, Guyanese are denied the right to exercise their franchise to determine who should govern by the system of allowing non-taxpayers, who live away from Guyana, to vote and decide who is to govern the country. Also, the proxy is abused in this particular way.

The eighth reason is that the Government is refusing to rectify the racial imbalance in the Police Force and in the Armed Forces, as recommended by the International Commission of Jurists. People cannot obtain employment. They are willing to join the armed forces or the Police Force, but because of the discrimination, the racial imbalance is not corrected, they are denied opportunities. The ninth reason is that legislation is being passed to deny the freedom of the press. Printing materials and newsprint are controlled. Many linotype operators are leaving Guyana to find employment outside in the printing industry because employment is limited here.

The Government, by legislation, is denying Guyanese the right to live in Guyana and to be employed in Guyana. Many are, therefore, leaving the shores of Guyana.

The tenth reason is that the Government is flouting the law by allowing ordinary citizens to masquerade as diplomats outside of Guyana. This is a disgrace. The people of Guyana are

ashamed and many of them are leaving because they are frustrated.

Denying members of the Opposition the right to bring Motions and Questions in Parliament - all these must be considered as reasons why people are leaving this country. Denying the Deputy Speaker of Parliament the right to function in his official capacity is another glaring example. People are frustrated. Mark you, the P.P.P. was elected fairly. There was no proxy voting, no rigging.

Mr. Speaker: I thought you were ...

Mr. Hamid: The P.N.C. was forced into office by rigging. The rigging was immense. They rigged to a certain extent on this side to put themselves into office and because of that they are there and they are denying the legal representatives of the various areas in Guyana from being represented in Parliament by virtue of having discussions on their sufferings and by having points raised in Parliament by way of Questions and Motions.

The Government calls itself a working-class Government but used dogs and tear gas on worker who demonstrated on Labour Day.

These are some of the reasons why people are leaving Guyana. These are the things that are causing people to run away as though a monster is chasing them. They cannot find jobs. Unemployment is high and coupled with that when workers demonstrate to show their solidarity, to call on the Government to find employment, dogs are used to tear them apart and tear gas is used to blaze their skins away.

The fourteenth reason is that they are using gangsters to gun down professionals in daylight and do nothing legally about it. Many intellectuals are threatened. One Mr. Joshua Ramsammy was gunned down in broad daylight.

Mr. Speaker: They have not threatened you, hon. Member?

Mr. Hamid: Yes, sir, but I will not say in what direction.

The fifteenth reason is that they are awarding national scholarships only to members of one section of the community. This is another form of discrimination.

The sixteenth reason is that taxes are imposed on poor people but money is found to fly horses to the interior for the Prime Minister to use for exercise. These are the things that are working in the minds of the people, namely, that money is wasted and nothing can be done to find employment for those who are unemployed.

The seventeenth reason is that a country which produced large surpluses of food under the P.P.P. Government cannot produce enough staples today and this Government threatens to introduce control on consumer goods.

3.00 p.m.

They are afraid of the farmers and as such even the farmers now are leaving Guyana because of fear they do not know what the future holds. I can go on and say more but I do not want to deny the other hon. Members –

Mr. Speaker: Hon. Member you have exhausted your time.

Mr. Hamid: I know I have exhausted my time. I wish to say that when the time comes for discussion of the estimates I will make the other points. I hope what I have said will be able to make the Government more sensible about problems that confront the Guyanese people.

Mr. Speaker: Hon. Member, Mr. Bissember.

Mr. Bissember: Mr. Speaker, the Budget is what is familiarly known as a financial statement given by the Minister of Finance in the Parliament of the land where it is being given.

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3.00 - 3.10 p.m.

A budget is a serious matter. It is a very serious matter in the sense that the elected representatives of the people of the land are asked to consider by a Motion whether the Government has performed well for the year gone by and what the prospects are like for the coming year.

It is my view that an elected Opposition through the parliamentary process is part of the Government when one comes to consider the Budget of the country. At budget time it is the responsibility of the Opposition to show the Government where it has failed in its priorities, where it has fallen down in its expectations and, in fact, to criticise whatever avenues of expenditure the Minister of Finance seeks to get approval of for the next year. But Mr. Speaker, it is very sad for me to say this, and I say it with all humility. This is not only the ninth Budget Speech I have heard, I think it is the thirteenth, two being in one year, 1962, one being a speech on interim estimates. In my humble view that was unconstitutional but then the hon. Deputy Speaker who was chairing the meeting at the time thought that Government business had to be carried on and the estimates were admitted. But having listened to so many budget speeches I would have imagined a responsible Opposition having got nothing to criticise about especially in this Budget at least would have done as the hon. Member Dr. Ramsahoye did yesterday, they would have praised the efforts the Government has been making to secure a better standard for the people of this country. In other words, budget time is a serious time. It is a time when the Opposition must show the nation of Guyana that it is capable of being the alternative government. Budget is the time for them to show that, Look, the Government has failed in X, Y and Z, the Government should have done better in A, B and C, the Government should have done this rather than doing that, and criticise and let us understand where we have fallen down. Because it is my submission that discussion on a financial statement is not just merely winning petty political points; Guyana does not need that today. This is immaterial. What is material is this budget which means something good for the ordinary man and woman in 1973.

What have we heard from the Opposition Members? I am not here to discuss what the last speaker talked about. As a Member of the governing party I want to show the Opposition where my party in Government is proceeding on the right way, proceeding on the way where the

ordinary man in the street in Guyana will get a better chance to improve his standard of living and to get a better share of the cake when 1973 comes.

Mr. Speaker, yesterday the hon. Deputy Speaker, in his contribution correctly said people picketing around the Public Buildings, people demonstrating should not be charged. He did not say if they commit an offence they should not be charged. As a lawyer he was quite right in not saying that. I concede that if persons are peacefully picketing and commit no offence known to the law no Government especially this one would have them prosecuted through the arm of the Police. In 1962 the hon. Member for Campbellville peacefully demonstrated in front of these Buildings. He demonstrated against the British Governor for having appointed wrongfully, on the advice of the then Government, a certain person in the Senate of the country. He peacefully picketed right here, he was not charged but, he was arrested and locked up for 6½ hours. The hon. Member for Campbellville did not make any noise about it, because in his view at the time, and he still holds that view, that it is an occupational hazard if you want to be in politics to be arrested at times. [**Mr. Ram Karran:** "Who put you there?"] I am glad I am asked who put me there. The then Minister of Home Affairs and the then Premier stood on the corridor upstairs here, and about five minutes after one Mr. Puttock was sent down to put me in the Blackmaria. The point I am making is the Member was not demonstrating against the Government, he was demonstrating against a British Governor for what he the Member thought at the time was a wrong exercise of his constitutional powers. It was not until someone came to secure the release of that person that he was sent home, and no charge was made. I just mentioned that because the hon. Deputy Speaker is a man who has been in the House in those days and he knows what the situation was. From 1961 to 1972 is a long time. This brings me to this point: if we are going to consider a budget it is my humble view that we must, first of all, see the background of the country under which a budget is presented.

3.10 p.m.

The P.N.C. came into office in 1964. Your Honour, we were still under the inheritance of certain legacies to the colonial past. We had to take time to disinherit those legacies. I did not present

this argument as an excuse for anything. It is for the Opposition to tell us where we have failed, and if the Opposition can tell us where we have failed, it would be a matter for the Government. This Government, I am advised and I know, would like constructive views, views and ideas and suggestions which would go towards developing this country, because in the final analysis – I say this today – unless the Opposition realizes, the Government has been elected to govern and the Opposition must assist if it wants to see this country progress. Whatever happens will be in their hands and not mine.

This is not a time for petty political points. You do not score anything. I have never been involved in the banana project but what I do submit is this, we have got to understand that Guyana produces with three export crops, sugar, rice and bauxite. I am not going to talk about rice at all. That has been a political football for a number of years. Let me make this point. There are certain influences and forces out of Guyana which influence and must of necessity determine the development process of this country, whether we like it or not. It is the reality of the international financial situation as the hon. Minister of Finance himself said. Having won political independence in 1966, we seriously sought to get down to the international forum whereby we could have our voice heard and get something in the world through the Monetary Fund, through I.D.A., or through whatever other international agency there is.

The first development decade came to an end. What has that meant to a small country like ours? The first, second, third, United Nations Conference on Trade and Development, the last one was in Santiago, Chile; I give one example how small countries like ours have to struggle if they want to get anywhere. At the last conference in Santiago, Chile, five committees were set up, a committee dealing with the commodity problems and policies, a committee dealing with the manufactures and semi-manufactures, a committee dealing with the financial resources for development, a committee dealing with shipping, insurance and tourism, and a committee dealing with trade relations among countries having different economic and social systems. Then a sixth committee was set up to take special measures for least-developed and land-locked countries, to take measures for their development.

What has been the result of these committees? The developed countries from these committees and these conferences seem to be getting richer. As one Minister from Ceylon said the other day, we are still underdeveloped. All of the small countries, sometimes they are spoken of as developing countries. I think "developing" is a euphemistic word. Name me one country which has been developing for the last two or three decades and which is now developed. Two or three decades, you are developing, and you remain where you are. The rich big countries with their manufactured goods are, getting more costly and in the small countries, their primary products are fetching less in the international markets.

At this conference I have been told that notwithstanding some degree of hesitancy, nations, especially smaller nations, are moving towards an accommodation of ideas. This is important, they are moving towards an accommodation of ideas. Cannot we in Guyana move towards an accommodation of ideas? Cannot we in Guyana do the same? If at these big conferences, the decisions are taken to have an accommodation of ideas, what is wrong with Guyanese, if we want to develop Guyana? I submit, despite our different political ideologies, despite our different philosophical backgrounds, we must make serious efforts in this country to explore areas of agreement for national progress.

I say this as a humble Guyanese, if we do not make these attempts to secure agreement for the economic progress of this country, history will convict each and every one of us. Our very future would mean disaster. Our best laid-out schemes will be doomed to failure. We and we alone must try to find an answer to these problems. Unless we demonstrate, and I can keep repeating this, that we are determined to help ourselves through Government's policy of self-help and self-reliance, no one outside will give us one penny, because it is known throughout the world that if a small underdeveloped country like ours wants to get something from abroad, we must demonstrate in no uncertain manner that we are willing to help ourselves, before we can get assistance.

I submit that the Opposition can assist any Government in its efforts to get assistance to develop this country because in the final analysis, it is not one section that will be benefited. Any

kind of development will benefit all the sections in this country. At that same conference I talked about, 40 resolutions were passed to help small countries like ours. Have we got anything? Not one thing, therefore we must go back to the Government's policy. Let us help ourselves and let us come to some agreement and accommodation of ideas, if not, as the people used to say in the past: "cat eat we dinner".

Yesterday the hon. Member Dr. Ramsahoye said that effort must be taken to control the resources in a bigger way. I will give you one example. When these resolutions were put before these conferences, to help the small nations to help themselves by their own efforts, many abstentions among the big countries were counted when the vote was taken. They refused to help the small countries. They either abstained or refused to vote for the motions. I am making the point that we must help ourselves.

3.20 p.m.

Some of the developed countries were asked to refrain from taking steps which interfered with the efficient mobilisation of domestic resources of these underdeveloped and developing countries.

My friend yesterday spoke about the mobilisation of resources. What happened to that Resolution? There were no less than 32 abstentions. The others voted against it. What point does this prove? They are not willing to assist you or to allow you to mobilise. You have to take on the herculean task, get your people behind you and try to achieve the mobilisation through your own self-help and self-reliance. This is what the Government's policy is all about.

One dozen countries abstained from the Resolution calling for a minimum of 1 percent of Gross National Product of developed countries to be transferred to small and underdeveloped countries like ours. Look at the number of abstentions!

I sit in this House year after year. I hear stories talked about the East and stories talked about the West. Talking about the East and talking about the West does not help us to build our country. We have to do it ourselves by our own efforts. It is good to see what is happening in the East; it is good to see what is happening in the West.

This brings me to this point. The hon. Member, Mr. Wilson, will remember this. When we were debating the 1962 Budget in this House, the hon. Deputy Premier got up to reply just after the hon. Member for Campbellville spoke. We were discussing a serious matter in the Budget. Do you know how the Deputy Premier began his contribution to the Budget Debate? He said, "Mr. Speaker, Russia sent the first space man to the moon." The Hansard is there. That is how he contributed to the Budget, which was on the subject of Guyana.

If Russia sends a man to the moon or if America sends a space ship up, we learn something from them, but how does that help us in this country? We have to learn that unless we are prepared to work hard by self-help and self-reliance and unless we put ourselves together and come to some agreement, our people, our supporters, will never see progress in this country.

I shall give another example. In 1969 I asked Senator Fulbright, Chairman of the Senate Foreign Relations Committee in the United States of America a question about aid. This is an example of how these big powers think. Senator Fulbright said America is spending \$900 per second on the Vietnam War. In 60 seconds the sum of \$54,000 (U.S.) is spent. I said to Senator Fulbright, "You are spending all that money on a war. Could you not help these very poor countries in South East Asia and Africa?" What was his answer? They are not prepared to help you unless you are prepared to help yourself. America has spent the sum of \$30 billion since the Vietnam War started.

Let us be friendly with all the Big Powers. We said that back in 1961. We shall welcome aid from any source, where they are willing to assist us, but they must not interfere with our independence and our sovereignty. That is written in the very book the hon. Members were quoting from yesterday, *The New Road*, which has become the Bible of the Opposition.

[*Laughter*] I say this because they were quoting from this document and in it the P.N.C, talked about wanting to be friendly with anyone who was willing to help us.

The Leader of the PNC and many other leaders have said that they will not be pawns of the East or the West. "Be friendly," they say, "but do not become a puppet to anyone."

Yesterday the Minister of Foreign Affairs made a statement. What remark did we get from the Leader of the Opposition today? He said, "We were talking about that all the time and they did not want to do it." The Leader of the Opposition is a man for whom I have a high regard. I used to come and sit in this House in 1951 when he was debating. I would, imagine that he would go hand in hand with the Government and say, "Yes, you have done a good thing in having good relations with Cuba", but it has come from one of their members, the hon. ex-Attorney General of this country, to praise the Guyana Government for something this Government has been doing.

What then must a young and poor nation like ours do, having regard to what is happening in the world today? And having regard to their behavioural patterns? Are we to sit down and become international mendicants? Are we to beg America or Russia for aid when we have natural resources to build our own country? The hon. Minister of Finance and Trade said that the sum of \$45 million has been allocated for agriculture. Back us on that! Development of agriculture will mean work for many people like you and me. It will mean more production. It will mean more local goods on the shelves.

The hon. Member Mr. Hamid said earlier today that unemployment figures are the same since we came into office. It is not for n to say what is the true position, but I know that in 1964, for every 100 able-bodied persons who were willing to work in Guyana 22 could not find jobs. In other words, unemployment stood at 22 per cent in 1964.

With hard work, development work, the unemployment percentage, I am told by those who know about it, is about 14 to 15 per cent. I concede it is a high figure, but what can you do?

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We have brought it down from 22 per cent to 14 or 15 per cent. Should you not praise the administration for that? Must you get up and say that unemployment is still the same? You are only fooling yourselves because it is not all the same. It has been reduced.

How then can we achieve economic independence and a better standard of living for people? How can we do something to improve the status of the suffering masses that we hear so much about? Let us go back to the words of men who have lived before and have talked about co-operation and agreement and accommodation of ideas.

Mr. Speaker, let us look at the efforts which were made by men like Nehru and Nasser, men like Tito and Nkrumah after 1966. Those were the persons who first got together and demonstrated.— [*Interruption*] They have brought various underdeveloped countries together and have said, “Let us take our resources into our own hands.” That happened in 1957 in Cairo when they got the small nations together so that they could own and control their resources.

I think this country has a wonderful opportunity. This country has an opportunity to go forward. The hon. Minister of Finance and Trade in his penultimate paragraph of the Budget Speech said that we must have co-operation. His Excellency the President said that the Government of Guyana will work towards national unity. We will not just sit down and try to score petty political points. We have a glorious opportunity in this country and I think every member of the Opposition is responsible enough to snatch the opportunity to go hand in hand to see that this country progresses, because in the final analysis they are part of the very governmental process.

3.30 p.m.

Mr. Speaker, as I listened to the various contributions and speeches from both sections of this hon. house as a humble Guyanese I am convinced that Guyana is predestined to play a decisive role in hemispheric and world politics. [*Applause*]

Mr. Speaker: Hon. Member Mr. Sutton.

Mr. Sutton: Mr. Speaker, once again I rise to make a contribution to this Budget as promulgated by the hon. Minister of Finance in this booklet. We, in this section of the Opposition, have on several occasions said quite publicly that it is not often that we fail to compliment the Ministers of Finance of the immediate past on their presentation of measures which are intended to alleviate the sufferings of the people of this country. We have had no major quarrel with these intentions but what we have always spoken about is the difference between what you say you will do and what you in fact do.

The hon. Minister of finance in laying his first Budget must be complimented for the presentation of this lovely package which in the normal Christmas present is very often wrapped in beautiful paper, we pay a lot of lip service and then unlike our duty in this House if the package is open and we really start to criticise there is nothing left, only the wrappings of the package.

If one is to analyse what is really said and put it against what has actually been done one will come to the conclusion that the Government has not done very much. Because if we are to judge what is to be done, we can only judge in terms of what was done in the past in the light of what we were told would be done. This Government has really made a record of the fertile ideas which it has been able to produce in this country which has become slogans and we hope that one day some of these slogans would have some real meaning. We remember quite clearly "Efficiency Year". We remember the tremendous amount of cooperation and what you will, because in that efficiency year like now, a beautiful budget on paper was presented, but the performance bore no relation to what was suggested.

Now, we take a closer look at what this budget tells us about. We start off by referring to the point made on the first page, although we are told that self-praise is no recommendation.
Page 3:

“... In the eight years that have elapsed since then all available evidence attest to the fact that Guyana has made tremendous strides forward in many areas of our economic, social and cultural life.”

One would expect that a budget of this nature, as I pointed out before, would give definite indications of what we are to expect during the coming year, definite in the sense that the man in the street must be able to assess. Looking at a budget I must be able to see in it what I am to expect as real benefit or improvement for next year as against what I have got this year.

We see a long dissertation on the question of why we have failed to measure up in certain sectors, because of the difficulties of world finance where rates of exchange have moved against us, where devaluation caused our exports to be more valuable and our imports to be more costly. At this time, we discovered that the cost of living has gone up terrifically mainly due to the increase in cost of the goods and services that we are still bound to import. We are told rightly that the primary answer in this situation is a substitution, to help ourselves, the substitution of what we can produce against what we are forced to buy in order to live. We are told again, and this has been repeated ad nauseam, that we will feed, clothe and house ourselves by 1976, We have about two to three paragraphs on what we will set out to do in 1973 on this question of housing, We have one paragraph which touches on the question of clothing ourselves, and we have a few paragraphs on the question of what we set out to do on feeding ourselves.

3.40 p.m.

What one would have expected, that you will set targets that the average person of average intelligence could read and understand: well, the Government is going to do this in 1973, it will endeavour to do this in 1974, and the balance in 1975, and by its projections it will endeavour to complete housing at this rate in four years. In feeding, we will become self-sufficient by this crop being developed in order to take the place of that, and by 1976 we will feed, house and clothe ourselves.

Let us look at an example of feeding, clothing, and housing, and let us see how it is expressed, how we are expected to glean some measure of constructive planning as far as the Government is concerned. We find that when we look at this question of clothing, on page 40, the members of the Government have already indicated that clothing the nation will be a task of slow development, nevertheless, they tell us we will be fed, housed, and clothed by 1976.

Mainly because the raw materials for achieving this are in short supply, or as yet are nonexistent, during the first year of the plan, the trials into the growing of cotton will continue, and the establishment of a textile mill will be investigated with a view towards commencing the construction of a mill by the end of the plan.

Are you to tell us that you are setting out to establish a mill to manufacture clothing, primarily cotton in the first stages, which will go far in solving your problem, you have to set your target in the solving of this problem for four years, 1976, and you tell us in 1973, after which you will have three years left, you will still be pursuing trials in the growing of cotton? You have not told us that cotton will take so many months to mature, we hope, because this is planning, to produce so many corps, we hope to build a mill which will turn out "X" yards, and the amount of cotton we will produce will be enough for the raw materials for this mill, if not we propose to import so much from such and such, a place, which even though it will cost us the same, it will be giving jobs to our people? But we will hear next year, just as how the question of efficiency year passed over, we saw no notable degree of efficiency, but that has been glossed over; and the year of efficiency has passed and we are comparatively as inefficient as ever. We look all around us and we see mountains of inefficiency in spite of efficiency year.

Are we going, at the end of 1976, to look around us and still find mountains of people unfed, unclothed, and un-housed? Let us touch one angle of housing. On the question of housing, they tell us on page 39:

“Responsibility for provision of houses for the nation does not fall solely on the shoulders of the Government. But the Government is committed to the task and will construct

during the year at least 4,000 houses, which will go some way to satisfy the demand for houses by the large number of persons who seek better living quarters. The Government has already announced its intention to create the conditions that would stimulate private building through the grant of incentives.”

They go on to talk about the inadequacy of long term finance, etc. Let us examine in 1973, the projection of putting up a minimum of 4,000 houses, and see whether this projection is reflected either in the Budget or the present indications of the development plan. Since we have always been told the small man has a greater need for housing, and we must do everything to make him a great man, we will assume that 90 per cent of these houses will be built to make the small man self-sufficient in housing. We will expect that the average price of the houses is within the range that the small man can get at.

Let us examine the houses that are being built now. Let us ask ourselves what is the cost, how many small men are benefiting, and how many small men are likely to benefit. As far as I am the official minimum wage is still \$4 per day. As far as I am aware, there are significant sectors among the small men who are still earning in the vicinity of \$4 a day. The houses that are being put up cost in the vicinity of \$7,000 to \$12,000. Let us use the minimum \$7,000, which would be \$28 million needed for this minimum of 4,000 houses.

Let us say that the Government has planned for the raising of this money. Would it not create confidence if they would take trouble to spell out these plans in a more understandable manner? Confidence would be bred and then in the words of the hon. Member Mr. Bissember, they will then have the people behind them, instead of in front of them asking them: where are you going, and how am I to get there? Because no attempt is made to explain just how this colossal programme is going to be implemented. You have no financial projection that the average person could read and understand, when your Budget is expected to be so framed that the person of normal intelligence would be able to interpret what you are trying to do and where you are trying to go.

In all probability, this is a pre-election Budget and therefore the Government's duty to itself in such an atmosphere, is to attempt to phrase its Budget in such a manner, whether it is true or false, to satisfy the small man on whom so many votes depend, that it is in fact looking at his interest. Let us pursue this matter and see how the Government is trying to impress the small man that it is looking at his interest.

The Government talks about its overall co-operative financial institution. Very good idea, if properly executed. As usual, as we have said before, there is no lack of ideas. Ideas are very easy to come by, but it is the execution of these ideas that really counts. The Government talks about an insurance company and gives us the assurance that this insurance company will not be used to emasculate insurance companies that are in operation. The Government goes on to say that in view of the fact that several small insurance companies and two large insurance companies have left the scene, that it would appear and the Government is of the opinion that there is a large field of insurance lying waiting for the Government's insurance company, implying that there would be no problem in this line of operation at all. I am sure the Government must be aware that insurance is a very competitive and scientific field.

No person is saying the Government must not go into insurance and get what it considers, and what is often spoken of in high-flown terms without real analysis of the situation, a hold on the commanding heights of the economy, but it is usual when Governments go into the question of insurance in small independent countries, re-insurance is most necessary in order to spread the risk.

3.50 p.m.

As a matter of fact, bearing in mind that all companies go in for re-insurance, the Government may well find that it will need, in the incipient stages, to be very careful before venturing into the field of straight life insurance, say, life, or marine, or what you will, because of the competitiveness in these fields. It may be better for it to go into the field where business will be automatic, such as the business of re-insurance. Experts who have been practising

insurance for a long time will have screened the conditions under which insurance and re-insurance is given and they will be getting a big proportion of the cake without taking a big proportion of the risk. The Government should confine itself largely, not necessarily wholly, to the field of re-insurance which, provided the capital is available, is a field that can be lucratively entered by the Government.

We are told, further that a large percentage of the capital that is necessary will be put up by the private sector. I speak now of the capital necessary for an insurance company. They talk of the mortgage finance company which will also get a large proportion of its capital from the insurance companies. I am sure that the members of the Government are aware of the housing thrust that is even now going on and that the resources of the insurance companies are stretched to the limit to meet all the applications for mortgages that they are now receiving.

Whatever the Government does, how many institutions it puts into operation, what is really the problem is how much money will be available, not the number of institutions they can get the money from. If the insurance companies are expected to invest in the capital of mortgage companies instead of investing in mortgages, their traditional field of investment, a serious risk is being taken of asking the same five dollars to do two jobs when it can only do one.

I hope the Government will be very careful before attempting to minimise the areas of operation of the insurance companies when those areas of operation, under the present laws of the country, will be providing a large proportion of the capital necessary for financing the development of the country. Whether you take the capital from them, as you do now by requiring a minimum investment of over 90 per cent, or whether you tell them to capital into your mortgage company, it is the same money that will be available. Whatever you do, you will garner your resources, but you cannot garner more resources than are actually there. In creating a hen to lay more eggs you may be killing the hen that is laying the eggs on which you now exist.

The intention of the Government, as stated so often, is to Feed, Clothe and House the nation. This is most laudable. One would expect it to be the duty of every Government to explore

every avenue before carrying out measures such as these. Citizens do not expect to go backwards. It is getting us no place to tell us how bad a previous Government was. You will never be judged on that score. You will be judged on what you actually do, the improvements you make, the raising of the standard of living of the people whom you had the opportunity to govern. You will not be judged by comparison with a previous Government, by saying the previous Government starved the people 50 per cent and you only starved them 25 per cent.

Unfortunately, people have shallow memories. A Government may have pulled them out of a very deep hole. They get accustomed to the atmosphere created by that Government and if it fails to continue improvements, the Government is considered unsatisfactory. Once again the people will take the opportunity, provided the democratic forces are still alive, to get rid of the Government with which they are dissatisfied. We see this happening over and over again.

We all sing the praises of Winston Churchill. He saved Britain; he saved the world. Nevertheless, after peace came and he was thought by the people not to be doing enough for them, he was kicked out. The question of gratitude for bringing them out of the war did not arise. "We have won the war," they said. "Don't let us talk about the war any more. We want to win the peace."

Similarly, it is no use talking here about having brought stability to the country. It is a Government's duty to bring stability to a country. The members of the Government will be given a pat on the back for having brought stability but people will not continue to pat them on the back two years from now, nor will they listen to them as they talk about stability that came in 1964 when every citizen expects stability from a proper Government. No Government will be deemed to be proper if people cannot walk on the roads and cannot expect to be safe and have stability in their financial operations.

We would expect the Government to move on. The hon. Member Mr. Bissember made a very touching plea on the question of co-operation. He pointed out that the Government was

elected to govern. Unfortunately, he failed to point out that the Government elected itself to govern and is proceeding to do so. Whether the members of the Government are smiled at or laughed at, or not, they will never be able to get a consensus from the people of Guyana until the people of Guyana can have the self-respect which is necessary when exercising a vote, as we expect it to be exercised, in an atmosphere of democracy.

Unfortunately you cannot rig an election by yourselves. You need aid. You have to get people who can stand up and respect you and respect themselves, but when you ask them to be partners in rascality and then ask for their cooperation you cannot expect to get it. When elections are properly run in this country with an Elections Commission that the country can respect, with a Commissioner of Elections who acts without fair, favour or partiality, when a Government is properly elected, then, we will all have to stand behind it and help them to carry out policies although we may not agree with those policies *in toto*.

The members of the Government will never be able to get the co-operation of the people as a whole. There will always be the question of fragmentation and they will be forced to keep themselves there by measures which are unpalatable. This will happen as long as we continue to find that John Jones who voted in a certain district never lived there and as long as we find, on checking, that John Jones voted by proxy. I know about this because I checked and I know there was a case in one constituency where 20 people did not qualify and 18 out of the 20 voted by proxy.

As long as situations like these continue the Government is fooling itself. It is pressing human nature too far and cannot expect to get co-operation unless it allows democratic processes to take their way and obtain a majority by doing well and gaining the respect of the people. People will then vote for the members of the Government because they agree with their policies and respect what they are doing. We cannot get behind that.

A call for co-operation in the light of a rigged election is fruitless. We know about it because most of us have seen it. How do you expect to get co-operation? You will have to go to

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the burial ground and ask the dead who voted for you to give their co-operation. The living persons, who voted against you, will not be able to give co-operation. That is the position.

Mr. Speaker: Hon. Members, perhaps this is a convenient time to suspend the sitting.

Sitting suspended at 4 p.m.

4.30 p.m.

On resumption

Mr. Speaker: Hon. Member Mr. Balchand Persaud.

Mr. Balchand Persaud: Mr. Speaker, the ninth Budget as presented by the Government follows the same development pattern as the previous budgets. Infrastructural works have drawn substantially and, in fact, dominated the Government's strategy. Over the years the Government has been spending fantastic sums of money on roads, sea defence, airstrips, buildings, silos, harbours, etc. and less was spent on agriculture, industry, drainage and irrigation. Economists have argued that expenditure in this direction does not generate wealth quickly enough to plough into other forms of economic development. Instead, the Government found itself saddled with a high debt burden and slow rate of economic development. This tendency is reflected in the Budget as regards our debt burden and slow rate of development. Although the Government has been forewarned against the pitfalls of such a policy the Government did not take the advice given it by the Opposition. It is for this reason our country is saddled today with a high debt burden, increased high cost of living and stifled economic growth.

In 1961, the administrative cost to service the machinery of the Government was 41 per cent of the Budget. Social services accounted for 47 per cent of the Budget, and debt charges were 12 per cent, that is in 1961. In this current year the estimated cost of the administration is around 46 per cent. For social services the cost is around 34 per cent and 20 per cent of the

Budget was spent on debt charges. From the figures of the 1973 Budget the administrative cost will increase over the 1972 figures. Debt charges will also increase over 20 per cent of the 1972 figure, and less will be spent on social services. That is why we find ourselves in a position where the social services provided by the Government have been deteriorating gradually. The Government cannot find money to provide the social services which people were once getting. It is because of the trend of the Government budgeting where fantastic sums of money are used and put in unprofitable sectors of economy.

In fact, in 1968 the public debt was \$108.3 million, the estimated public debt by 1973 will be \$381.9 million. Between the periods of 1968 to the end of 1973 the public debt would have been increased by \$201.6 million in six (6) years. The public debt as it stands ending 1972 is \$259.9 million. In one year, according to the figures in the estimates the public debt has been increased by \$123 million; in just one year there has been a substantial increase on the public debt. This is the development trend. We have developments on borrowed money which eventually becomes a burden on the taxpayers to repay. It must be noted that a continuance of this trend will result in higher and higher debt burdens, as the moratorium accompanied by such borrowed loans ends. This trend is disastrous. It has led to less social services being provided to the people, already there are grave realities of a deteriorating situation. Communications have been badly administered by the Government, public transport is in an utter chaos, telephone services have deteriorated considerably, governmental works have been costing much more than was originally estimated to complete each project. These are mainly due to inefficiencies in the administration.

Maybe the Ministry of Finance will note that for many years now Members have been calling on the Ministry of Works, Hydraulics and Supply to provide reports of the achievements on Government's expenditure. On to now we have not been able to have such reports. Public Transport is also in serious problems, and no one will doubt the fact that there has been a lot of difficulties for persons who would like to travel, because facilities are not there. Government removed the railway services and introduced the Guyana Transport Services which is very inadequate. A very notable point is that when persons were travelling by the railway there were

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railway stations; in the event of rain persons could have got shelter before the trains arrived. Today there are no such facilities. At Mahaicony on the East Coast Demerara, and at Rosignol there are two such stations built. All along the road especially people who do not come out prepared for rainfall, they find themselves in serious problems. Also you find congestion in the hire car service, and increased traffic on the roads. This no doubt has contributed to the increased accident rate in the country. Many more persons are maimed losing limbs or deformed because of the transport system. Therefore, there is need for the Government to look into this question of the transport services. There are delays, the cost is much more, and one finds that the transport services are not very adequate.

4.40 p.m.

Although fantastic sums of money are being spent year after year on the telephone services of the country, we find that sometimes telephones seem to be getting haywire. If one calls somebody, the line is crossed; someone else is on your line. Trunk calls to New Amsterdam, Bartica, the Essequibo Coast, and other places, although one gets through with the call, one does not hear the person on the other side. Persons have to pay rental for the telephone. They have to pay charges when they use the telephone, and it is recorded against them, although they do not get the services. The Corporation threatens to cut off the service if they do not pay, but is it fair to the customers who subscribe to this service?

The Government is spending a lot of money. Maybe, it does not have the best advisers; maybe, it does not have good technicians. Surely, Government should be able to look into this problem and see how it could be solved, but because the Government feels it is in power, without any care for the services given to people, and because it has the power to collect money from the people, it does not care. I hope this is not the case.

On the question of public transport and telephones, Government must be able to do something quickly to remedy the situation. The Government's budgetary policy has resulted in

increased cost of living and it is a fact the Government must recognize. In the 1971 Bank of Guyana Report, section 3:

“Retail prices (as measured by the average level of the Urban Consumer Index over the year) rose by 2.0% as compared with 3.3% in 1970 and 1.4% in 1969.”

In the Budget Speech, page 24, dealing with prices, the Hon. Minister of Finance and Trade said:

"One of the most serious problems that has faced this country in recent months and which, would well persist in the coming year is the evident tendency for domestic prices to rise with unusual rapidity. During the first nine months of this year the Consumer Price Index rose by more than 4 1/2 %. This rapid increase in prices is partly the result of devaluation; but a much more important factor is the upward trend of world prices."

Analysing these two figures, these are not the only reasons. When the Cost of Living Index was first calculated in 1956 the Statistical Bureau of the Government began with the figure of 100. That is in the years when the P.P.P was in office, from 1957 to 1964. The cost of living figure rose to 113.3 points. From 1964 to 1972, eight years of the P.N.C, Government rule, the Cost of Living Index went up from 113.3 points to 137.8 points.

This is an increase of 24.5 points in eight years as against 13.8 points in eight years of PPP Government. It is shown that the cost of living has increased tremendously under the Government. In fact, nearly two times more under the PNC Government for the same period. The Statistical Bureau showed separate figures for different items; food, rent, clothing, etc. went up by three times as fast during the eight years of the PNC Government, The cost of living has increased because of devaluation, and while that is a contributory factor, it is not only because of that. In the Budget, the Minister said the increase is partly the result of devaluation. I do not have any objection to that analysis, but there are other contributory factors. The other factors that contributed to the rise in the cost of living, although not mentioned by the Minister, are due mainly to the fault of the Government, The Government must take full blame and must not let it appear that this is not its fault.

The second point which I wish to make is the indirect taxation imposed on goods and services from time to time, has also contributed to the increased cost of living. The third point is the refusal of the Government to put a special levy to collect from the capitalist class the windfall arising out of devaluation, and using it to subsidize essential commodities. No one can doubt that Bookers Sugar Estates and other important capitalist industries have been able to get a windfall out of devaluation and, therefore, it is the Government's duty to protect consumers and to use this windfall by imposing some form of tax so this windfall can come to the Government which can use it to subsidize essential commodities.

Because of the Government's policy to remove subsidies on essential food items such as, cooking oil, it has helped to increase cost of living. In fact, in 1966 the Government's White Paper declared that \$14 million in subsidies would be cut out. The fifth point is the mismanagement of the External Trade Bureau and other government-controlled enterprises and agencies, such as the Guyana Marketing Corporation. We know for a fact that the Government had mismanaged and is still mismanaging the External Trade Bureau. There is a big bureaucracy, and you have to have a staff and office and all the facilities that go with it. This tax, to run that part of the administration, has to be paid by the consumers. The Government is increasing taxation on goods coming into the country to offset that expenditure.

The sixth is restrictions on trade with Socialist countries and the imposition of the 10 per cent surcharge. Also, there is the introduction of limitation of licences to importers. The Government could have saved about \$½ million on medical supplies alone if all Government requirements were brought in from the Socialist countries, for we know that goods are cheaper in those countries.

The seventh point which I wish to make, and which is a contributory factor to the increased cost of living is that the Government imposed a ban on a number of essential food items like salted and tinned meats in the absence of good local substitutes. If the Government wanted to impose a ban, the Government's policy should have been so geared in advance that it would have been able to pave- the way so that when the ban was imposed people would not be

left without such commodities. Government would have been able to plan well in advance and to prepare the minds of the Guyanese nation, but all of a sudden you hear it in a Budget Speech, and the ban is imposed and people are not prepared for it. This is why the Government has such problems.

The goods from Carifta countries which we are obliged to buy are higher in price and inferior in quality. This is a basic fact and if one is to examine very closely, one will see that the goods purchased from Carifta territories are costing more from time to time.

The eighth point, due to reduced social services particularly in education and medicine, people have to pay more for school fees, books, and for medical attention. These are contributory factors to the cost of living. We know that cost of living does not only refer to things you buy in the shop like food. Other amenities also increase the cost of living.

4.50 p.m.

The ninth point which I wish to make is that transportation costs have gone up as a result of Government decisions, deliberately taken. There are, therefore, higher fares and higher charges for goods and services. The removal of the railway service, to which I have referred, has indeed created a serious handicap and has resulted in an increased cost of living.

My tenth point is that the increase in the cost of living came about because of the Government's decision to increase charges on postage rates, electricity and telephone rates. The rates imposed upon the people in the local authority areas have also been increased without providing them with adequate services.

The Government imposed additional rates and taxes on people at the local authority level and it is a direct taxation on them. If they pay direct taxation and are unable to obtain services, then it is clear that the administration of the Government has to take the full blame.

The eleventh point is that one of the additional contributory factors to the increased cost of living is in the Government's hands. The Government is in a position to solve this problem but, unfortunately, it has not been able to think along these lines and to solve this problem.

To ease the cost of living then, I wish to call on the Government to put an end immediately to the spate of indirect taxation; subsidise essential commodities; remove the 10 per cent surcharge on goods coming from the socialist countries; remove the ban on essential food items and provide adequate social services; desist from increasing charges for services rendered and for rates and taxes in local authorities and municipal district councils. If the Government is able to act in this direction, then it will be helping the people of our country by preventing the cost of living from increasing.

The Minister of Finance and Trade in his Budget Speech referred to the performance of the economy. I quote from page 17 of his speech:

"The first noteworthy fact is that production during the year failed to confirm expectation in a number of significant sectors."

He went on to say that "a number of unfortunate factors operated to retard output." The Government put the blame on weather conditions for the failure of certain crops to grow. According to the Minister, sugar production will be about 75,000 tons less than originally anticipated. The Minister indicated in the Budget Speech that 390,000 tons were produced in 1971 but the 1971 Annual Report of the Bank of Guyana at page 13 emphasised:

"Rice production suffered a sharp setback in 1971. Its output was only about 120,000 tons - 16 per cent less than in the previous year and about as much below the average of the years 1965 to 1967."

On the same page of the Report it is stated:

"While receipts (G\$78 million) from dried bauxite and alumina fell, these short-falls were largely offset by the higher revenue (totalling G\$56 million) from the sale of

calcined bauxite. At 2.1 million tons and 0.3 million tons, the outputs of tried ^ bauxite and alumina were, respectively 8 per cent and 2 per cent below those of the previous year..."

This shows that production in sugar, rice, bauxite and alumina has dropped.

On page 14 of the same Bank of Guyana Report for 1971, under Forest Products, it is stated:

"More than four-fifths of Guyana's 83,000 square miles is occupied by forests. These contain a wide variety of valuable wood species. Yet, only 2 per cent of the country's output is derived from them. In 1971, production of all such species fell by 14 per cent to roughly 5.5 million cubic feet, following the all-time record production (of 6.4 million cubic feet) in the previous year. Despite the fall in production, exports rose by about 20 per cent to a total of about 1.0 million cubic feet. The average unit value of such sales remained at about the same level as in the previous year."

As we can see, here again, even in forest products, there has been a drop in production.

When the People's Progressive Party was in Government, the party initiated action and a United Nations Team visited Guyana and carried out a survey of all the different species of wood that can be produced or developed in Guyana. In addition, a United Nations team came from Yugoslavia to advise on a complex industry based on timber, to produce pulp, paper, wall boards, barrels and staves, poles, sleepers, lumber piles, wood, alcohol and chemicals. The P.P.P. went further and the Cuban Government agreed, after negotiation, to get a \$10 million loan to start a wood pulp factory in Guyana. [Mr. Green: "What happened to it?"] The party was removed from office in 1964. The Government has all the records. It has all the facts at its disposal but it has been unable to move in this direction. We have valuable woods but, unfortunately, the Government has been unable to move significantly to exploit them.

I quote again from page 14 of the same Bank of Guyana Report:

"The entire mining and quarrying sector contributes about a fifth of the country's total production and just under a half of its merchandise exports.

Apart from the output of bauxite and alumina, the production of gold, diamonds and quarry products comprises the entire range of activities within this sector. In 1971, the

outputs of gold and diamonds were at their lowest levels in many years. While the production of diamonds fell by 22 per cent to 48,000 metric carats, the output of gold declined more steeply (by 68 per cent) to a level of 1,400 ounces for the year. Exports of diamonds also fell - by 4 per cent to 51,000 metric carats valued at G\$2.5 million. The unit value received was 23 per cent lower than that in the previous year."

From the Annual Report of the Bank of Guyana and from the Hon. Minister's own admission it becomes clear that the country has not performed as expected. A fall—short in production has resulted in slow economic growth. Had it not been for devaluation which helped the balance of payments, the country would have been in a more serious economic plight.

On page 21 of his Budget Speech the hon. Minister of Finance and Trade said:

"Despite the fact that prices for some of our major exports have been higher than in recent years, because of a reduced volume of output on the one hand, and the higher import prices on the other, our balance of payments on current account would by year end reflect a deficit that is larger than in the previous year."

We have found ourselves digging a hole to fill another hole. We cannot generate, it seems, enough wealth to take care of our current expenses, much less to finance our development.

5.00 p.m.

For instance, in the Government' own figures on page 30 setting out the main items of capital expenditure, the Minister said:

"Capital receipts in 1972 were also at a higher level, and totalled \$43.7 million made up of \$15.8 million on External loans, \$24.8 million on local borrowings and \$0.1 million from miscellaneous capital resources."

The Government was able to finance some of its development by a small margin of money raised in the country and most of the money had to come from foreign sources. Although the Budget for current and capital expenditure has increased in quantum the standard of living has decreased.

The Prime Minister gave the unemployment figure of 15 per cent which is contestable. Hundreds upon hundreds of Guyanese are leaving because they cannot find employment opportunities in Guyana, because of political and racial discrimination.

I will deal now with the Government's trading policies. It is clear that the Government is still following the old traditional trading policies, very insignificant trading has been occurring with Socialist countries, because we have ties with the traditional markets. Somehow or the other it does not seem as if Government can get out of this position, and because the Government is in a fix, so to speak, trading partners, you find that if those countries have inflatory tendencies in their economy we have the same tendency of drawing it to ours.

Government has to be able to look into this question more seriously and it must see how it can be able to avoid this pitfall which is really putting a lot of pressure on the backs of the Guyanese working class. Experience has shown that trading with the Socialist countries has always proven more beneficial to developing countries. There is one important point which you must note, that is if you trade with the Socialist Countries you do not have this consistency of inflation affecting your economy or the increased cost of living. The Government claims that it is progressing in words but deeds are different. Policies are not in keeping with what it says it will do. That is why we are in this problem. Increased cost of living is plaguing this society, unemployment is plaguing this society. Many persons are going abroad to live like third-class citizens but they prefer to stay there, they do not want to come back to Guyana because they are wondering what they will do.

Mr. Speaker: Hon. Member, try and wind up now.

Mr. Balchand Persaud: It is important that the Government must be able to stop the wastages which are occurring in the development programme. It seems to me that the Government has been unable to get people who can estimate the cost of projects properly, as a result it started off with one figure and at the end of the project it is double or tripled because of inefficiency. The Government must take the full blame for the backwardness which exists in the

society today. I wish to call on the Government to make a radical change and to halt this backwardness that is taking place in our country.

Mr. Speaker: Hon. Minister of Economic Development.

The Minister of Economic Development (Dr. King): Mr. Speaker, as you know, I am somewhat new to this House but I consider that a Budget Debate should serve two main functions. First, it should give us the opportunity to review this performance of the economy in past years. And secondly, it should permit hon. Members of this House to comment upon the proposals put forward by the Government for the years ahead and to ensure that they fit in with the general economic policy and programme of the Government.

I had hoped, also, Mr. Speaker, that within this framework, the Opposition would have been able to advance the cause of the people of Guyana by making some constructive contribution to the Debate. I confess that during nearly three days in which I have listened to the Opposition I have grown sad and disillusioned. BY and large, except for one or two notable exceptions, I have heard nothing of substance from the Opposition. And even their petty irrelevancies have been most un-informed, ill-advised and amateurish

Mr. Speaker, I have, over the years, been in the position of being able to observe the economic and social performance of Guyana somewhat objectively. And I say without hesitation that the advances which have been made over the last eight years have indeed been remarkable. I do not wish to labour this point unduly, but I would remind the House that the gross domestic output has grown from about \$300 million in 1964 to over \$500 million in 1972. I would remind the House further that investment in Guyana during the last eight years was of the order of \$800 million. I would remind hon. Members that in 1964 the revenue collected by this Government when it first assumed office was a mere \$67 million, and that it is estimated that in 1972 we will collect \$158 million. I would emphasize that Government expenditure in 1972 was \$220 million compared with an expenditure of \$79 million in 1964.

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Mr. Speaker, I would imagine the cold statistics of economic growth would not easily make an impression upon the minds of all members of the Opposition. Accordingly, if you would permit me, sir, I should like to express the Government's achievements in another way. During 1966 to 1972, the performance of the Government in Education, in Transport and Communications and in Agriculture has outstripped its targets.

Between 1966 and 1972 just over \$10 million were allocated for Education. In fact, the Government spent \$15 million. We provided 30,000 new primary school places. We built the Campus of the University of Guyana, with seven general science laboratories. We constructed eleven Home Economic and Handcraft Centres, and we established an Amerindian Hostel at St. Ignatius. This year work was begun on the new Teachers Training College. It will be completed next year.

The allocation for Transport and communications for 1966 to 1972 was \$67 million. We spent about \$72.5 million. We built or re-built, or rehabilitated the Soesdyke/Linden Highway, the Corentyne Road, Sheriff Street, the West Coast Demerara road, and the East Coast Highway. We constructed a new International Airport at Timehri. We began the Telephone Expansion Programme. We established a modern Bus Service on the East Coast.

Mr. Speaker, this Government had allocated about \$17 million to Agriculture in the period 1966 to 1972. In the event it spent nearly \$26 million. It spent most of this money on the basic infrastructural work which is so necessary for increased agricultural production and productivity - on sea and river defences, on drainage and irrigation, and on land development. It expanded livestock production at Mon Repos, Ebini, and in the Rupununi areas. It carried modern agriculture to new areas such as Mathews Ridge in the North West District, and we completed a survey of the forest resources of Guyana,

This, by any standard, is a record of achievement. But the story does not end there. The record of achievement spreads over to the much maligned Public Corporations and Companies, First, let me make a general statement. The figures which we are now in the process of analysing

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at the Guyana State Corporation indicate that if one considered GUYSTAC as a small conglomerate, with Corporations and Companies as a whole, then for 1972, the Government Corporations and Companies would have made a profit before tax, but after depreciation, of over \$7 million.

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There is little doubt, therefore, that the profits of GUYSTAC will make a significant contribution to the development of the economy of Guyana.

There is one Company about which I should like to be specific, one Government-owned company. In February of this year, the Government of Guyana bought from the Commonwealth Development Corporation, a company known as Guyana Timbers Limited. In eight of the ten years preceding our purchase, that is, between 1962 and 1971, the Company, under its expatriate owners had lost money consistently. In the two years in which there were profits, I think in 1965 and 1967, the profits were marginal and did not exceed \$70,000. When we took over, at a negotiated price below the book value, there were forecasts of doom from the prophets of doom. Some of these forecasts of doom emanated from the Opposition. Many people seemed to have no faith in the ability of Guyanese to run their own affairs successfully. They could not imagine, indeed, it seemed to be beyond their conception, that Guyanese could be successful where expatriates had failed. This lack of belief in the ability of their fellow nationals was expressed on more than one occasion.

Mr. Speaker, I am happy to report to this honourable House, that after depreciation, and after making provision for the repayment of interest on the loan obtained from C.D.C., a repayment which I might add is not due until the end of 1974, but for which like good businessmen we are now making provision, Guyana Timbers Ltd. will at the end of this year, and after only ten months of this operation, have made a profit of the order of \$300,000.

I confess that this achievement is a great source of pride to the Government, not merely because this Company has made a profit, but because it illustrates the validity of our philosophy of self-reliance, because it illustrates the firm basis of our belief in the people of this country, and because it points the lie to those at home and abroad who say that we cannot manage our own affairs.

I should now like to refer briefly to Guybau. The hon. Minister of Finance, at pages 22 and 23 of his Budget Speech, had shown that employment has increased at Guybau, that the earnings of workers have risen, that the Company will by year end have paid nearly \$14 million in income and property tax, that its dividends will meet the compensation payments due to Alcan at the end of this year, and that Guybau was able to hold over \$11 million in Government Treasury Bills.

This is, of course, gratifying evidence of the profitability of this Government enterprise. But this is not the point I wish to emphasize. What I should like to stress again is that once again, Guyanese have demonstrated their ability to run their own affairs.

I want to talk about one more public institution. Another institution worthy of mention is the Guyana Rice Marketing Board. When the P.N.C. took office in 1964, the bonds of the Guyana Rice Marketing Board were bursting at their seams. No firm market or trade arrangements had been made for our rice. The Board itself was on the brink of collapse. Indeed, Mr. Speaker, this P.N.C. Government found it necessary in 1968 to re-finance the Board by loan to the tune of \$4.5 million. As you would be aware, that loan was repaid, with interest, within three years. At the end of this year, 1972, the Board will show a profit of approximately \$2.5 million after having paid out subsidies to the rice industry of \$1.5 million for research, machinery services, insecticides and weedicides, bags etc. and another \$1.5 million for advancing loans to rice farmers. After these things, the Board will have made \$2.5 million.

This Corporation has become a profitable institution under Guyanese management, so profitable, that it was able to buy the stock feed and rice mills at Mahaica and it is engaging in

other undertakings.

It seems to me, Mr. Speaker, that if the successes of Guyana Timbers, Guybau, and the Guyana Rice Marketing Board, would erase from the minds of Guyanese the belief implanted by their former masters, that they are incapable of running businesses, if it will inspire them with a modicum of confidence in their own talents, then their contribution to the development of Guyana would be worth more, much more, than all the monetary profits which I am sure they will continue to give us.

I think by now I have demonstrated that this Government's economic record is one of achievement. I wish now to spend a few minutes on the Government's trade policy and on the influence of this policy on economic development and on the welfare of the people of Guyana. The trade policy of this Government is really quite easy to follow. This is in specific reply to the last speaker. It is simply that the Government of Guyana will buy from the cheapest source, so long as the quality of the commodities, which it buys, is of acceptable standards, and will sell to those countries from which it buys and from which it is possible to obtain the most favourable terms. Because in the past, we like the P.P.P., bought from those metropolitan countries which ruled our destinies when we were a colony, we now have to diversify our trade.

The strategy which we are employing in order to achieve the objectives of our policy is as follows. We do not rush into these things. First, we identify sources of commodities suitable for use in this country, and which we are not producing ourselves. At the same time, we identify possible purchasers for our products. Secondly, we send trade missions to those countries from which we wish to buy, to observe for ourselves the manufacture and production of the commodities which we desire to buy, to check out standards, to discuss prices, delivery dates, terms of delivery and so on. Our trade missions also arrange to export those commodities which we have to sell. Then, if possible, we have trade agreements. The thing is logical, methodical, and scientific.

It is in pursuance of this policy, and in execution of this strategy, that the Government of Guyana sent a trade and economic development mission to the People's Republic of China, the Democratic Republic of Korea, the Republic of Korea, and to Japan, last November. The choice of these countries was deliberate.

First, our preliminary research had indicated that these countries goods to sell us and were prepared to buy our products. Secondly, we wished to demonstrate our independence and neutrality. We wished to show that we are a truly, non-aligned country.

If you will permit me a digression, Mr. Speaker, which I believe to be relevant to this topic, I should like to draw attention to the internal consistency of this Government. In particular, I should like to speak a little on the relationship between foreign policy on the one hand, and trade policy and economic development policy on the other, as we in the Government interpret this relationship.

Our Foreign policy has been clearly adumbrated by the hon. Minister for Foreign Affairs yesterday. He has stressed the importance we attach to non-alignment, and he has indicated that there is an inter-connection between our foreign policy and our economic and trade policy.

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A truly non-aligned country would buy from all and sell to all, provided it considers that the over-all terms and conditions are mutually beneficial to the countries concerned. That is our policy – and it is a policy which is already paying dividends.

On my recent Mission to China, Mr. Speaker, I signed an agreement to sell over \$2 million worth of Guyana's timbers to China on terms more favourable than we obtain from other countries. What is even more significant to our development is that the Chinese are utilising species not hitherto sold abroad. Our costs of timber production would therefore fall, simply because we are now felling more trees, and producing more logs, from a unit area of forest land.

But trade is not all selling. The Guyana Mission to China also placed orders for goods. We took care to ensure that the goods we ordered were not those which might be in competition with articles and commodities which we produce and manufacture here. We looked after the interests of our producers and manufacturers. We are of the opinion that those commodities which we did order are so appreciably competitive that their purchase would make a significant contribution to reducing the cost of living. You see here, Mr. Speaker, an example of the integrated approach to economic development which this Government practises.

Our foreign policy, our support for the Albanian resolution in the United Nations and our establishment of diplomatic relations with China set the way for talks on trade and economic matters with China. These talks led ultimately not only to a large increase in the export of timber, with its concomitant increase in the number of jobs available in the forestry sector, but they also resulted in the importation of goods which would significantly reduce the cost of living in this country. In particular, we believe that the cost of houses would be ultimately reduced if we utilised Chinese hardware in their construction.

I do not wish to anticipate the debate we will undoubtedly have next year when Guyana's 5-year Development Plan is presented to hon. Members of this House. However, because this record budget which we are now considering is the first tranche of our five-year plan, I feel it necessary to say a few words on the goals and objectives of the plan.

Hon. Members of the Opposition have accused the Government of sloganeering it has said that the objective of our development programme over the next five years is to feed, clothe and house ourselves. I do not see how anyone can object in principle to the desire of a Government to provide the basic necessities of life for its people. But it is not merely sentiment that led to the choice of these goals. This is a hard-headed Government which understands the important economic effects which flow from the programme to feed, clothe and house ourselves.

The programme to feed ourselves saves foreign exchange for other aspects of development, will provide jobs in agriculture itself which is the sector with the highest labour

absorptive capacity in this country, will provide forward linkages to processing industries and will retard the drift of population from the rural areas to the towns.

In the first instance, the clothing programme will aid in industrial development of this country, will save foreign exchange, and towards the end of the plan period will provide jobs for those engaged in the planting and harvesting of cotton. Forty thousand job opportunities will be provided by the construction of houses alone during the plan period. Moreover, there are backward linkages to forestry exploitation, sawmilling, and clay brick production, nail manufacture, glass manufacture and so on. The programme therefore generates a great amount of economic activity and leads to the development of sectors of the economy which at first glance do not appear to be affected by the so-called slogan.

Hon. Members of this House must not assume, however, that our development programme is confined to feeding, clothing and housing ourselves. Our main thrust is going to be made in these sectors. But other aspects of our development will not be neglected. During the plan period we will complete the Expansion Programme of the Guyana Electricity Corporation and the Guyana Telecommunication Corporation. We will construct 800 more miles of roads. We will expand our education and training. In addition, the development of our national resources will be proceeded with - in particular our mining sector will be developed apace, and we will be establishing a forest-based industry.

The socio-economic targets of our development plan are basically as follows. We wish to sustain a rate of economic growth per capita of between 5 and 6 per cent in real terms. We intend also to reduce unemployment. Indeed, Mr. Speaker, I am afraid that if all our plans came to fruition, we will have seriously to consider importing workers into Guyana by the end of the plan period.

Other Ministers of this Government will be speaking later in this debate specifically on the agricultural and housing sectors. I intend at this stage to dwell briefly on the new industries on which construction will begin next year. We will establish a large clay brick factory. We will

begin to construct a textile mill. We will rehabilitate the main abattoirs and will construct a leather factory. We will begin work on a sheet glass factory. We will begin construction of on-shore facilities for fish and shrimp processing. We will establish a small paper mill utilising imported pulp and waste paper. We will establish many agro-based industries particularly for the earning and processing of vegetables and fruit.

Some of these industries will be established with the help of our friends. Others we will put down on our own. The location of the industries will, so far as is economically feasible, be equitable. By this I mean that they will be spread throughout Guyana. We do not intend to concentrate our industries in Georgetown. We intend that the entire country should benefit from our developmental efforts.

In addition, to these Government-owned or partly Government-owned industries, we intend to encourage the local private sector to engage in a wide range of manufacturing activity. Early next year we will publish a list of industries in which we hope the private sector would engage. We will consult with the various Chambers of Commerce, the Manufacturers' Association and so on. This Government realises that the developmental effort must be a total effort and we intend to involve all Guyanese in the development of this nation. The hon. Minister of Co-operatives and Community Development has already spoken on the role of Go-operatives in the development effort. It is therefore not necessary for me to discuss this further.

A new unit will be established in the Ministry of Economic Development with the specific objective of monitoring the implementation of these projects. The unit will ensure that the projects operate on schedule and that their implementation and the consequent development of the economy proceeds as we plan.

I come now to the question of financing. The Capital Expenditure envisaged in the Budget is of the order of \$145 million. Of this \$25 million will be raised locally. About \$72 million will be specifically financed by direct official overseas aid. There appears to be a shortfall of over \$47 million.

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Hon. Members will recall that earlier I spoke of the interplay of Foreign Policy and Economic Development. Negotiations are now being conducted with several countries with a view to securing the remaining finance. I knew that hon. Members of the Opposition have been out of office for a long time, but I assure that even they will appreciate that it is inadvisable in delicate negotiations such as these to disclose the situation before final agreement has been reached. Hon. Members of this House will be informed as soon as possible after the negotiations have been successfully concluded.

I think that I have said enough to indicate that the Budget for 1973 is but one in a series which will lead to the sustained economic development of our country.

5.30 p.m.

Mr. Speaker: Hon Minister, may I take tills opportunity to congratulate you on your maiden speech in this House. The affirmative conclusions you have made have done much to enhance the debate. I hope you will be a regular contributor to these debates as long as I am sitting in this Chair. [*Applause*]

Hon. Member Mr. Remington.

Mr. Remington: Mr. Speaker, in this Budget Speech --
[*Interruptions*]

Mr. Speaker: Will hon. Members be quiet. This is why the contributions are always irrelevant. Hon. Members do not pay attention to what is going on.

Mr. Remington: Mr. Speaker in this Budget nothing has been said about local Government and this is a departure from the past budget speeches. In 1970 the last elections of local government were held and in 1972 the Government came to this House for the postponement of local government elections. There must have been some reason for this and the

Government's reason was that they wanted some time for the councillors to do their work. But if we look at the Budget for 1970, the year of elections, we will see under subhead 1, Establishment of New local Authorities, allocation \$12,883, subhead 2, loans to Local Authorities, \$2,400, Local Authorities roads \$23,654, Purchase of Equipment \$23,913, 1971 Establishment of local Authorities, (1) \$2,318, Loans to Local Authorities \$47,512. Let us go now to 1972: Establishment of New Local Authorities, nothing; Loans to local authorities, \$50,000; local authorities (roads) \$9,000. Let us see the 1973 budget: Subhead 1, Establishment of New Local Authorities, \$50,000; Loans to Local Authorities \$250,000; Local Authorities (roads) nothing; Purchase of equipment \$11,500. Capital grants to local authorities, \$2,500. The explanatory notes states that this is "to meet initial expenses in setting up new local authorities and to provide for training of councillors and officers." It has taken this Government two years to know that these councillors need training. It has taken this Government two years to find that the reason for dissatisfaction in these villages is that these councillors do not know anything about administration. This is a new local government reform and Marshall recommended that these councillors must be trained. This government waited until two years to understand that these councillors and the officers need training. Is this not an indictment? Who is responsible for this? Let us see. This is the P.N.C. council. I am quoting from the Daily Chronicle, Tuesday 20th June, 1972.

“'Stature' for Local Government urged:

Guyana Association of Local Authorities President Mr. Hulbert McGowan, has called on the Cabinet to bestow 'more Stature' on the Ministry of Local Government so that ministry might be more capable of carrying out the task of development.

Speaking at the opening session of a five-day seminar for town clerks and chief executive officers of municipalities and district councils yesterday morning, Mr. McGowan declared:

'G.A.L.A is very worried at times because we are not fully convinced that central government is giving the respect to local government that it deserves.'

He contended that more money should be allocated to the Local Government Ministry so it can press ahead with development plans and avoid the situation now existing whereby councils had to run to this agent or that agent for funds.

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'We would like the Ministry to have the funds so that the Minister can deal directly with us,' the G.A.L.A. boss stated.

He urged the Permanent Secretary of the Public Service Ministry, Mr. Edmund Burke who was present, to take up the matter with the Cabinet and impress on Government what the real functions of local government were.

Mr. McGowan severely criticised some councillors for causing clashes between councils and chief executive officers because of their behaviour.

'Many of the councillors operating today are not competent, but they seem to believe they know everything.'

This is the President of G.A.L.A, I must say this is the same organisation which has recommended the postponement of local government elections to the Government. In other words, the Association is telling us that these P.N.C. councillors are no good, they are incompetent and their incompetence is causing a lot of frustration and dissatisfaction in the villages today. It is good to postpone elections, but the Government should find the real reason and it should not come here to tell us that it is because these councils did not have enough time to carry out their programmes. This is not so. People are beginning to get worried. If you are a councillor in an area there is nothing that you can do to give leadership; the people are not trained properly; they cannot give advice; they do not know how to run the council. There is a lot of confusion because of the P.N.C. Government and councillors.

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Let us look at 4, of the explanatory notes: "To provide for the purchase of one long base land rover." "To meet requests for grants for new capital works and schemes other than these met from normal area expenditure." What the Government is doing in 1973, the provision here is \$250,000 for capital grants to local authorities. Nothing for 1972, nothing for 1971, and nothing for 1970. Why? From experience, one will know that some of these local authorities, according to their economic position, cannot pay rates and taxes. Dr. Marshall's recommendation is in

keeping with this, in suggesting to the central government that it should give loans and grants to these local authorities, but in the period 1970 to 1972, there is nothing there for the people in those unorganised areas.

This is what happened in 1970. In the local government reform, a lot of these areas, the boundaries were extended to take in these areas. In some of these areas there was no proper drainage, no water facilities, no roads. This is what Dr. Marshall recommended to the central government, that they should be given grants and loans, but until 1973, this Government knows now that it must give grants. Why wait two years to give capital grants to the tune of \$250,000, which is nothing at all? They are telling us: we have no interest in local government.

This Government is responsible, and according to Dr. Marshall, local government must keep abreast of the central government and if the central government is treating local government in this way, it means that this Government is saying: we have no interest in local government. We know of self help, but what I am saying, the people in these areas need help, need some assistance from Government, and this is what I am saying. Dr. Marshall recommended, and this is what this Government is saying, that it is putting forward Dr. Marshall's recommendation on local government. Why just place some, and the balance the Government is keeping? This is necessary to push local government.

I should like the Minister to note there is dissatisfaction also in some of these areas that embody the sugar welfare scheme. These people contribute to the welfare fund by virtue of working on the estate. The government goes around, and the appraisers appraise the buildings, putting on taxes on houses and lands. It is not fair for the people to pay taxes to the local authority and still contribute to the fund. The fund was set up to assist sugar estate workers, providing roads, giving them water, and maintaining these works. Now that Government is taking over these schemes, all it is looking forward to is to charging these people rates and taxes. The people are paying to the local authority and contributing indirectly to the fund. The

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Government should ask the welfare fund committee for some help to get some fair measure of taxation. Now the Government, according to the expansion system, should take in some of the areas still to be built by this same fund. The Government is going to wait until a situation gets out of hand and say: we must act now. The Government should go into it and find out from the people in the area what help and assistance it could give.

You are going to tell people you want to build houses, you want to clothe people, you want to feed people by 1976. There must be some way out of this. Local government, which is an important organisation, the local council must work jointly with the central government to achieve these aims, but if the local authority does not know the work, the people in the area will suffer by virtue of maladministration. The Government must stand indicted because it waited two years to understand that the councillors need training. Why now? I believe that the Government should not have waited until now.

Let me quote further from what Mr. McGowan, G.A.L.A. Chairman said in the Guyana Graphic, 14th August, 1972, "GALA head hits at self-seeking councillors." When they say councillors, these are P.N.C. councillors, not P.P.P. councillors.

"The President of the Guyana Association of Local Authorities, Hulbert McGowan, has called for the resignation of those of those local authorities chairman and representatives who used quarterly union meetings as excursions.

Those village leaders who attend these union meetings only to take part in sumptuous lunch with the best liquor should be honest with themselves and quit because they are wasting their time and local government."

Further,

"Mr. McGowan said that several councillors just want to be near the source of political power since monetary considerations were there."

This is what G.A.L.A. President is admitting. This organisation is speaking on behalf of these local authorities and this is the same organisation that is responsible for postponing the election. What is Government doing? It is allowing this situation to continue? Are they satisfied

that the local authorities are working properly or they are aware of this situation? There must be frustration in these local authorities and I want the Government to understand that this condition should not be allowed to continue.

I experienced during my term of office, during the term of the Coalition Government an occasion when proprietors came to Georgetown, reported that there was some maladministration, the Minister wrote me telling me he had a complaint and he wanted to meet the council, without giving me the complaint. The council never attended that meeting and what happened? The Minister came back and recommended to the Cabinet that the council be dissolved.

What is the Government doing to correct this situation? Councillors are not attending meetings, Mr. McGowan is admitting:

“They serve no useful purpose and are among the most lazy and lethargic people, who cause untold friction which is in evidence...he said that unions of local authorities were statutory bodies and as such should operate within the law at all times, and let the element of the democracy reign in everything they do. But he declared that some councillors use their council for self aggrandizement, helping friends, and using subterfuge to get money from councils to be spent in areas where it should not be properly spent,”

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Is the Government aware of all these things? This is a P.N.C. president saying what is going on to a P.N.C. council. This is the situation. I want to know whether Government is in agreement with this situation. Is this what the P.N.C. is trying to establish at local government level with the present reform?

They must postpone elections. This is something more than postponement. The members of the Government should tell these people to get out and try to set up some committee to investigate whether these charges are true or not. They cannot allow a statement like this; they must have an enquiry. If they do not, then they are in agreement with the situation. They must

tell us why they allow such a thing to happen in these local authorities. Why did they wait for two years to find these things out and without taking one step to correct the situation? Is it because they are P.N.C. members? This should not be allowed to happen. By virtue of the behaviour of the P.N.C. the whole village is corrupt. Mr. McGowan is saying this and it is true.

My advice to the Government is to investigate the situation and see whether it can be corrected, because it is very bad. If the Government is allowing this behaviour, how are we to believe that feeding, clothing and housing the nation by 1976 will be materialised? This is something to be achieved if you are allowing these things to happen at local authority level, how are you going to achieve this goal. Local authority embraces all these things. Local authorities must be involved in programmes for feeding, clothing and housing, and if they are left to behave as they are now behaving you cannot achieve the feeding, clothing and housing the nation by 1976. [Applause]

AMENDMENT OF THE DEVELOPMENT PROGRAMME

Whereas the Development Programme of Guyana for the period 1966 to 1972 was approved by Resolution No. LXXIV of the 27th April, 1966, of the House of Assembly;

And whereas it is provided by section 3 of the Public Loan Ordinance, 1966, that any modification, amendment or extension of, and substitution for, the said Development Programme may be approved by the National Assembly;

And whereas it is necessary to amend the said Development Programme so as to provide additional capital expenditure in the sum of \$5,400,000 under Chapter XX in so far as it relates to rural water supply, to provide for accelerated pure water supply services to several rural areas:

Now, therefore, be it resolved that this National Assembly, in pursuance of section 3 of the Public Loan Ordinance, 1966, approve of the amendment of Guyana's Development Programme for the period 1966 to 1972, by increasing the sum provided for pure water supply under the said Chapter XX, by \$5,400,000 to provide for accelerated pure water supply services to several rural areas." [The Minister of Finance and Trade]

The Hon. Minister of Finance and Trade (Mr. Hope): Mr. Speaker, I wish to move the Motion standing in my name dealing with the amendment of the 1966/72 Development Programme.

What the amendment seeks to do is to ask and secure authority for Government to embark on a very extensive and ambitious programme of pure water supply in certain parts of the country. The programme envisages the extension of pure water supply on the East Bank of Demerara, on the Demerara sea coast, as well as in New Amsterdam. The programme will cost \$5.4 million and it is to this extent that the Government would wish to amend the current 1966 to 1972 Development Programme.

The funds for financing this programme are already assured. It will be financed by a loan which has been arranged with the United States Government, amounting to (U.S.) \$2.6million. The loan itself is on very soft terms. The period of repayment is going to be 40 years with a moratorium of 10 years. In that first 10 years the interest rate will be 2 per cent per annum and in the remaining 30 years of the period of the loan the rate of interest will be 2½ per cent per annum.

This whole programme will be administered by the new water authority which has been recently established and it is for this reason that the Government comes at this point in time to request, by Motion, that the current Development Programme be amended to admit this programme this year.

Question proposed.

Mr. Speaker: The hon. Member, Mr. Ram Karran.

Mr. Ram Karran: In the first case I wish to indicate that no one on this side of the House would wish to object to the measure sought by Government. After all, supply of water is a

necessity for all Guyanese.

What I would like to ask the hon. Minister, or the spokesman for the subject of water supply, is whether the Government has been sleeping? I know that they have been sleeping so I would ask what has awakened them at this late hour. I know that this loan was arranged many years ago. The Americans had given the assurance that the loan was available and the question of vesting authority for the central water authority had been in discussion. It has been in gestation in the Ministry for as long as this Government has been in office. In fact, it was left there and one wonders what has happened to the Government.

Is it a file that was misplaced and then suddenly found and now they come to this House asking for a variation of the Development Programme, which is a dead letter, which is non-existent? I do not know how they can put life into something that is dead. But our Ministers are magicians and can put life into that programme. We accept it, especially as it is a question of water supply.

The hon. Minister used the term "at this point of time". Would he or his colleagues be in a position to tell us exactly why it is being done at this point of time? Why was it not done last year, the year before that, when this loan was mentioned or when the water authority should have been set up?

For what reasons has the Government decided on these areas, EastBank, Demerara sea coast and New Amsterdam? There are many other areas in this country, as my colleagues are in a position to say, where the supply of artesian water –

Mr. Speaker: This is the first phase.

Mr. Ram Karran: Thank you. The hon. Speaker is helping the Government all the time.

Mr. Speaker: The hon. Speaker is following the debate and not making noise.

Mr. Ram Karran: The hon. Minister did not say what other areas would be included.

Mr. Speaker: He said it previously when the water corporation was being set up.

Mr. Ram Karran: The hon. Minister ought to have told us what other areas are to be taken into account after this first phase is initiated. As far as I know, all the areas near rivers are suffering from a serious shortage of artesian water.

I should also like to ask the hon. Minister what it is proposed to do about the aqueducts. The Minister of Works and Communications has indicated to this House that the aqueducts are not behaving in a regular manner. In other words, the water below is running into short supply and one wishes to know whether the central water authority proposes to take water from the conservancies or sweet water trenches and pump it in.

We would like to know what quality of water will be supplied, not only to these areas but to the new areas that will be set up when the first phase of this programme is initiated. Water, as you know, is a very important commodity in this country. There are many people, particularly in Black Bush Polder and in some other areas, who have to drink water from the trenches while the friends of the Government have water carted to them by lorries.

6.00 p.m.

Mr. Speakers: Hon. Member Mr, Ram Karran, if you are finished ten past six o'clock we can have another Member.

Mr. Ram Karran: I should like to co-operate but I do not think any other hon. Member on my side wishes to speak on the question of water.

Mr. Speaker: Not after your speech.

Mr. Ram Karran: As I said we have no objection to the programme but I thought that the hon. Minister or his colleague will be in a position to answer these few questions particularly the one as to whether the Government has now awoken from its slumber with respect to this loan.

Mr. Speaker: Hon. Minister, do you wish to reply?

Mr. Hope: Very briefly, Mr. Speaker, this Programme for the development of pure water supply has been the creation of the Government. If it took time to come to fruition the important thing is that a great deal of planning and thought has gone into the matter. What is certain is that now that the programme is to be implemented there is little chance of any failure because of inadequate planning.

So far as the question that was raised is concerned, I think the hon. Member who spoke was answered when it was pointed out that this is the first phase of a very extensive programme. In fact, the Government proposes to bring pure water supply to all the people. Obviously it can only be planned and financed in phases and in the course of the implementation of the plan artesian wells will be sunk, river water will be tapped and purified. In general, the whole supply of water that is available to the country will be tapped according to scientific advice.

Question put, and agreed to

Motion carried

Mr. Speaker: We will now resume the debate on the Budget Speech.

APPROVAL OF ESTIMATES OF EXPENDITURE 1973 BUDGET DEBATE

Assembly resumed debate on the Motion moved by the Minister of Finance.

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Finance on 7th December, 1972, for approval of estimates of expenditure for the financial year 1973 totalling \$277,712,955.

Mr. Speaker: Hon Parliamentary Secretary Ministry of National Development and Agriculture.

6.00 p.m.

The Parliamentary Secretary, Ministry of National Development and Agriculture (Mr. Duncan): Mr. Speaker, there is no doubt that the Budget proposals as set out in next year's Budget Speech are supported by all sections in our community. I say so conscious of the fact that the Opposition Members have been congratulating us on this special occasion and they cannot find real matters to turn into criticism against the good record of the P.N.C. Government.

To support this Budget I should like to refer to page 20 of the Budget Speech where the Minister referred to people's consciousness in Guyana about self-reliance and import substitution. No reasonable person can deny that we need proper plans for import substitution. He stated in paragraph 2 that it was fair assessment to observe that Guyanese are already beginning to look inward seriously for substitutes. I think this is very important for the development of Guyana. What is also important I think is that the Opposition will have to act in a more responsible manner.

The other point is of course, we will have to think about banning non-essential foreign goods. I recall telling the people at a meeting some time ago, about two years ago, when we started to implement this idea of import substitution. I said there were alternatives to foreign goods that we import in large amounts which kept us in poverty for too long. I heard an hon. Member on the other side of the House saying that people should have the substitutes before Government can ban these items and he felt that was the correct approach to the problem. I know that people would have stayed in poverty for a very long time if the Government did not ban certain food items, because they will take a longer time to realise that they had to do something

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6.00 - 6.10 p.m.

for themselves. In that first place, I think we suffered because we had foreign masters. For example, we had Dutch authorities, we had French authorities and then there was the British. I think if we never had those authorities on this land we may have been able to develop ourselves far more than we have done at present.

6.10 p.m.

I believe that people would stay ignorant for a time to come if we did not do the necessary things that we have already done. Some of us can pretend that we are not ignorant of our problems, but when we are speaking here in parliament, we demonstrated it day after day.

Last year I quoted certain figures in this honourable House when we were discussing the 1972 Budget, to show that there was economic development realised in the hinterland by the people who inhabit those areas. I want to quote certain figures again, to show that there was a growth since last year, but before I do that, I would like to refer to education.

It is a good record in favour of the P.N.C, Government that our schools in the hinterland are staffed now by trained head-teachers and supported by certified staff. The programme for providing teachers' quarters in these areas has attracted trained teachers to go and work there. While I am on this point, I should like to mention that there is another new development in education which is also in favour of the present administration.

I refer to the favourable response by the Amerindian population of our country to our development programmes which we have planned by understanding. In this regard, I refer to the breaking down of language barriers between the interior population and the population on the coast. It is essential that people should know one another and because of this, this Government has been able to create the peaceful atmosphere within which the indigenous population bring forward their problems without any fear,

Mr. Speaker: Just a moment, hon. Member. Hon. Member Mr. Hamid, if Mr. Duncan should finish his contribution before 6.30 p.m. I propose calling on other members to speak. Please proceed Hon, Member.

Mr. Duncan: Thank you, Mr. Speaker. Next year we propose to start classes in Amerindian dialects primarily for the officers who serve; in the hinterland.

Last year the Government maintained its programme of Amerindian education. We had fifty-five student during last year. This year, the number has increased to seventy- two, ten in technical schools and sixty-two in secondary schools. That is not all that we are affording the Amerindians in this country. There are also Amerindians who are receiving training in our agricultural school, in health, and I suppose I can also include those whom we sent to the United States of America for ranch management training which is relevant to our development programmes.

For health, there are many examples that I can refer to show that what the Opposition had been saying about the poor health services was false. In fact, the health services had been improved and as I remarked earlier, the members of the Opposition had tried to make big things out of small things because they cannot find anything to criticize seriously, for example the failures of this Government, if there are any.

Sir, if you allow me to quote the figures for the economic development of the interior, I will do so now. As I said have said earlier, last year I quoted certain figures to show that the farmers were getting reasonable returns from their farms. For the year 1970, the farmers received \$62,522.63 for their produce. For the year 1971, they received \$157,342.90. For this year, 1972, we have not been able to collect all the figures especially from the North West District, but which we hope to collect later and perhaps we would put them on proper records. Up to the end of November, 1972, not including figures coming from North West, the farmers have so far received \$79,731.08. No one can doubt that there is growth in the economy of the interior farmers.

You may recall, sir, that last year my time was cut short and I could not inform this House that a farmers fund was established which helped them to obtain inputs and shipping containers throughout last year and during this year. That scheme continues to progress as we expected. The figures for this fund are not yet available.

Our trade stores in the interior continue to help to keep down the cost of living because people get reasonable prices of goods from these stores. The old trade stores continue to expand in their interest. I refer to the trade stores at Aishalton, Lethem, Karasabi and Kamarang.

In addition to this we have established a trade store at Kwebanna in the North West District. One is to be established at Pakaraimas, Upper Mazaruni District. One is operating successfully at Kanashen and another on at New River in the deep south of the Rupununi. These stores also serve as outlets for the farmers' produce and for handicraft and artefacts.

While I am on this point I am proud to report to this House that the indigenous handicraft has contributed significantly to our funds for development. In 1970 we established a handicraft division within the Interior Development Department with four main objectives which are as follows: (1) to preserve and maintain those aspects of culture desirable to all Guyanese; (2) to improve our indigenous economy; (3) to bring about an appreciation of the indigenous culture and (4) to earn foreign exchange for Guyana. In this respect orders for handicrafts were received from foreign countries. The response was good and we received orders from Canada, New Zealand, U.S.A., East and West Germany and from our Caribbean neighbours.

The figures that are now available to us are as follows: For the year 1971 we purchased from the producers of the handicraft and artefacts 'the sum of \$37,621.40. That represents what we paid to the Amerindians. Since the scheme was new at the time our sales showed a figure of \$34,239.38. The sum we received from our sales to customers, as you will note, was less than what we paid to the Amerindians. During this year, however we purchased articles to the amount of \$59,277.70. Our sales went up and at the end of last month, November 1972, the figure stood at \$72,308.86. [*Interruption by Mr. Hamid*]

Mr. Speaker: Hon. Member, Mr. Hamid, you ought to be very grateful to the hon. Member. Had he kept his seat fifteen minutes ago, I do not know what you would have done.

Mr. Duncan: There is, as can be seen, an increase in the sum spent. We anticipate that the trend will continue for the betterment of the Amerindians who produce these items. .

I had hoped to see the hon. Member Mr. Stoby in his seat. On the occasion of the last Budget Debate I did say that he was treating this House with his usual discourtesy and he is doing it again. I think that his leaders who are leading him in the wrong direction all the time do not permit him to be here because if they all him to remain in his seat and hear the facts from this side of the House they are likely to lose him. He may cross the Floor as other members have done from the P.P.P. section of the Opposition.

I am grateful to you, sir, for affording me this chance to tell the House about the factories that are going up in the hinterland. Factories have already been established and we expect more to be established during next year. There are the factories to process line oil, to produce lime juice and other citrus by-products. They are at Lethem, Rupununi and Kwebanna in the Moruca area, where our friend, the hon. Member Mr. Stoby, lives. He does not talk about these things. There are two other factories in the process of being built at Mabaruma and at Morawhanna in the North West District for canning citrus, other fruits and salted fish.

I should have mentioned earlier, when I spoke about import substitution, that Amerindian salted fish has been on the market for some time now. [*Interruption*] I am sure that those hon. Members of the Opposition who have criticised the Government for banning foreign salted fish have been buying salted fish made by Amerindians from the North West and Rupununi Districts.

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We have salt fish produced from Morocut, and we have salt fish produced from Haimara.

We were also able to continue our programme in the building of roads in the Pakaraimas and also in the area from which the hon. Member Mr. Stoby comes. The Amerindian village councils in the Interior have been assured of their definite duties and it is expected that from the experience they would have gained they will be able to get their local authorities established without much difficulty.

Mr. Speaker, that is not all that we have done, we have much more to report on. I merely refer to these briefly to show that we had not been neglecting or ignoring our people's problems. In forestry for example, I am proud to report that the Amerindians of the Pomeroon District, the Upper Berbice River and Orealla in the Corentyne are benefitting in the extraction of wood for local and international markets especially the ones offered to us by the friendly Chinese. This record cannot be erased.

An Hon. Member a while ago asked about the surveys of the Amerindian lands. I am proud to report to this hon. House that the first phase of the surveys to determine the boundaries of Amerindian lands has been completed. We hope that during the next year the second phase will start.

Mr. Speaker, the Opposition alleges that we are practising racialism in this country. However I know that there is a certain Member of the Opposition who has prevented his daughter from becoming engaged to someone because he is of a certain ethnic group. This Opposition speaks about racialism on the Government's side but there is no more tangible evidence of racialism than within the People's Progressive Party. Because let us look at them as they sit here. We have the Leader of the Opposition and his brother, then the hon. Member Mr. Ram Karran, Mr. Chandisingh, Dr. Ramsahoye, we will skip the hon. Member Mr. Wilson for the time being. [*Laughter*] Then we have the hon. Members Mr. Hamid, Mr. Harry Lall, Mr. Ally Mr. Remington, Mr. Bhola Persaud, Mr. Balchand Persaud, Mr Teekah,, and then we have the hon. Members Mr. Durant, Mr. Wilson then there is the hon. Member Mr. Stoby, and Amerindian. If any small child is to make a calculation of this it will be seen that they are practicing racialism.

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I now recall that sometime in 1965 there was a demand for partition. There were placards which read: "We demand partition." Who then are more racialists than the members of the Opposition? I do not think that they should be taken seriously in what they say. At least I will not, and they Amerindians will never. I think if the hon. Members are honest enough they will congratulate us for all the good that we have done for our country.

Mr. Speaker: Hon. Member Mr. Duncan, perhaps we may resume tomorrow and you will complete your contribution.

ADJOURNMENT

Mr. Speaker: The House is adjourned until tomorrow, Thursday, 15th December, 1972 at 2 p.m.

Adjourned accordingly at 6.40 p.m.
