

**THE
PARLIAMENTARY DEBATES
OFFICIAL REPORT**

[VOLUME 7]

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

107th Sitting

2.00 p.m.

Wednesday, 5th January, 1977

MEMBERS OF THE NATIONAL ASSEMBLY

Speaker

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

Members of the Government – People’s National Congress (50)

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 (9)

Cde. H.D. Hoyte, S.C.,
Minister of Economic Development

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

*Cde. H.O. Jack,
Minister of Energy and National Resources

*Cde. F.E. Hope,
Minister of Finance

***Non-elected Minister**

*Cde. S.S. Naraine, A.A.
Minister of Works and Housing

*Cde. G.A. King
Minister of Trade and Consumer Protection

*Cde. G.B. Kennard, C.C.H.,
Minister of Agriculture

*Cde. C.L. Baird,
Minister of Education and Social Development

*Cde. F.R. Wills, S.C.,
Minister of Foreign Affairs and Justice

Ministers (5)

Cde. W.G. Carrington,
Minister of Labour

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

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

*Cde. O.M.R. Harper,
Minister of Health

*Cde. C.V. Mingo,
Minister of Home Affairs

Ministers of State (9)

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

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

Cde. P. Duncan, J.P.,
Minister of State – Regional (Rupununi)

***Non-elected Minister**

Cde. C.A. Nascimento,
Minister of State,
Office of the Prime Minister

Cde. K.B. Bancroft,
Minister of State – Regional
(Mazaruni/Potaro)

Cde. J.P. Chowritmootoo,
Minister of State – Regional
(Essequibo Coast/West Demerara)

*Cde. W. Haynes,
Minister of State for Consumer Protection

*Cde. A. Salim,
Minister of State – Regional
(East Demerara/West Coast Berbice)

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

Parliamentary Secretaries (6)

Cde. J. R. Thomas,
Parliamentary Secretary,
Ministry of National Development

Cde. M.M. Ackman, C.C.H.,
Parliamentary Secretary,
Office of the Prime Minister,
and Government Chief Whip

Cde E. L. Ambrose,
Parliamentary Secretary,
Ministry of Agriculture

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

Cde. R.H.O. Corbin,
Parliamentary Secretary,
Ministry of Education and Social Development

***Non-elected Minister**

Cde. M. Corrica,
Parliamentary Secretary,
Ministry of Works and Housing

Other Members (19)

Cde. L.M. Branco
Cde. E.M. Bynoe
Cde. E.H.A. Fowler
Cde. J. Gill
Cde. W. Hussain
Cde. S. Jaiserrisingh
Cde. K.M.E. Jonas
Cde. M. Nissar
Cde. L.E. Ramsahoye
Cde. J.G. Ramson
Cde. P.A. Rayman
Cde. E.M. Stoby, J.P.
Cde. S.H. Sukhu, M.S., J.P.
Cde. C. Sukhu, J.P.
Cde. H.A. Taylor
Cde. R.C. Van Sluytman
Cde. L.E. Willems
Cde. C.E. Wrights. J.P.
Cde. M. Zaheeruddeen, J.P.

Members of the Opposition (16)

(i) People's Progressive Party (14)

Leader of the Opposition (1)

Cde. C.B. Jagan

Deputy Speaker (1)

Cde. Ram Karran

Other Members (12)

Cde. J. Jagan
Cde. Reepu Daman Persaud, J.P.,
Cde. Narbada Persaud
Cde. C. Collymore
Cde. S.F. Mohamed
Cde. L. Lalbahadur
Cde. B. James

(Absent)
(Absent)

Cde. C.C. Belgrave
Cde. R. Ally
Cde.Dalchand, J.P.
Cde.Dindayal
Cde. H. Nokta

(ii) Liberator Party (2)

Mr. M.F. Singh

(Absent – on leave)

Mrs. E. Da Silva

OFFICERS

Clerk of the National Assembly - F. A. Narain

Acting - Deputy Clerk of the National Assembly – A.W.B Knight

ANNOUNCEMENT BY THE SPEAKER**Leave to Members**

The Speaker: Leave has been granted to the hon. Member Mr. Feilden Singh for today's sitting.

Standing Orders

Comrades, I have caused to be stenciled and circulated to you extracts from certain Standing Orders. I wish to emphasise very clearly that these rules would be enforced.

Newspapers Reports

I wish to draw attention to a matter which I raised with the Opposition Chief Whip in connection with a report which appeared in the Mirror newspaper. I mentioned to him that so far as I was concerned the content of what was published was no concern of mine but whenever anything involves the Speaker's ruling or the conduct of the Speaker then such report must be fair and accurate. Despite my drawing his attention to that and with which he agreed, I wish to state that on Tuesday, 14th December, 1976, in an issue of the Mirror there appeared on page 1, column 1 the following:

“In the National Assembly yesterday, Deputy Opposition Leader, Ram Karran sought to have the rules suspended to raise the matter as one of the public importance, namely a protest against the inhuman treatment of tear gassing workers while they were locked in cells. This failed and it is understood that Mr. Ram Karran has submitted a Resolution to the National Assembly calling for the immediate release of the workers.”

Comrades will recall that no such matter was raised in this House. Cde. Ram Karran was not even present when the relevant item on the Order Paper was called.

In addition to that, there is an article on the back of the Mirror of 1st January, 1977, under the heading “Dr. J. calls for equal radio time.” I have no quarrel with what is stated there. The article gives the impression that although the matter was raised, the Speaker did not give any ruling on it. It will not countenance such type of reporting any more. There is provision where,

if any such report is made, the editor or newspaper will be dealt with. I hope there will be no such recurrence.

Cde. Ram Karran: Cde. Speaker, I wonder if I can raise –

The Speaker: I will not allow you to raise any matter.

STATEMENTS BY MINISTERS

Office of the Director of Audit

The Minister of Finance: (Cde.Hope): Cde. Speaker, during the intervention in the debate on the Second Reading of the Financial Administration and Audit (Amendment) Bill, 1976, the hon. Member, Cde. Narbada Persaud, used the occasion to make certain statements defamatory of the Director of Audit. The gravamen of his allegation was that the Director of Audit refused to investigate certain alleged irregularities on the ground that “political persons” were involved. The influence was that the Director of Audit was guilty of grave dereliction of his duty and was in breach of the oath of office. As is usual, when Members of the Opposition use the absolute privilege of this honourable House to defame public servants, the honourable Member did not supply particulars of time, place, circumstances and other details in support of so serious an allegation. He merely contented himself with a general allegation.

In winding up the debate the hon. Member Cde. Desmond Hoyte stigmatised the allegation by the hon. Member of the Opposition as “scurrilous”. He affirmed the Government’s confidence in the competence and integrity of the Director of Audit and requested the hon. Member to have either the grace to withdraw the allegations or the courage to repeat it outside the precincts of this hon. House so that the Director of Audit could exercise his right as a citizen to vindicate his character in the courts of law. In the latter event, the hon. Member would of course have an opportunity to prove the truth of his allegation. As was perhaps to be expected, the hon. Member has not availed himself of either alternative offered him.

In the circumstances, the Government wishes to make a formal statement on this matter for the records of this honourable House and for the reassurance of members of the public service of this country. First of all, the Government deplores the unwarranted attack by the hon.

Member on the distinguished and dedicated public officer. The attack was not only in breach of the Standing Orders of this honourable House but violated the norms of fairness by which Members ought to be guided when making references in the course of debates, to public officials who do not have a right of reply and who are precluded by the absolute privilege of his House from availing themselves of legal redress.

Secondly, the Government rejects absolutely as being false, malicious and unfounded, the gross slander uttered against the Director of Audit by hon. Member, Cde. Narbada Persaud.

Thirdly, the Government wishes to affirm publicly its unqualified confidence in the integrity, competence and dedication of the Director of Audit.

It is a matter of regret that the hon. Member should have demonstrated so early in his parliamentary career the meagerness of his moral fibre. By his action, the hon. Member, Cde. Narbada Persaud, has perhaps done irreparable harm to his own integrity, but it is the Government's view that there is always an opportunity for the hon. Member to redeem himself by a suitably apology. [**Applause**]

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National Assembly

2.10 – 2.20 p.m.

2.10 p.m.

PUBLIC BUSINESS

MOTION

APPROVAL OF ESTIMATES OF EXPENDITURE FOR 1977

BUDGET DEBATE

Assembly resumed the debate on the Motion moved by the Minister of Finance on 30th December, 1976, for the approval of the estimates of expenditure for the financial year 1977, totaling \$417,238,736.

The Speaker: Cde. Leader of the Opposition.

The Leader of the Opposition (Cde. C. Jagan): Cde. Speaker, I have in my file a clipping from the New Nation of September 16, 1972. The headlines of this clipping says: “P.P.P. In Shambles”. I think –

The Speaker: Cde. Leader of the Opposition, under the rules, will you please quote the pages and the date of the clipping?

Cde. C. Jagan: September 16, 1972, New Nation, page 1. “P.P.P. In Shambles.” I think it is more true to say today that it is the P.N.C. which is in shambles and it has brought the economy of the country into a state of shambles as I will now proceed to show.

The Prime Minister not too long in a speech indicated that sugar will have a break-even point so far as profits are concerned – the word now used is “surplus” – that in bauxite there will be a fifty per cent reduction in surplus and rice production will be fifty per cent down. The Minister of Finance, of course, in his budget statement reiterated some of these figures and then proceeded to tell us about what should be done.

We are today facing in this country a grave economic crisis, balance of payments deficit, budgeting deficit – which has become almost chronic year after year – development by deficit financing and huge loans from outside, resort to loans perpetually, cuts this year in

development expenditure, cuts in imports and cuts in subsidies. What this means is that there will be more pressure on the working people. The cost of living will inevitably rise. No one can doubt this.

What is the Government's position on the crisis? As is usual, it attempts to externalize the crisis, to cast the blame on somebody else. In 1974, it was the oil crisis. Today, it is the weather. And, apart from these, we are told today that we are caught up with the recession, a fall of prices for exports like our sugar and the rise of prices of our imports. And, the general political line which the ruling party gives goes something like this: "Hold on! Things are going to get better.

Don't worry if you have to bear a little more sacrifice, a little more burden. After all, all of the Third World countries, most of them in fact, are in the same position. Even some socialist countries are faced with these problems. So, we are not unique. Bear your chafe." And of course, a rosy picture is painted: "Hope for the future. Things are going to get better." There is everlasting hope from our Minister of Finance, Cde. Hope, perpetual hope but, unfortunately, this does not square up with reality. **[Interruption]** One has to excuse the Minister of Finance. He is a technocrat, he is not a theoretician, he is not a Marxist/Leninist. I hope he is reading something but it takes a long while to absorb all of this.

What is his presentation? "The capitalist world is in trouble but it is getting around that problem, things are changing for the better and within this context, our position will be better too. Yes, because when things begin to get better outside we will get better prices, inflation will come down, we will get more markets, we will get aid and so everything will turn out right." The fact of the matter is that capitalism is in permanent crisis and it cannot solve its problems. It will not. The juggle the prices around. Today, in one capitalist country, the problems become more acute; in other places, the next day it rises like a sea-saw. But, the crisis never-the-less is there. Therefore let us not build any false hopes. What we should be talking about is reorganization, transformation and new relationships, completely new and permanent.

2.20 p.m.

Why is it that many Third World countries are having problems? They are having problems, they are in crisis, because by and large they have been following the same economic strategies, the same domestic and foreign policies that were the basis of this Government's policies in the early period. This is the reason, so it is no use just generalizing and saying, "Well, all of them are in trouble, therefore there is no harm in our being in trouble too. It is justifiable."

We don't know that the majority of socialist countries are in crisis. The U.S.S.R., G.D.R., Cuba, have no crisis. **[Interruption]** They have no crisis which means taking it out of the backs of the workers. They have no rise in the cost of living. Prices in the socialist countries have been stable for many years. **[Interruption]** Prices in the socialist countries have been stable for many years. **[Interruption]** Poland had troubles recently but the price of meat, for instance, in Poland had been stable for 29 years. **[Interruption]** I will come to what you can get right here. Poland is not blessed, incidentally, with all the resources that Guyana is blessed with, which can and should have been mobilized. In the U.S.S.R., there is no crisis, there are no cuts in subsidies, prices are stable and more importantly even if they have, as some say, a crisis in agriculture – **[Interruption]**

My friend Nascimento is asking: Why are they buying wheat? I will explain. It is not done, I repeat, at the expense of the working class. The Soviet economy is strong enough that it can buy millions of tons of wheat. We haven't got any money to buy anything. We have to go begging. Three Ministers went abroad recently. Tell us how

much you got. **[Interruption]** And it comes for these Benches too, that socialism is not working in countries like Russia. Let me just quote the Deputy Minister of Agriculture. He said:

"Before the collectivization (1926-29), 55 million tons of grain were gathered in an average year. In 1971 – 75, despite the fact that four out of five years were climatically unfavourable, the average annual harvest topped 180 million tons. Thus in the lifetime of one generation of peasants the grain output more than tripled."

He goes on to say that the targets set by Rome under the FAO programme for agriculture production, that

“...to satisfy the growing demand for bread, the world grain output, which now stands at about 1,200 million tons, should grow by about 25 million tons a year. At such rates the world grain output would double in 48 years. The experience of the USSR, as you see, shows that such rates can be considerably outstripped.”

So they started out 1926 – 1929 with 55 million tons of grain per year. In a very difficult period they had 180 million tons a year and now the target for the next five-year plan is 220 million tons a year. But what I wasn't to say is this: They buy grain not for themselves only but for other socialist countries like Cuba, but what is important, they have the money. The economy can provide not only the cash, internal money, roubles, but also the foreign exchange to buy the wheat. This is not only to feed themselves but to feed, in the interest of international socialist solidarity, other socialist countries and Third World countries. So let us have no more of these excuses: everybody is punishing and so what is wrong with Guyana punishing too.

In Guyana, what is the reality? You had the slogan: “Free milk and cassava.” We had, under the last five-year plan, the slogan “Feed, Clothe and House the Nation by 1976”. We have here a clipping from the **New Nation**, Saturday, April 8, 1972. Here it is headlined: “Agriculture Revolution 12 million pounds of corn to be grown.” We are importing bhusi now and corn and everything else. Where is Mr. Mittelholser, the “aloo” expert, the potato expert? Where is the banana project on which \$100,000 was spent in the Demerara River? Gone down the drain!

This clipping is from the **Guyana Graphic**, 6th October, 1973. It was an Imperialist paper but look at the headline: “Our own wheat by 1976, say Burnham.” We can't even grow rice. We can't even grow potatoes, not white potatoes but sweet potatoes, cassava, plantains and eddoes, which we know to grow, which were growing in abundance.

Miss Cox of the Consumers Association wrote an article a few weeks ago in the Sunday Chronicle. What did she say? Yams are selling at a price between \$1.20 and \$1.50 per pound and other root crops and plantains are selling on the average around 50 cents per pound. She said that prices have doubled since 1972. What she omitted to mention is that there has been a

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ten-fold increase since the 1960s when we had surpluses and export of plantains from Pomeroun to Trinidad. We then had markets for pumpkins and all kinds of things outside this country. Where has this production gone? Tell us, oh Lord. Where is the agriculture?

This is the reality. This has nothing to do with import prices and inflation. This has to do with a lot of other realities which we have to come down to if we are really to find a way out of this mess. Before there was the oil crisis which was the excuse given in 1974 for our then economic crisis – of course, we got out of that crisis because of the fortuitous high price of sugar, almost a miraculous increase.

2.30 p.m.

Even the Government was caught. When they introduced the levy in mid-1974 they expected to get only about \$30 million. They got \$130 million. In 1975 they got \$225 million and last year it was nearly \$200,000,000. Now they are bellyaching that they will get only \$26 million and they are complaining about the price of sugar. But the price of sugar, low as it is at £120 a ton, is far higher than it was even at mid-June 1974 when the levy was to be introduced.

Let me make this point too: The crisis was there before the oil crisis. Let us read from the Central Bank of Guyana Report and see that the malaise was there. I am quoting from the Central Committee Report of the P.P.P. which is found in the Thunder, July to September, 1974, page 27. It states:

“The summary of the Central Bank of Guyana Report for 1972 referred to the ‘disappointing performance of the export industries ...’ In physical terms, sugar declined by 15 per cent, rice by 20 per cent and bauxite-alumina by 12 per cent. And the realgrowth of production in 1972 was evidently well below the average (4 per cent) of the past five years.”

It goes on to the following year:

“According to the Bank of Guyana Report of 1973, the value of exports and of goods and service fell further from the depressed level of 1972 – by 4 per cent, despite an increase in the average price of exports by about one-fifth.”

Cde. Speaker, it is not just the oil crisis. In the early part of 1974 we were not concerned about the sugar price. Now we hear about excessive rainfall. The record in the last ninety years is 62 per cent increase. If Ptolemy was still in Agriculture we probably would have done a little better. He was moved and put in National Development. You didn't see this headline. This headline said "Our own wheat by 1976". What about the weather? What is the excuse that is given? Both the Prime Minister and the Minister of Agriculture tried to use this. The Prime Minister says that no country can plan for the kind of excessive rainfall that we had this year, and the Minister of Agriculture puts on the finishing touches by saying that even Russia, a socialist country, is affected by weather. So why complain if we have a fall in production? I have already dealt with Russia. They have been increasing production steadily. If you go to Cuba today you will see micro-dams, what you call conservancies, built all over the place to have water control. The fact of the matter is surely no Government can be expected to plan for excessive rainfall. But we have not planned for normal rainfall. That is the problem.

What of the Mahaica/Mahaicony/Abary Scheme? What happened with the Tapakuma Expansion Scheme? For the last twelve years the sum of \$9 million was spent on the Mahaica/Mahaicony/Abary scheme. Had the Government done that in the early period it would have cost \$32 million. Now we are told it will cost \$90 million. What did the Government do with all the money? It has a lot of money. Let me name some of the places where it has put the money.

The Linden Highway cost \$17 million. The former Development Minister, Henry Thomas, said that a nice modest road could have been built for \$5 million. The Government built a super highway. Sea Defences, Greater Georgetown Project, will cost \$50 million. Public Buildings – the new Cultural Centre alone cost \$6 million. Telephone – a contract for \$14 ½ million was signed with Plessey Telecommunication for distance dialing equipment when a modest but more satisfactory one costs about \$5 million and would have sufficed. We can go on mentioning projects. This is misplaced priorities.

I seconded the Motion moved by Coglean in the 1940s for the bridge across the Demerara River. Any intelligent person knows that in planning one has to go into the question of allocation and giving priorities; first things first. Is the bridge more important than some of the things which are vital to food and to agriculture? That is why I referred to the Mahaica/Mahaicony/Abary Scheme because every year farmers suffer not only from floods, but also from droughts. Look at the contradiction facing the members of the Government. They say that the fall in production was due to heavy rainfall but the Minister also said in his Budget statement that soon after the rainfall we suffered from a severe drought. Why? It is not only that you did not plan for rainfall, but you did not plan for water control. So you got rid of the water and when you needed irrigation water because you had a drought, you had no water. That is why you are in this mess. Don't blame it on others; it is a mess of your own making.

If we take the totality of production and see it in global perspective, what have we achieved? I referred to wheat, potatoes, bananas and so on which are by the way. But let us take the traditional things. Root crops are very scarce. Let us look at the production of rice and sugar. Not only must we deal with it in the terms of what the Government says – rainfall this year; let us take a ten-year perspective. What has the Government achieved? In ten years, 1964 to 1974, rice production dropped by 8 percent. Sugar increased only marginally by 5 per cent. Even in the colonial days, working under difficult conditions, production of rice doubled during a period of ten years, during seven years of which the P.P.P was in Government. Under the P.N.C. Government it dropped in ten years by 8 percent. And sugar production increased by 33 percent in the previous ten year period (1954 – 1969). Those are the facts. We took the average 1961 to 1964 and an average of 1971 to 1974 to arrive at these statistics. They can be checked. What do we have? Today, we not only –

The Speaker: Cde. Leader of the Opposition, I have circulated some notes dealing with Standing Orders. I said at half an hour I will call time. It is time.

Cde. R.D. Persaud: Cde. Speaker, I move that the hon. Leader of the Opposition be given an extension of 15 minutes to continue.

Cde. N. Persaud seconded.

Question put, and agreed to.

Dr. Jagan: Cde. Speaker, not only have we had a drop in exports, and in our local production for the consumers of this country, but we cannot supply export markets. But we would like to look at development not only from a quantitative but from a qualitative point of view and in this respect the Bank of Guyana Report was mightily critical of what was going on when it disclosed that over the period 1969 –1973 the output of Government services has risen from 13 percent of the G.D.P. to 20 per cent while that of agriculture and industry had together declined from 60 percent to 53 percent. It is not that we are not spending money or that the people are not working hard. Incidentally, we are very far away from the impression given that we have a negligible unemployment rate.

What is wrong is the economic and financial structure, the sole dependence from colonial times on three primary products for export. We have a huge debt and a big debt payments and a huge bureaucratic apparatus. The debt payments have jumped from \$10 million in 1964 to \$119 million last year. We had a huge bureaucratic apparatus which rose from \$27 million in 1964 to \$128 million last year.

The Government is accustomed to saying now that nothing is wrong with all these huge debts because our debt service ratio is still small, from 8 to 10 per cent. Another one of the comrades will deal with the fallacy of that argument and show up the fallacy of it. I don't have the time.

I would like to deal with it in respect of the Budget, the Current Revenue and Expenditure, and then we will see that percentage wise it is imposing a tremendous strain on the Budget. \$128 million today and since production has not increased, from out of which you can get income to pay for those debts, you have to resort to taxation. So it is no use talking of debt service ratio. That has to do with balance of payment and other questions. And it is no use

making comparisons with the Soviet Union and so on because that question also is dealt with partially in the presentation which is given.

2.40 p.m.

I mention these things not because I wish to rake up the past and spill political dirt. I want that to be clear. We are not doing these things because we want to make political capital. I am doing it so that Members of this House and the Public can have an understanding of why we are at this position today, and what must be done to guide us for the future so that we can get out of this economic mess.

In our view the present problem is that we had a confluence of the economic base and the political and ideological and cultural superstructure all working in a certain direction. They were no contradictions in the early part of office of this Government, no contradiction between the base and superstructure, all moving in the same stream. Unfortunate in those early days both domestic and foreign policies, both economic planning strategies and trade policies, for instance, were geared to suit the interests of imperialists and capitalists. We now have a change in direction at the economic level. Major enterprises have been nationalized at the economic level. There are still some more to take over to wind up foreign domination and control. However, we know we are still saddled I see in the Budget statement \$15 million for compensation. We understood – at least so one of the big boys in the P.N.C. put it out at the T.U.C. Congress – that banks and insurance companies will be nationalized before the end of the year, but no doubt because of the financial problems and going around with the hat and big financial moguls saying “Look boy if you want money watch out. Don’t worry to touch those banks and insurance companies,” the time table has been set aside.

The problem today, therefore, is qualitative; it is of a different kind than a few years ago. In other words, there is no corresponding shift at the political, institutional and ideological superstructure level to synchronise the economic shifts at the base. [Interruption] --- No! No! you won’t understand this, comrade. I am so sorry I shall paraphrase. I said that there was a confluence between the economic base and the political, ideological superstructure, you shifted

the economic base but now the political and ideological and cultural superstructure remains where it was and acting as a log jam, and therefore things cannot move.

You talk about socialism on paper but it cannot move. It cannot be implemented. That is why there has to be a unity of theory and revolutionary practice. Scientific theory. No hocus pocus or obeh story and so on. Let us deal with the ideological superstructure first.

You know in 1970 they said Co-operative socialism. They move to saying now that the ideas are based on Marx, Engels and Lenin. But they must know – I am sure that some of the boys are reading the books – that the two things don't go together. So we are not talking very much now about co-operative socialism. They face another difficulty. I don't know how they are going to wriggle out of that. They name the country not just the socialist republic of Guyana but the Co-operative Republic of Guyana. You will have to change the name too. Let us introduce an amendment next week.

2.50 p.m.

Since they say that their ideas are based on Marx/Engels/Lenin, if they mean it, and since they have told the nation in the Sophia Declaration that the Government is the executive arm of the Party why then does the Government not implement these ideas in practice, Marxist/Leninist ideas? Instead of that what do we have? The press, the radio and the schools are not used for this purpose. How is it that people with little or no idea of Marxist/Leninist theory and revolutionary practice are still in leading and important positions all over the place in the superstructure. For instance, we have Mr. Kit Nascimento in his strategic position in the Prime Minister's office – [**Cde. Reid:** "Say comrade."] Comrade? You mad? [**Interruption**]

The Speaker: Order, please.

Cde. C.B. Jagan: This man is dealing with communications. The subject of communications is not merely a question of gadgets and electronics. It is a question importantly dealing with ideas, communicating ideas. How can a man be in charge of communications when

he has a history of anticommunism and anti-marxism? Has he changed? You believe he has changed?

Let us take another anti-communist and anti-Marxist, Lionel Luckhoo of Subversive Literature fame. He is allowed great access to the Press and Radio. Note the recent spotlight given to him as Chairman of a Radio Symposium on Education involving the Prime Minister and Minister of Education and other big wigs. Imagine that. Are these the people our youths should emulate? Is this how we are going to build the ideological superstructure? You cannot build socialism like this. Socialism cannot be built without socialists. [**Interruption**]

The Speaker: Comrades, please allow the Leader of the Opposition to speak. His time is going.

Cde. C.B. Jagan: These people certainly must be cast aside if the revolution is to go ahead. The quicker the better. And incidentally if we must import teachers, let us also realise that education is not just a technical question but also we are dealing in the realm of ideas. The P.P.P. when it set up the University of Guyana was able to get Marxists to come and hold leading position at the University and you can do it too, if you want to. Let us see you do it.

And what about national security? It is admitted on all sides that national unity is essential. It is essential for production and productivity in building a sound economy so as to be better able to resist imperialist pressures, especially in financial affairs. Right now I understand in Jamaica the I.M.F. is trying to put pressures on the Government to devalue its currency by as much as 30 per cent to 40 per cent. In other words, to retreat and put pressure on the working class.

The Speaker: Your time is up 15 minutes.

Cde. R.D. Persaud: I beg to move that the Leader of the Opposition be given a further 15 minutes to complete his speech.

Cde. Ram Karran seconded.

put, and agreed to.

The Speaker: Please proceed.

Cde. C.B. Jagan: If national unity is important, why then is the ruling party in Government failing to remove the obstacles to national unity? The ruling party claims it is a working-class vanguard, party. If so, why is the Government afraid of the workers and the farmers? Why does it refuse to enroll them in the People's Militia and to train and arm them?

We come to another, point, democracy and socialism. Lenin said that Socialism cannot be built without democracy. Many of the Ministers in the Government talk about the need for people's involvement. Constantly we are reading this in the press. The Minister of Economic Development at a recent Think-In of the Clerical and Commercial Workers Union said and I quote:

“The essence of socialist society of workers is democracy. Democracy premises the active participation of workers in all sectors of national life. The political sector is unarguable vital.”

This is sound theoretically. But why is it not being implemented in practice? The result of non-application can be seen all around the place which in fact has helped to undermine the economy. On the fall of production of rice we heard about the weather, but we know that other things affect rice and production.

It has been admitted in Berbice that because of the negligence of local authorities all spring crop rice which could have been reaped was not reaped. The Minister is here. It was also admitted in Berbice that because of the negligence of local authorities as much land as possible was not ploughed and planted for the autumn crop. Seventy- five thousand acres could have been ploughed and planted; only about 25,000, a third was ploughed and planted. Democracy has to do with socialism. This is a practical example of lack of democracy affecting production.

Another democratic principle is there recognition of mass organisations, truly representative organisations, that the people want. The R.P.A. is not recognised. When it comes to production, it is not recognized but when it comes to raising money for defence bonds the

R.P.A and not the Rice Action Committees, is put on the Defence Bonds Committee. But when it comes to dispensing favours, the Rice Action Committee is allowed to dispense with the money of the farmers through that Committee. That is the democracy which is not practiced in Guyana.

Let us take another example. At the bauxite industry mention was made about rain, that heavy rainfall flooded the mines. But we had a recent strike there. Surely the strike also disrupted production. That is to be seen. If we have discontented workers that also could lead to production problems.

It will not show up in the books. You cannot prove it but nevertheless it is there.

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What happened at Guybau? You do not have democracy at the trade union level; you do not have democracy at the industrial level.. This has nothing to do with the Opposition; this is the base of support of the ruling party. Early this year, a union election was rigged. We heard a little while ago about morality. Nomination was fixed at 5:30 in the afternoon, the change of shift. The same day it was announced over the air – not even there – that nomination would take place at 2.30 p.m. When the members who were in the opposition, the “rebels” so-called, went at 2 o’clock for the nomination, the doors were closed and they were asked; “What are you here for?” When they said they came for nomination, they were told: “Nomination is over since 1 o’clock.” This is why also you do not have production in bauxite, it is not only because of rain flooding the mines.

Let us take the other question of workers’ participation. Cde. Joseph Pollydore in his report to the T.U.C. Annual Conference had this to say:

The Speaker: You will have to tell us what year.

Cde. C.B. Jagan: 1976. Page 22. Para 23.

“It is a matter of concern to the TUC that the Workers’ Participation in Management has not been implemented at Guybau. This is one of the

(Cde. C.B.Jagan continued)

firm undertakings given by the Government to the workers at the time of the nationalization of the Demerara Bauxite Company.”

It goes on:

“...it is understood that Workers’ Participation in Discipline would be introduced shortly at Guybau instead of the model in which discipline is of its integral parts.

In an industry such as Guybau, Production and other Committees comprising representatives freely chosen by the workers themselves must form the real basis of hope for the successful development of Workers’ Participation.

Page 21, para. 22

...”The TUC is not entirely in agreement with the model of Workers’ Participation..”

Now this is a broader framework. This is speaking of workers’ participation.

“The TUC is not entirely in agreement with the model of Workers’ Participation...”

which the Government is advocating. And it goes on. So, we want to make this point again that you need workers’ participation; we need workers’ involvement; we need democracy; democracy for developing a sound economy which is necessary for national security and also for laying the foundations of socialism. I repeat:

“THE TUC is not entirely in agreement with the model of Workers’ participation being developed by the Ministry, nevertheless, it believes that orientation and education must form the basis of Workers’ Participation regardless of the model being developed.

The TUC’s model of Workers’ Participation provides for the establishment of joint committees beginning at the plant level leading to the Board of Management.

Unlike the Ministry’s model which restricts selection of Board Members to persons actually employed in the concern, the TUC’s model allows the

workers freedom of choice to elect union officials as their representatives on the Management Board”.

Today, it is clearly therefore not the P.P.P. in shambles. The P.N.C. has brought the economy in shambles and, as we can see from Guybau, they themselves are not in shambles.

We have an article here from the Caribbean Contact, January 1977 where a leading Guyanese journalist Hubert Williams said:

“The chickens came home to roost last month in hinterland Guyana, and the impact of their action was to emphasise the complexities of the industrial, political and social problems which the co-operative republic faces.

In this case, the chickens were hardly bauxite miners with grim faces under shiny safety helmets,”

Further, he says:

“Target was a new collective bargaining agreement on working conditions and wages which they said had displeased.”

And in italics it says this:

“But surely, the target was also the union executive. The target was the locally-run Guyana Bauxite Company (GUYBAU). The target was the surviving capitalist-colonialist structure of the company. The target was the ruling party (PNC), and thus the government. The target was the continuing deplorable social conditions in the mining district which nationalisation has not automatically eliminated.”

I will now like to read from one of their own, Dr. FredSukhdeo, who is now Economic Adviser. In the Sunday Chronicle of the 19th October last year he wrote the following quote:

“...Unless there are revolutionary changes in the state sector and the remainder of the economy, there is possibility that state capitalism would be the dominant form of relationship in the society; Although it may be considered as an advancement on private enterprise, it cannot solve the increasing demands of the society...”

It goes on:

“Many enterprise fail ignominiously to socialize their operations because there are no radical changes in the atmosphere of these institutions. The social problem that is inherited from capitalism limits the workers’ effective production capacity.

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This cannot be solved by mere judicial abolition of private ownership. The solution implies revolutionary changes in the hierarchical structure of the enterprise and not a replacement by shirt jac elites and the progressive abolition of the social division of labour. Furthermore, it implies rationalization between production and accumulation and the progressive alienation of labour, so that work which is carried out on orders are for the benefit of the enterprise and society ...”

More recently, in an article in the Sunday Chronicle, the following is stated:

The Speaker: The date please.

Cde. C. B. Jagan: Mr. Speaker, I am sorry, I do not have the date on it but it is about two weeks ago.

The Speaker: The how can I permit you to read it under the Standing Orders?

Cde. C. Jagan: December, 12, 1976. Dr. Sukdeo’s article:

“Mobilising resources for socialist development during national economic crisis”

It says:-

“...The present temporary financial crisis requires maximum utilization of the production resources of the country. It appears that Guyana has an adequate stock of machinery to satisfy the existing production targets...”

He should have added, “natural resources of all kinds.”

“...Perhaps it is because of the excesses and the readily available replacements that vehicles and equipment are ruthlessly destroyed, stolen or poorly maintained and incompetently utilized. The spate of recent fires on public property cannot be allowed to continue.”

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“The public sector is not producing the goods and services that is compatible with their resources. Many of the public utilities such as bus transport, telephone, electricity and water along with service enterprises such as the Guyana Marketing Corporation and many established Government departments have declining performances.

One of the solutions to this pathetic situation is public accountability of the bureaucracy. Management in the Public Sector seems to be reduced from a science to a manipulative art with an entrenched crimplene shirt jac and long and wide sideburn mentality. The functioning of this elite group is not compatible with socialism.”

The Speaker: Time!

Cde. Narbada Persaud: I beg to move that the Cde. Leader of the Opposition be granted an additional 15 minutes to continue his speech.

Cde. Ally seconded.

Question put, and agreed to.

Dr. Jagan: One of the economic advisers of the Government has been putting in the papers the points which we have been making for a very long time and unless this advice is taken we are not going to find a way out of this economic crisis. The cure, therefore, for the economic crisis, ills, headaches, and frustrations of the Guyanese society is to rid ourselves of illusions and hocus pocus, to remove the obstacles by changing the superstructure at the political, institutional, ideological, and cultural levels.

In this regard, the P.P.P. has published a 17-point programme of what we consider to be done so that the economy can proceed forward, so that it can be put in a sound position, so that the foundations of socialism can be built and laid. I would like to refer to these seventeen points because I think they are very important. I hope that the Government will take due heed of these points and put them into practice so that we can move ahead.

- “(1) Completion of the anti-imperialist process by the nationalization of Foreign banks, insurance companies and other monopolies
- “(2) Ending semi-feudalism by a revolutionary land reform.”

There was a Land Reform Committee appointed some time ago. Every day of the week I have to speak to the Minister and the Ministry of Agriculture about problems which the people face in the countryside at the hand of the landlords. But nothing is done. We have not seen that report. We don't know what action is taken and so on. Why can't we get a move on, on the important question?

“(3) Centrally-controlled planned proportional development of the Economy with emphasis on industry and agriculture.”

We hope that the priorities will be better assessed from now on. We learn from the Budget Speech that the Government is now talking about concentrating on forestry and agriculture. We were doing that. I remember I negotiated an argument with Che Guevara for a \$10 million wood pulp scheme but British imperialism, backed by American imperialism, blocked that at the time. Let us go ahead with this emphasis on industry and agriculture. And we must look at this whole question of Caricom. We have to buy fertilisers from Caricom at inflated prices. We have to buy oil at inflated prices. When the prices went up in the 1973 – 1974 period by 28 per cent in the United States, it went up for us by 147 per cent. We must do something about that.

“(4) Embarking on a non-capitalist road to socialism through the
Expansion of the public and co-operatives sectors.”

This is being done but whilst it is being done we have a new breed of middlemen, a new bourgeoisie, developing under the public corporations. Let us stop that. You are talking about destabilization today, when there is little danger, tomorrow, when this capitalist breed becomes entrenched, there will be the real danger to Guyana from this new bourgeoisie that is developing. That is how military coups took place in so many countries. They were not invaded from outside. The coups took place from inside, from the entrenched bourgeoisie. They are being

built up now under the P.N.C. That is why they do not want to arm the people. We will come to that point later.

- “(5) Massive education campaign at all levels for imbuing the people with revolutionary, scientific socialist (Marxist-Leninist) ideological consciousness.”

Let us open the newspapers and the university. Give Rodney a job. Why are you afraid of Rodney? Give the people in the schools the opportunity to hear what scientific socialism is all about, don't give them a distorted form.

- “(6) Training of administrative, scientific, technical and diplomatic personnel in the socialist states.

- “(7) Respect for, and observance of, the Fundamental Rights laid down in the Constitution.”

These are honoured in the breach today.

- “(8) Substitution of peaceful, democratic methods in place of bureaucratic – administrative, police-military coercive methods of political struggle.”

Cde. Jack knows what this means.

- “(9) Separation of party, state and mass organisations; and maintenance of a multi-party system in place of a *de facto* and/or *de jure* authoritarian one-party state.”

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The Ministry of National Development will close down in the name of austerity and principle. We need political morality. **[Interruption]**

3.20 p.m.

“10. Cessation of harassment and victimization of members and supporters of the P.P.P., and removal of all obstacles to its normal democratic functioning.”

You cannot defend Guyana without the P.P.P. you cannot build socialism without the P.P.P. whateversays.

“11. Recognition of truly representative mass organisations (workers, farmers, social, cultural, religious, professional, sports, etc.); industrial democracy; workers and farmers control.”

“12. Implementation of legal and institutional measures to provide for equality of opportunity for all Guyanese – enactment of equal opportunity legislation and establishment of a Commission to administer the Act; substantial representation to the opposition in service commissions like the (Public Service Commission; Police Service Commission, etc.) and Employment Exchanges.”

“13. Special treatment for Amerindians to permit acceleration development.”

“14. Democratisation of local government. More power through (devolution and decentralization) to district and regional councils.”

- “15. The creation of a democratically-run and people-managed national People’s Militia with branches in every city, block, village and settlement.”
- “16. Enactment of Integrity Legislation and a Commission with ‘Watchdog Committees’ to probe corruption and theft of public property.”
- “17. Development of the closest relations in all aspects with the world socialist community, headed by the Soviet Union.”

Cde. Speaker, only by the implementation of these measures will the crisis be resolved. And it has to be resolved if we are to solve the grave problems facing the people today. We hope that the Government will heed and study carefully this 17-point programme that we have put forward we feel that it will help to ameliorate the present situation.

So far as the Budget proposals are concerned, we are opposed to any reduction in the level of subsidies because the Guyanese people are already over-burdened by taxation. The minister said in his Budget Statement that we had subsidies last year to the level of around \$47 million and \$48 million and now it is proposed to reduce subsidies to \$26 ½ million. In other words, a big drop. Clearly, Cde. Chairman, taxation has been steep in this country from 1964 to the present time. Indirect taxation increased by 774 per cent. In 1974, when the crisis was on, my friend the Prime Minister said something about the Kaldor Budget. [**The Prime Minister:** “It was not then, it was last week.”] I am talking about last week. But the Budget of 1974 was four times the Kaldor Budget as it turns out. They got the sum of \$19 million in the 1974 Budget. All the Kaldor Budget sought to get was \$10 million and when it was cut down we eventually got \$4 million.

The Speaker: Time:

The Prime Minister: Cde. Speaker, I beg to move that the Cde. Leader of the Opposition be allowed a further fifteen minutes to conclude his remarks.

Question put, and agreed to.

The Speaker: Cde. Leader of the Opposition, I think the Motion is that you have 15 minutes to complete your remarks.

Cde. C. Jagan: We repeat – and the official statistics will show how this – the cost of living has been going up rapidly. A trip to the market or a trip in the shops will convince any Member of the Government, if he is really, sincerely interested in the working class, that the working man cannot bear any further burdens. We feel that moneys can be obtained by other means which are open to this Government and the Government will be asked to do so. One of my colleagues will deal with the Budget proposals and what suggestions we have for raising money, be it to balance the Budget or be it for defence, security or whatever else the Government feels must be done.

We think that the outlook presented in the Budget – I do not know how it got through the Cabinet where we have ideologues and so one would have thought two things would have happened: that they would have had a better political, ideological framework presented in the Budget and not the usual technocratic presentation and, secondly, that these politicians, ideologue politicians, different from technocrats – because the technocrat has to go back to his job but the politicians have to heed the views of the man in the street – that they would have been more considerate of the interests of the small man. But in this situation we find political ideologues and technocrats all merging together and we have a hopeless Budget. We would hope, despite the fact that it has been introduced, that the Government will give reconsideration to this whole matter and remove the penalties which they have now put.

The Minister says it is a tax free budget. What is the difference between calling an animal a jackass or a donkey? That is what they are doing, trying to use respectable language to

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say there is no tax, but they cut out the subsidies from the working man. Whatever name you call it by. It is taxation.

And so we say we cannot agree with further impositions, further taxations, \$19 million in 1974, over \$20 million now and who knows where it will go in the near future.

3.30 p.m.

The Speaker: Cde. Hoyte.

Cde. Hoyte: Cde. Speaker, the Budget Speech presented by the Cde. Minister of Finance depicted the dynamic and resilient economy which has been well managed within an ideological and political context. I would not refer today to the ideological aspects because these matters have been ventilated inside and outside of this honourable House, and I believe that the position of the Party has at this time national consensus. But it is pertinent for me to remark that the achievements of this Government over the 12 years it has been in office and in particular over the period 1972 to 1976, which is covered by the current 'D' Plan, have been gained through the dynamic leadership of Cde. Burnham – and without critical support. **[Laughter]** In fact, Cde. Speaker, those gains have been achieved despite the efforts of some to disrupt the economy and to engage in destructive activities. Those activities today are of no real relevance except in so far as they demonstrate the ineptitude of those who organized them and their total unfitness to manage the affairs of this country ever again.

I would not wish to compare the achievements of the Party with those of the P.P.P., for I believe that every schoolchild knows that to compare the Party with the P.P.P. is like comparing a thoroughbred with a jenny-ass.

But Cde. Speaker, since the Leader of the Opposition indulged in a number of comparisons and sought to give the impression to this honourable House that the P.P.P. managed the affairs of this country well while in office and achieved growth in various sectors including

the agricultural sector, I think it is advisable for me to dwell on some comparative indicators in order to show, first of all, the vast difference between the economy of this country during the P.P.P. regime and the economy of the country during the administration of the Party.

In 1964 the Gross National Income of this country was a mere \$270 million. Under the skillful, orderly leadership of this Government, the Gross National Income rose to well in excess of \$1 billion in 1976. Public sector investment in 1964 was \$9.9 million, representing a mere 18.8 per cent of total investments. In 1976, public sector investment was \$350 million, representing 87.8 per cent of total investment. Export earnings rose from \$188 million in 1964 to well in excess of \$1 billion in 1976. Current expenditure in 1964 was \$70 million; in 1976, \$457 million. Capital expenditure rose from a mere \$9 million in 1964 to \$360 million in 1976.

But it is not only the growth in the economy which reflects the difference between this country under the administration of the Party and the country when it had the misfortune to be administered by the P.P.P. The fact is that during the period 1960 – 1964 – and I will confine myself to a comparison between the P.P.P. plan period of 1960 – 1964 and the Party's plan period of 1972 – 1976 – there was a progressive decline in the economy of the country. This is dramatically exhibited by the fact that gross capital formation during the P.P.P. period declined progressively from \$82.4 million in 1960 to \$53.5 million in 1964. Under the Party's administration, it rose progressively from \$53.3 million in 1964 to \$380 million in 1975.

The Cde. Leader of the Opposition had the temerity to stand in this House and state that his party administered the economy well and that there was growth. Let us examine the statistics put out by the Government Central Statistical Bureau as it was called then. In fact, Cde. Speaker, between 1960 and 1964 per capita output declined in real terms. The figures put out by the Central Statistical Bureau show quite clearly that, for example, sugar cane production declined progressively using 1960 constant prices, from \$35.2 million in 1960 to \$32.7 million in 1964.

I do not blame the P.P.P. absolutely for this because at that time the industry was in private hands and there was no direct Government control over investment, production or productivity; but the Cde Leader of the Opposition seeks to blame us for the vagaries in the income or earnings of sugar during the period when the industry was still a British investment. If he is talking about decline or fluctuation in the earnings of the industry, the position was no different during the period of the P.P.P.

Again, there are certain other indicators. Paddy rose from \$11.7 to \$14.5 million between 1960 and 1964. I will deal with that in a moment since he has sought to claim credit for magnificent achievements in the rice industry. We will see what the achievements were. Forestry declined from \$6.6 million to \$6.2 million. **[Interruption]** (I will come to rice in time. I am not like you. I am orderly in my presentation). Manufactured sugar declined from \$11.1 to \$9.1 million in 1964; and rice barely maintained its position between 1960 and 1964, in terms of processing, improving marginally from \$2.2 million to \$2.7 million. In fact, there was absolutely no expansion in total agricultural production and in the contribution which agriculture made to the Gross Domestic Product of this country. In fact, there was not only stagnation, there was monotonous decline.

Let me deal again with the figures put out, not by an agency of the P.N.C. but the Statistical Bureau, which operated during the time of the P.P.P. regime. These figures were put out under the P.P.P. administration. They show that in 1960 total agriculture contributed 21.2 per cent to total G.D.P. and it declined to 19.4 per cent in 1964.

And that decline is reflected in areas like fishing which during the period fell from 2.5 percent to 2.4 percent; livestock which barely kept an even keel rising marginally from 1.6 percent to 1.9 percent. We find the decline or stagnation in all productive sectors.

The Cde. Leader of the Opposition talks about rice. It is true that in absolute terms the production of rice increased, but there were falling yields per acre. Let me give him the figures in case he has not taken the time to examine them. As early as 1956 the average yield was 15.4

bags per acre and that average fell during the P.P.P. regime to 13.4 bags per acre. This Party, the P.P.P., which claims that it is interested in people and is interested in the farmers particularly, during its period in Government it consistently played a callous trick on the poor rice farmers. It lured farmers into land settlement schemes and encouraged them to expand acres ages with the well-publicised falsehood that a 15 acre plot of cultivation would give a farmer and his family an income of \$1,700 net per annum.

The fact of the matter was that this calculation was based upon an estimated yield of 20 bags per acre, a yield which was never achieved. With an average production of 13 bags per acre and with production costs which were much higher than the P.P.P. led the farmer to believe, the farmer ended up by making a miserable \$75 per annum. These figures and these facts were very clearly investigated and revealed by Carleen O'Loughlin and Rene Dumont, and that is why during the P.P.P.'s term of office it refused absolutely to release the Dumont Report. The P.P.P. obscured the parlous state of the rice industry by making massive transfers from the rest of the economy to bolster up the rice industry which it saw purely in political terms and not in economic terms. The agricultural sector could not spark because of the inefficiency and the unprofitability of the rice industry. It is not a question of acreage. Anybody can multiply acreages. The question is whether you are multiplying your acreages efficiently, whether the industry is in fact making a net return to the economy. And the rice industry was not! That is why Cde. Reid and other Ministers of Agriculture in the People's National Congress Government sought to put the industry upon a proper basis so that today, as Cde. Kennard will explain a little later, the national average has risen to a yield in excess of 16 bags per acre – which I admit is not spectacular – but in areas where there are drainage and irrigation facilities the average is in excess of 25 bags per acre. The industry is now making an impact on and a net contribution to the economy of this country.

Cde. Speaker, let me continue to deal with the dismal economic situation in the country between 1960 – 1964. The real wages of urban workers in this country declined absolutely during the period of the P.P.P. regime. All of this talk by the Cde. Leader of the Opposition about economic growth and prosperity and proper economic management is not borne out by the

facts. It fact, it is contradicted by the very statistics which the P.P.P. put out while they were in office. And if one looks at the figures about real wages during 1960 and 1964, one would see that the wages of male skilled urban workers and the wages of workers in Government employment

declined by 10 percent; the wages of unskilled labour declined by 12 per cent. The wages of operatives like truck drivers, bus drivers, and other vehicle drivers, employed within the public sector, declined by 9 percent; the wages of clerks declined by 6 per cent. All this was not only the result of criminal ineptitude and mismanagement of the economy; it reflected a basic hostility on the part of the People' Progressive Party to the urban working class, a hospitality to the trade union movement, a hostility which resulted in the Leader of the Opposition saying to the people who were employed in the public sector, "Not a cent more." How different from the attitude of this Government which has always had a friendly and sympathetic attitude to the working class of this country, and has always sought to avoid confrontation. **[Interruption]**

[The Prime Minister: "In Trinidad, in the Caribbean ..."]

The Speaker: Cde. Prime Minister this is a Minister from the Government benches replying. The same thing happened on the last occasion. Nobody will hear what he is saying and I will adjourn the House.

The Prime Minister: I apologise unreservedly.

Cde. Hoyte: In the end, as we all know. The P.P.P. was kicked out of office by the people who realized that all they had to hope for from the P.P.P. was hostility and victimization.

The Cde. Leader of the Opposition says that during his period of Government food production improved, pumpkins were exported, plantains were exported, production was great, and there was an abundance of food in this country. Let me examine the validity of this claim. Between 1960 and 1964, the percentage of imports into this country attributed to food was 20 per cent. We were still importing substantial quantities of food. In 1976, despite rising prices we

have move to a position where we have reduced the total food import bill to 12.9 per cent of total imports.

3.50 p.m.

Because of the large but, as I have demonstrated, untruthful claims made by Cde. Jagan, it is apposite to look at the performance of the P.P.P. The Cde. Leader of the Opposition has given us a lecture upon socialist planning, upon socialist organization. He spent much time telling us of the success of the Soviet Union in the area of planning. Unfortunately, it is easy to theorise. Many people who have a lot of theory do not have the practice. I looked at the figures to see what kind of practical results, based upon this abundance of theory, the Leader of the Opposition and his party were able to achieve during their term of office.

They had a modest programme, compared with ours, of \$110 million on the capital side. Yet, they were able to spend only \$77 million. The main sectors in which they planned – on paper – to spend money were first, agriculture (including drainage and irrigation, sea defences, land settlement) - \$49 million, they were able to spend \$32 million. Secondly, Transport and Communications - \$25.4 million projected, \$11 million spent. Thirdly, Education -\$4 million projected, \$3 million spent. Fourthly, Housing \$6 million was projected; \$2.4 million spent. Yet the Cde. Leader of the Opposition had the temerity to take this Government to task on the ground of alleged failure to spend more on the housing sector.

Let us look at the actual annual expenditure on some of the vital services which the Cde. Leader of the Opposition says are necessary if we are going to build a socialist society.

On Education, as I said, the P.P.P. spend \$3 million. What was the annual rate of expenditure? In 1960, \$398,000; 1961, \$723,000; 1962 – they seemed to have awakened from their sleep - \$1.4 million; 1963, \$417,000; 1964, \$240,000.

And let us look at Health, where they spend a little over \$1 million: 1960, \$322,000; 1961, \$408,000; 1962, \$285,000; 1963, \$346,000; 1964, \$404,000, not even \$ ½ million on capital expenditure in any one year on the health sector.

And let us look at Housing because we read and hear all sorts of things about “Government’s failure to provide housing; the need to provide houses; the socialist character of a proper housing policy.”

What did the P.P.P. do? They inherited a massive housing programme funded by the British Government when the Interim Government was in office. When they came into office in 1957 they had \$5 million; and the British Government, through Welfare funds, provided another \$3 million in 1958; so they had that funding for the housing programme. What did they do as soon as they were in the saddle? 1959, they spend only \$972,000; 1960 \$582,000; 1961, \$843,000; 1962, \$689,000, 1963, \$243,000; 1964, \$74,000! Cde. Speaker, in 1964 they spent \$74,000! I mentioned these facts because the Cde. Leader of the Opposition comes here to make wide and large and unsubstantiated statements about the glories of the economy during his regime.

Now, what happened during the period of P.N.C. administration? There has been sustained economic growth which has mirrored progressive improvement in people’s welfare and the quality of people’s lives. What I propose to do now is to give a general over-view, a perspective of the 1972 – 1976 D-Plan achievements, leaving the specifics to be dealt with by my comrades, the subject Ministers.

There has been a lot of ill-informed criticism by the opposition of the Plan, but I wish to say this: I know of one criterion for judging anything; namely, you judge a result against a background of what was intended, and that criterion holds good for judging poetry, music, architecture as well as economic development.

In the D-Plan, at page 75, the objectives of the plan were very clearly summarized:

“This Development Programme will strengthen the basis and foundation of a Guyanese socialist society which will be united, self-reliant, egalitarian and economically independent...”

Note, Cde. Speaker!

It will strengthen the foundation. I continue:

“All these objectives will not be achieved by 1976. Development is a slow and often painful process and the attainment of the type of society which the nation considers desirable will necessitate considerable changes in the attitude of all Guyanese.”

The D-Plan did not set out to achieve miracles. It set out with certain clearly defined objectives which I may define as laying the foundation for the type of society which by national consensus the people of Guyana hold to be desirable.

I may put it this way: The D Plan sought, first of all, to develop a certain pride in the Guyanese people, pride in being Guyanese, pride in being human beings, to develop a sense of nationalism which would enable us in time to create an authentic Guyanese personality. It set out, secondly, to develop the institutions by which we would radically transform the society we inherited into the kind of society we have defined for ourselves. And thirdly, it aimed at developing the material base to sustain the kind of society in which people, in increasing measure, can enjoy a happy, creative and productive life which we consider to be theirs by right.

In these circumstances, the Government placed the emphasis upon education and, in the “Declaration of Sophia,” the Cde. Leader made this point quite clearly when he said that we must re-orient our human resources in the service of the nation. A little later on he remarked that “education and training are an integral part of the national development process.”

Throughout this period (1972- 1976), one will find an emphasis upon education not in any narrow, formal sense, but education in its wider signification; education which takes place everywhere, which takes place not only within the confines of schools, in formal institutions of learning, but which takes place in the work place, in the field, in the office, in the factory, in the homes.

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3.50 – 4 p.m.

The objective of this policy was, of course, to break down the monopoly of knowledge which is inherent in a capitalist system, and to make education a learning experience appropriate to the circumstance of Guyana, because we had inherited a society in which educational policies and programmes were not quite in keeping with the need of the country.

Cde. Speaker, the purpose was to make education a continuous and joyful experience not confined, as I said, to formal classrooms or to any age group or any category of citizens; an experience which would enable the workers to become, in the final result, creators and not mere consumers of cultural values and active participants, and not spectators, in all aspects of national life. To this end, the Government initiated the First and Second Education Projects. The First Education Project has been completed at a cost of some \$17 million to \$18 million. It was designed to change the emphasis of education from the old irrelevant form to one which has a scientific and agricultural basis to serve the needs of this country. Under these two projects we have built and will be building multilateral schools, teachers' training colleges, community high schools, agricultural schools and agricultural training centres.

The Speaker: Cde. Minister, it is now 4 p.m. We will take the suspension. The Sitting is suspended for half an hour.

Sitting suspended at 4 p.m.

4.25 p.m.

On resumption –

The Speaker: When the Sitting of the House was suspended Cde. Hoyte has been speaking for half an hour.

Cde. Field-Ridley: May I move for the extension of 15 minutes for the Cde. Minister.

Seconded

Question put, and agreed to.

Cde. Hoyte: At the suspension I was making the point that the Government had placed great emphasis upon education and I pointed out the importance of education in the widest sense of the term to the developmental efforts of the country. I remarked that the Government had made massive outlays on the First and Second Education Projects and that these outlays were continuing in order to provide a number of important education institutions which were vital to the development of Guyana.

But education, as I said, was, and is, seen in new perspectives. That is why for example, the National Service was established as an important institution for national development and education so that our young people can have the opportunity to work together, learn together, experience the creation of Guyanese values together and, through this kind of experience, be enabled to make the fullest possible contribution to their own development and to the development of the country.

Pursuing this theme, I should mention, too, the Kuru Kuru Co-operative College, the Institute of Creative Arts with its various arms, the National School of Dance, the School of Creative Writing, the Burrowes School of Art, the School of Drama, the School of Music, which have been established and which have been attracting large numbers of Guyanese who feel the need for creative expression and who have been given this opportunity to satisfy this need.

Government has not only helped to organize and given its full support to a comprehensive programme of workers' education but also to take a decision that the Critchlow Labour College, the workers' college, should no longer be dependent upon funding from overseas. The Government has accepted the position that the Critchlow Labour College should be funded locally and that the Government should be responsible for such financing as that college would require.

As part of this widely diversified educational programme, I would refer to the promotion of sports, the establishment of the National Science Research Council and the construction of the Institute of Applied Science and Technology which is now in progress at the University of Guyana Campus at Turkeyen.

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I should not leave the subject of education without referring to the Cultural Centre. Speaking for myself and, I am sure, speaking for my comrades on this side of the House, I find it difficult to understand how the People's Progressive Party could point to the Cultural Centre as an example of Government squandermania. In a booklet published by them called "This is Guyana, the criticise the establishment of such an important national institution for the promotion of the arts. I decide to dwell any more upon such puerile criticism. While we were laying the foundations for the kind of education which we consider to be appropriate to the needs of this country, we were also making massive outlays in establishing the physical infrastructure vital to development, the infrastructure which is necessary if Guyana is going to move forward and become a modern viable state.

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Over the current D-Plan period Government has spent millions of dollars on the establishment of schools, health centres, potable water supply systems, recreation facilities; and, in the transportation sector, on roads, telecommunication expansion, drainage and irrigation, sea defences, aerodromes and airstrips.

It may be appropriate perhaps to give a few figures for some selected areas, and I would touch first of all on education on which the Government has spent over \$300 million in capital expenditure over the plan period and has constructed, extended, rehabilitated or reconstructed some 398 school buildings. On pure water supply, Government has spent \$58.6 million in providing some 82 new wells; in constructing 60 new pumps, 56 new pumping stations and in laying 117 miles of new pipe lines. Over the plan period – I am not talking about the twelve year period that the Party has been in

Government – 500 miles of road has been constructed or are in the course of construction.

The huge outlays on all of these projects have been made with one particular aim in view, namely, to remove the dependence of this country upon the inherited narrow economic base. The Cde. Leader of the Opposition was right when he pointed to the need for the economic base

to be expanded and diversified, and that is exactly what the Government has been doing. When in 1971, for example, the Cde. Leader pointed to the new for self-sufficiency in food, there were many criticisms. Not least among the critics were members of the Opposition: But it was interesting to note that within months after the decision by this Government to ban the importation of non-essential foodstuffs and to give full support to our farmers so that they could boost production not only by increasing production in traditional areas but by diversifying their efforts, within months of that statement by the Cde. Leader, we had to dire prediction from a Dr. Adeke Boerma, at that time Director-General of the F.A.O., pointing to the fact that the world was facing a food crisis. Within months of his first predictions we had the devastating famine which occurred in the Sahel regions of Africa and in certain parts of Asia. That situation still remains – the threat of famine to the world. In fact, the F.A.O. projections are that by 1985 there will be for the developing countries a gap of about 80 million tons in cereal alone and that in the event of a major crop failure in any developed country that gap would widen to 140 million tons. It is important, therefore, that we continue to boost agricultural production. This explains and justifies the large Government investments to facilitate diversification into, and the expansion of, new crops such as soya, corn, oil palm and cotton, the aim being not only to expand acreages but also to increase yields. This explains and justifies also the massive investment in the livestock project which is being jointly financed by the World Bank and the Bank and the Government of Guyana to enable us to become self-sufficient in beef and dairy products.

I would not stress any longer our efforts in agriculture, I would merely remark that it passes all understanding to hear the Cde. Leader of the Opposition say that nothing is being done on the Mahaica/Mahaicony/Abary scheme and that nothing is being done at Tapakuma. I thought that by now every average person in politics, indeed every Guyanese citizen who can read or who can understand the radio, would have known that the Tapakuma project is in progress and that joint financing between the Government of Guyana and the World Bank has been funding that project of which Sir William Halcrow and Partners are the consultants.

I would have thought also that the Leader of the Opposition of all persons would have known that since 1974 we have been spending our own resources on the M.M.A. project and

that, as he himself noted, we have to date spent \$9 million. That project has been identified by the I.A.D.B. as one of the projects for which it will provide financing in this year. Work on the M.M.A. project is in progress and the financing has been assured from the resources of the I.A.D.B. and the resources of Guyana.

To move from agriculture to manufacturing and industry Government has identified hydro power complex as being vital to the whole development of this country. This is not a matter of talk. We have gone beyond that stage. We have got to the stage where all the financial and economic and technical feasibility studies have been completed. With our own resources we have started to build the access road and what remains to be done – Cde. Jack will perhaps speak more about this – is to complete the arrangements for the financial package which will allow the construction of the civil works on the dam to begin and to enable us to build the facilities for smelting our bauxite into aluminum.

I do not think that any person who studies the economy of this country can have given to this project. Cheap and abundant power is necessary and vital to the industrialization of this country. Without it we will continue to be mere exporters of raw materials; we will continue to be buffeted by the fluctuating prices, the manipulated world prices for raw materials; we will continue to have to rely upon a narrow economic base; we will continue to be unable to make any reasonable forward planning for one development of our country. What we are talking about is a facility which will not only enable us to smelt bauxite but which will enable us to set up a range of satellite industries for the manufacture of caustic soda, nitrogenous fertilisers and other industrially important products.

We have on-going now the textile factory at the Industrial Site in Georgetown which will be finished in 1978. We have completed the study, and are having negotiations now with certain interests, for another textile factory which will produce composite fabrics. The one at the industrial site will produce merely cotton fabrics.

The claybrick factory is now a reality, producing over 10 million bricks annually and soon we will have added to that a tile-making facility. The glass factory is in progress, a factory

which will produce over 11 million square feet of sheet glass together with pressed glass. The tannery and leather factory and a bicycle factory are in the course of construction in New Amsterdam. In fact, the actual building was scheduled to have started yesterday. The cheese processing factory will come into operation next month. Food Processors Limited has been in production for nearly a year now. Phase I of the Fish-port Complex at Houston will be completed, will process 40 million pounds of wet fish annually to satisfy the needs of this country for a cheap source of protein and for fish meal.

In addition, it is important for us to make sure that we have the flow of aggregates which are necessary for the building industry. I have already referred to glass. It should also refer to the greater expenditure which we have made to boost quarry production, expenditure which will bear fruit in the course of this year; and also to the heavy investment in the logging and timber industry. One of the major constraints we faced –

The Speaker: Time

Cde. Field-Ridley: Cde. Speaker, may I move that the hon. Member Cde. Desmond Hoyte be given another fifteen minutes.

Cde. Bynoe seconded.

Question put and agreed to

4.45 p.m.

One of the major constraints we face in the past has been the problem of not being able to produce our own cement over the years. This has had a very great adverse impact upon the construction industry. I remember only too well in 1973 where there was little work done in construction because of the cement situation. It was very difficult to get cement on the world market. It is therefore with great pleasure that I announce to this honourable House that our geologists, working in collaboration with a geologist from the German Democratic Republic, have discovered large deposits of shell in the North West region of sufficient size to enable

cement to be produced in this country. Until now there has never been a discovery of sufficient deposits to permit the establishment of a cement industry.

These are some of the industrial manufacturing projects which have got underway, in which we have invested large sums and which in time will take us out of this bind of being largely dependent upon sugar, rice, bauxite and of being unable to process the resources which this country provides in such abundance.

It will be seen that the industries to which I have referred, by and large, are directly related to our natural resources. In addition, we have, as is to be expected, pursued work in finalizing a number of studies. For example, the Central Transport Planning Unit has finalized a Transport Plan for the country, as a result of which already we have had funds from the C.D.B. to build 43 miles of access roads this year. We also have had an interest expressed by the I.B.R.D. and E.E.C. to take part in the funding of road projects having a direct relationship with our agricultural areas.

We have done studies on the feasibility of establishing a mini steel mill, a paper recycling plant and, of course, a textile mill for composite fabric. There has been the study of the Upper Demerara River forestry complex which will double our output of lumber. Cde. Jack was recently in Washington to finalise arrangements for this project at a time when the 'Mirror' reported that he had disappeared without a trace. I am happy to note that he has resurfaced. He has reappeared and is in this House today to take part in this debate.

Over the D-Plan period, Cde. Speaker, we as a Government have sought to give pride, dignity and a sense of confidence to the Guyanese people. It was through the inculcation of this sense of pride, dignity and confidence in the inculcation of this sense of pride, dignity and confidence in the Guyanese people that this Government was able so successfully to nationalize the powerful foreign interests which had dominated our economy – C.D.C. in forestry; Alcan and Reynolds in bauxite, the Booker Group of Companies in sugar and the other critical economic sectors in which it had a stranglehold; and other foreign companies.

He did not say like some persons whom we could mention that we would never nationalize bauxite or sugar. We have never said that, because we were sufficiently politically principled to know that it was bound to happen; otherwise all of our projections for the development of this country would have amounted to so much talk. We had, first of all, to take possession of our economy. We had to recover our development in a systematic and controlled way. The fact that our economy was dominated by foreign interests was one of the main reasons why, in the past, it was difficult to plan without any degree of success. Any plan which was devised in those circumstances has to depend to a large extent upon the performance of the private sector and there was no means by which any Government could predict how the private sector would in fact perform within the limits of any given plan.

What is the test of the success of our Current Development Plan? The Cde. Leader of the Opposition was talking about non- achievement of targets. I know of no country in the world, including the Soviet Union, which has been able to achieve every target it set itself. The second point I want to make is this: any worthwhile development plan is dynamic and, particularly in the circumstance of a country like Guyana of necessity priorities change during the plan period and conscious decisions are taken to upgrade one project and downgrade the other. For example, during the current Plan period, we have, in fact, accelerated the hydro-power project. As I said, the plan is dynamic and there have been changes within the framework of the plan within the plan period.

But what test do we apply to measure the success of the D-Plan?

We many ask ourselves a number of questions. Do people enjoy more and better houses, schools, medical facilities, roads, pure water supply facilities, electricity supply and so on? Are people, and particularly the children, able to eat better, that is, more nutritious food? Do they wear better clothes, enjoy better recreation facilities, enjoy wider and richer opportunities for the use of their leisure time? Do people have a greater sense of pride in themselves, in their community, in their country? Do they get greater satisfaction from their work? Do they have greater self-confidence? Do they participate more fully in national life? The answer to all these

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questions is a resounding ‘Yes’. [Interruption]. Where do you see children today with white corner?

The Speaker: Cde. Minister.

Cde. Hoyte: I apologise. Where do we see children today going to school, as we saw them ten years ago, barefooted and in ragged clothes? Where do we see malnourished children going to school? Where do we see things?

During the recess, the Cde. Leader of the Opposition said to me, “You know, you have been talking figures and statistics. That is not the whole story. The whole story is the quality of life. How people feel.” Agreed. He now interrupts me to mention housing. Let’s talk about housing. Now go around the country and see the houses. Go to Festival City. Go in to Ruimveldt. Go into Linden and see the change which has taken place in housing there since nationalization. [Interruption] Go to Phoenix Park, New Amsterdam and Bartica.

The Speaker: Cde. Leader of the Opposition you had a fair chance to speak. Please allow the Minister to continue.

Cde. Hoyte: Go to Melanie Damishana, Tucville, Tucber. These are tangible and visible signs of what we have done in housing and they cannot be wished away.

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What an immeasurable impact on the quality of life of our people has the provision of free education from Nursery to University and free textbooks had! [Interruption]. And let us consider employment in practical terms. Today, there is an absolute shortage of skilled workers. That is the test of how socially beneficial has been our development programme. Name any skilled worker and you will find him fully employed. The carpenter, the plumber, the painter, the electrician, the technician are all fully occupied. We have reached the stage now where, at the present rate of population growth and at the present rate of development; the projection is that within another four to five years there will be an absolute manpower shortage. We have to plan carefully to overcome this problem.

Projects like the textile factory will give direct employment to 2,000 people; the composite textile mill will give another 2,000 people employment; the aluminum smelter, I am advised, will need 2,000 trained technicians. That is the magnitude of the problem we face now in terms of trained manpower and absolute manpower. Talking cannot wish these things away; these things are well known and it is no use saying that they are not true.

Cde. Speaker, 1976 is in fact a watershed year in our history. It will see the last of many old institutions, many old systems, many old mechanisms and procedures. During the whole of last year a committee headed by Cde. Haslyn Parris with a very wide range of representation has been working on proposals for the restructuring of the economy. **[Interruption]** (You have never been. The first day you were invited to the meeting you came. It was May Day and you said you could not stay because you had to go across the river. The second day you did not come).

The Speaker: Cde. Hoyte, please proceed.

Cde. Hoyte: The Restructuring Committee has in fact been drafting its interim report and this will have great implications for our institutions and for the way we organize our society, given our objectives. During 1977 and in the years ahead, many new institutions will come into being. For example, the Regional System will have to be strengthened in order to achieve the objectives of bringing Government closer to the people; of setting up a framework within which there can be greater people's involvement, Government and people's activities, and more rational use and deployment of the Government and the people's equipment and vehicles and materials.

There will be established, as an experiment in development techniques, a Development Authority to be known as the Matthews Ridge/Arakaka/Port Kaituma Development Authority. There will be established a National Institute of Management to fill a very great need in the field of training in this country. Already Cde. Aubrey Armstrong has returned home from Princeton University in the U.S.A. where he worked in order to set up this institution. There will be an Institute of Applied Science and Technology which is illustrative of Government's comprehensive science policy. As I remarked before, this institute is now under construction at Turkeyne. Central to everything we hope to do will be the establishment of a State Planning

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Commission which will have responsibility, with the necessary authority and power, for the central planning of our economy.

In the light of all of this the Development Plan which had been scheduled to come to an end on 31st December, 1976 will be rolled over for another year, until December 1977. The reason is, as I have said, that it would be inappropriate to finalise a plan unless one has some idea as to the kind of institutions which the Plan will have to rely on, and of the structural changes which will be made in the organisation of national life.

The Speaker: Time!

Cde. Field-Ridley: I beg to move that the Cde. Minister be given another fifteen minutes to continue his speech.

Seconded

Question put, and agreed to.

The Speaker: Cde. Minister please proceed.

Cde. Hoyte: We expect to have full national involvement in this plan. The last plan had a limited involvement. There were discussions with people, discussions with the Trades Union Congress, but that was not wholly satisfactory. What we hope to do with this new plan is, first of all, to have it ready in draft around April/May this year. Already there has been widespread consultation. The planners have gone to every region in this country and have spoken with local authorities and other institutions and organisations; have gone to people's homes and workplaces to get a feel of people's ideas, views and opinions. For the first time there has been this kind of approach which has sometimes been called "planning from the bottom," but why "the bottom" I really do not know and personally do not like that terminology.

When the Plan is publicized, we hope that it will be discussed, criticised and studied by a wide cross-section of the community – by political parties, trade unions, workers, academics, school children, farmers, indeed, by every citizen who has an interest and every organisation which has an interest. We hope that out of the criticisms, the suggestions, the ideas which come

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up we could finalise a Plan which has national consensus. We propose to design a plan with an eight-year perspective, divided into two four-year periods, so that the Plan will be 1978 to 1981 and 1982 to 1985. After 1985 we propose to revert to the more usual five-year plan ending with the decade.

Cde. Speaker, we are now in a period in which there must be new perspectives. In the new plan we hope to concretise certain ideas and values for which this Government stands. These ideas will include first of all national unity which will be promoted, not through spurious politicking, but by enabling the people of this country through institutions like the National Service, through the school system, through the various educational institutions I have spoken about, the National School of Dance, the School of Creative Writing and through activities at the Cultural Centre, to work together, to play together, to learn together, to identify together the things essentially Guyanese and lay the foundation for what I call an authentic Guyanese identity.

Secondly, the greater democratization of our society. Cde. Leader of the Opposition touched upon this point and seems to believe that democracy means periodical voting. Well that is his concept; it is his concept of democracy. Democratisation of the society, as far as the Government are concerned, means enabling the people to become involved in the decision-making processes which affect their daily lives, in the planning, monitoring, implementing and managing processes ----- not only areas in which they work but equally in their communities, and to be continuously involved in evaluating the results of their efforts.

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Thirdly, to break down the sense of alienation which is a problem affecting the masses of the people in all countries in the world, including socialist countries. Anybody who keeps abreast of social-political issues will know that that is a problem which keeps troubling people – how to eliminate or reduce this alienation between the worker and the product, the worker and his work-place, the division which exists (and which tends to widen) between the workers and those who have some functional authority over them.

These are some of the new perspective we have set ourselves and these are the goals towards which we will strive diligently and faithfully.

In all of this the role of the worker is vital. We have achieved so much in Guyana because of the magnificent responses of the workers. It is my duty here today to pay tribute to the working people of this country and to extend the gratitude of the Party and the Government to them. **[Applause]** This Government has always had the best relationship with the unions and the workers and nothing will ever change that. As I remarked before, we have never had a confrontation with them and we have never said: “Not a cent more”. There is an empathy between this Government and the masses and for this reason the Government has been able to work closely and effectively with the working people of this country.

We need production and productivity, because material production is the only way by which we could secure and guarantee the people’s prosperity and welfare. We know that the workers understand this. We know that they accept, as the Government does, that the important end is not the material product but people’s welfare and the heightening of their consciousness so that they know that they are valuable as human beings, have pride and confidence in themselves and realise their own dignity and human worth.

In the great task which lies before us, the P.P.P. has decided to become involved. They can become involved in a constructive way or they can choose the path of continued opposition and slide progressively and un lamented into oblivion. The choice is theirs.

The year 1977 and the years ahead will pose serious and important tasks for the Party and the people of this country. We have major developmental projects to fund and to organize. We have, and will have, access to a number of multilateral financing agencies. We have bilateral arrangements for co-operation under several technical and economic co-operation agreements with many friendly countries. These agreements will be useful and valuable in providing us with much-needed support in expertise, technology and equipment as we proceed with our development.

However, as we have always said, we begin from the point of self-reliance. We need to harness and mobilise all of our resources, human and material; we need to start there first, particularly in this year when we are faced with a rise in oil prices of 10 and 15 per cent. Our fuel bill will jump by \$ 40 million in 1977, provided we can exercise restraint to hold our consumption of fuel to no more than an increase of 10 per cent over the level of 1976. And it is apposite to remark in this context, where we have been talking about hydro-power development, that over the past four years our import bill for fuel, has quadrupled.

Now, development must proceed. The Cde. Leader has already said that in 1977 although we have trimmed our budgetary allocations, there will be certain principles observed. First of all, no retrenchment; secondly no cut-back in the social services, namely education, health and housing. We have to pay for the men; we have to pay for the machines; we have to pay for the materials. Some people say we have to make sacrifices. I do not like that word. What we have to do is something which we have to do every day of our lives. It is something which the Guyanese people have been doing for a long time. We have to make intelligent choices. The choices we have to make in this particular connection is the choice between unnecessary consumption and investment for development, the choices on the one hand between saltfish and sardines from abroad and on the other continued free education for our children. It is a choice between apples on the one hand and better and expanded potable water supply system on the other hand. It is a choice between buying the things which are necessary or vital to our existence and proceeding with development. **[Interruption]**

Cde. Speaker, we need to make these choices between unnecessary consumption and proceeding with investment in those areas of development which will enable us to guarantee ourselves a progressively higher quality of life.

Cde. Speaker, under Cde. Burnham, the Party and the Government have given this country resolute and skillful leadership. Under that leadership we have weathered many a storm; we have overcome many a crisis. As it has been in the past, so it is now, and so it will be for a long, long time to come. **[Applause]** The Minister of Foreign Affairs and Justice (Cde. Wills): Cde. Speaker, I wish first of all to state that I have the highest regards for the contribution

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hitherto made by the Leader of the Opposition to socialist awareness in Guyana. I will not deny him that accolade. I am willing to let him share the palm, the oak and the bays for that, so you can therefore appreciate more fully my chagrin today to hear him say that the P.N.C. answer to the present economic crisis is to externalize it, whereas he feels that the faults lie at home. It is the same kind of criticism one hears from all the apostles of reaction and rightwingism in the world. When you go and say: “Look at the world condition: capitalism has caused it,” they say the faults lie at home.

That degree of tribulation on my part informs me that one must not be too optimistic about national unity. Why cannot people come here and say: “Look, we are all Guyanese, capitalism has forced the crisis upon you; the world conditions are this way; we need a new economic order; you could not have done better in the circumstances. In fact, you have done extremely well and therefore let us go and inform the people and gird ourselves for a year of austerity because of world conditions over which we have very little control and over which the mere arithmetic of numbers and the preponderance of the developing countries is insufficient to stem the adverse tide.”

I feel perhaps today in the context of this Budget presentation we could make an appeal, and I certainly do, to him to let us go to the people to explain the external circumstances, quite apart from adverse rainfall which affected production, the external circumstances in the global habitat that have placed countries in the developing world in this position. It is Guyana’s fault that sugar prices have dropped? It is Guyana’s fault that the multilateral institutions of the world are organized in a certain way and are disposed to assist if they can have certain guarantees and assurances? Is that our fault? It is a socialist fault?

So, perhaps, it is better if I take some time today to go through with members and tire them a bit in order, to understand that the basic difference between the parties on the opposite side and ourselves, is the failure to appreciate that strategic position of Guyana

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in the world. Unless you appreciate that strategic position you will never understand the difficulties that forced certain economic decisions on us. You will never understand event the

very things like destabilization to which the Leader of the Opposition referred and presupposed that there was some growing elite in our society.

We differ there. We differ in our understanding that the application of scientific socialism, as Brezhnev always has said and he repeated it in June, has to relate to the condition in which you find yourself situated and you are bound to make approximation and qualification that stem from that strategic position and condition in which you find yourself.

It is one thing to implement a scientific socialist philosophy and strategy of development in Guyana, which is in the North American sphere of operation, and it is another thing to implement that in Eastern Europe. It is one thing to be near the military and political outreach of the Soviet Union and another thing to be far from that position. It is one thing to have \$1 ½ U.S. million spend per day to subsidise a friend to tell Allende “We cannot afford another Cuba”.

[Interruption]

No it is not Kissinger. The learned members of the Opposition are more qualified to know Kissinger’s table talk than I am. At least one of them certainly knows it much better than I do. [Interruption] I refuse to call names. I will never reduce myself to identifications of that kind even though sometimes it is necessary by inference.

Let us get this very clear. The virtues of the Soviet Union, a country I admire very greatly, have been always their strong pragmatism. When Hindenburg and Ludendorff said: ‘Let Lenin pass through Germany in a covered train and let him know we are allowing this’, he didn’t refuse. You know they were Fascists, the Kaiser’s men, they defeated the Russians at Tanenburg and elsewhere. The Germans wanted him to go and get the socialist revolution started. You must not let the ramifications of ideological purity blind you to the need of present strategic pragmatism. When Stalin said, “Let us get rid of Litvinoff, because he cannot speak to the Germans, he is a Jew, and the Germans jailed Jews and put them in concentration camps, let us replace him with Molotov who could make a non-aggression pact and give us time to prepare for the coming invasion of Russia”, that was not ideology, that was pragmatism. **[Interruption]** It is not their fault.

To take the other side, when Churchill, who was the greatest anti-Bolshevik the world has ever seen, the greatest anti-communist, the very day 21st June, 1941, when Hitler moved in operation Barbarosa into Russia, he said: “We are allies. The dull soldiery of the Hun must not be allowed to overrun Russia. Let us be friends, let us be allies.” He said that. Pragmatism. He was ideologically opposed to Russia. But pragmatism required that I say that is the basic difference between these new latter-day disciples that we have who pretend an acquaintance with the understanding of socialism and refuse to appreciate that at all times socialism has to be applied within the given socio-economic and cultural contexts that may exist.

When a certain socialist country sold to Batista arms to fight Castro people were silent. That country needed to survive. Later on we can all be friends, but that is your survival factor. I don't condone this. I merely cite this to show that if you do not have a pragmatic mind and understand how to apply scientific socialism to a given socio-economic cultural position, then you have no right to call yourself a socialist, you have no right to be in politics, and you are a disgrace to the people of Guyana. [**Applause**]

Before I was so – I would not say rudely, because I would never associate rudeness with any lady at any time, let us be very clear – when I was so unfortunately interrupted, I was speaking about the strategic position of Guyana and its relationship to the fact that this kind of budget has to be presented today. You cannot by a wiping of a sponge across the board destroy historical facts and attitudes. You cannot decide that, when in 1823 James Monroe sent a message to Congress, which we now call the Monroe Doctrine, saying that Europeans must not interfere in the western hemisphere and he promised, of course, that Amerindians wouldn't go into Europe (they broke it easily of course; they went twice, and more than that). You cannot decide that the message was of no significance.

The point is, it still operates today; it operates when they believe that this hemisphere is part of their bailiwick and every policy has to be orchestrated and considered in relationship to this unfortunate attitude they have. It makes a great difference, as I said before, if Poland or East Germany say “We want to be a socialist, this is the socialist position.” They have the military

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and political outreach in the Soviet Union nearby. **[Interruption]** It makes a big difference if Allende wants to do it.

The thing is, one should always be in a position to constructively criticize one's attitudes, one's approaches, and one's failures. It is no use saying that you want to build a socialist and then you rush through intemperate policies, hurried strategies; they fail, and you set back the people of Guyana 100 years. It is no use Kaldorism existing. There are several dimensions to politics. He advised Wilson too, but Wilson chased him.

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The thing is this: We have to live here and in every calculation, Cuba and Guyana or Jamaica or even Chile under Allende contemplates that every political decision canvassed you have to take account of possible American reaction. You do not have to take that consideration if you are in Poland or East Germany. Right now you have to do it whether you are Castro, Manley or Burnham, you have to take account of it and make allowances and look at damage limitation operations, how they will react. The point is this: **[Interruption]**. Cde. Speaker I appeal to you for protection. I have been taught to ignore ignorance.

The Speaker: Comrades, if I do not get order I will adjourn the House and I will take off the time from the offenders.

Cde. Wills: I apologise again for asking for your protection. I repeat that I was taught to ignore ignorance but I was never taught what to do with stupidity. That beats me at all times. Cde. Speaker, to understand the position of developing countries that has caused us to be in this position, the Cde. Leader of the Opposition said they all pursued policies like the one we have today and that is why they have fallen into this business of having crises and recurring crises as part of the syndrome of the crisis of capitalism. Perhaps I am putting it too high, but that I understood to be his thesis. If I am wrong certainly the mistake is in elevating it into a thesis. It might have been a passing *obiter dictum*, a judgement which he wishes merely to pass aside while making another point.

It is wrong to suppose that the developing countries have not looked very seriously at the facts of strategic survival in the modern world. I know of no country which has not had to take conscious decisions about how to survive having regard to its strategic position in the world. All countries have had to do that. They have not been fortunate in time and space in getting an ally, which at the time and the space could do certain things, militarily, economically and politically; but everybody is not that fortunate. Implied in their decision-taking is the position, the mentality, that led to the civil war of the 1854 – 1856.

If you guys want to take this state, be it Guyana or Chile, out of the union i.e. Latin America, you will have problems. This is the mentality. Like Lee and Jackson, the Virginians. That is their mentality. There is a big furore. They feel this is the extended federation and, therefore their credibility in maintaining order, as they see it, through a certain power-structure in this hemisphere is affected by it. They feel they have no credibility to deal with the developing world unless they can deal with the western part of the developing world which is Latin America, including Cuba.

In 1972 the Caricom countries – and I will deal with Caricom just now in its relationship to all this – took a decision about Cuba. This decision was not taken by one with somebody dissenting; it was taken by all four of the M.D.C.s. And there was no opposition to the decision. In fact, it was welcomed and there occurred one of the first real signs of bipartisan foreign policy that occurred in this country that we have relationships with Cuba, that we will move closer to Cuba.

One result of all this was that Guyana last year established its embassy in Cuba. Jamaica established an embassy. From that moment on certain results flowed. These results did not flow by accident. These results did not flow because there were a few disgruntled dissident somewhere in Caracas or some place else. This was a conscious attempt to deal with what was considered an extension of hostile influence in the area. There are people, Cde. Speaker, who see the globe only in defence perceptions. They see Guyana in the sense of eliminating one influence and promoting their own. They don't see the working man and the struggles, the poverty, the disease, the malnutrition, your hopes to modernize, your development projects.

They see nothing of this kind. They see only in terms of eliminating one power and replacing it with their power. They don't even think of neutrality in this area. From the minute we started exposing our modernizing thrust our problems increased. There was a hostile Press. Estado deo Sao Paulo August 28, articles exhibiting hostility to Guyana. September, Venezuela, hostility. Law and Order broken down. Allegations that there was racism against white people in Guyana. That kind of thing started. Then we took the very forward policy consistent with our philosophy to recognise the M.P.L.A. That aggravated the hostility.

These times are trying for those of us who believes in national unity. There has not been much criticism of foreign policy, and rightly so, because this Government has pursued one of the most forward foreign policies in the developing world and has been praised very often for it. In fact one of my difficulties is to find something they could object to. We have been so successful that we have silenced the puny voices of the opposition in matters of foreign affairs – we have muted and untutored.

I don't think I will seriously allow this House to let past unnoticed any criticism that the comrade Mrs. Jagan makes to me about African policy. I don't think she is qualified to criticize my Ministry and myself about African policy, because our records stand for everybody to see. It has been so good that when some of their friends remained in the Olympics Games on and apartheid issue and we came out they found themselves in a dilemma. Should they agree with the foreign policy or should they merely look for some sort of psychological relationship with the friends who stayed in?

Comrades, if you are fighting apartheid you are fighting apartheid. If you feel, as I do, that apartheid is like slavery and indentured labour and is economic determinism of the rawest kind you are against it. And if you feel that we should not take part in games where New Zealand contends, you pull out because of apartheid. If the others want to stay, why not let the other stay? That is their decision. But we are consistent. So when you watch them with their pants down in the opposition – I apologise for that sir – far be it from me to unrobe anybody. I might unrobe an argument. I think I am entitled to do that. I might even unrobe a suggestion of

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policy because the opposition always has suggestions of policy, never policies. But if no policy is a policy then they have a lot of policies.

We emphasized our beliefs and the net result has been that in June of 1976 a meeting was held in the Dominican Republic and at this meeting it was decided that the various Cuban exile movements which have been fragmented by the failure of the Bay of Pigs, which have been fragmented by the greater American emphasis and priority on Vietnam rather than on Cuba, which have been fragmented because of Watergate and the use of Cuban exiles there, they came together and said; like the Mafia, “Let us divide up ourselves into spheres of operation and Action Cubana, El Condor is the fighting arm, we will operate in a certain area and another one in another area. And they have their death list. People here are on the death list; we know this. I offer that information gratuitously. I am on that death list.

(Cde. Wills continued)

The thing is, they took a decision and the decision was:-

- (a) Not to bomb or destroy any property belonging to the United States of America,
- (b) Not to injure anyone belonging to that country,
- (c) That they will make claims, so through Miami because of ease of Communication so that they can get money from the Cuban Exile groups which are wealthy, which fled when Castro took over the regime.

And based on that they did their planning and the man Bosch was present in Santa Domingo. He went to Caracas and formed his base of operations. What did he do? July 9, Jamaica, bomb. July 10 – 11 Barbados, B.W.I.A. Agents for Cubana Bombed. Then on August 28 they went to the Hotel Hilton in Trinidad Room 903. The next thing you know September 1st, the Guyana Consulate in Trinidad, bombed. Then all of us know what happened on October 6.

Now all those actions inform you that there are groups and people in this part of the world who do not wish the socialist revolution in Guyana to go on: who do not wish you to make your way in the world; who will do everything possible, leave no stone unturned to work against any kind of development and they will not only use terrorist tactics. They will use world economic leavers to keep you down. They will make sure you do not get aid if you need it. They will make sure that your credit worthiness in the economic sense is destroyed; they will hamper your development programme. They will make you, worst of all, divert money towards security and defence which you could otherwise spend on economic development.

This is what they are doing. Their strategies. Those things and that necessary political condition help to create the situation from which this budget results. A big input. It is not a question of me externalising or the Government enternalising. Those are facts that are accepted.

Here am I talking about 1976 and somebody is talking about 1962 and except for the fact that whoever spoke – I do not know who it is – but whoever spoke, has no mental appreciation of the factors in 1962 as distinct from the factors in 1976; cannot even base a comparison; he can only refer carte blanche to two dates. He might have said 1492 if he wished except I think that even he knows that Columbus re-discovered America in 1492. At least he ought to know. I sympathise. I am not here to apologise for the Colonial system of education. I came through it myself but there must have been some awareness problem that caused the difference between myself and whoever spoke.

Now, you did have to have the material, if you wish to read and argue with people. You don't waste people's time, let the people make a contribution. So that I was saying that you have to understand the conditions that forced us to divert scarce resources, that forced upon us the situation where you have economic crisis. They exist and the Opposition cannot deny it. It is wrong to say as the Cde. Leader of the Opposition suggested, that we are, that is our answer, where the truth is; it is an internal thing. That is Kissinger's argument; Simon's argument. That is not for a socialist. The first thing that Lenin said was 'know your enemies', and if you have been a socialist all these years and you have not identified the enemy then you won't know whether you are talking to the CIA or KGB. You have to know them. And perhaps that is the mistake that the P.P.P. is making at the moment. Perhaps they have among them a lot of CIA people whom they believe are socialists. I don't know. I know the enemy.

I know of one case where in a foreign country, far from here, a certain revolutionary with whom I spoke, did not even realise that the CIA was financing him. He did not even realise it because his objectives-disruption, quarrelling with the ruling regime, which was doing well and pragmatically advancing the country towards the socialist revolution. They financed him and he did not know. But that is a far country. That is not this country.

Brutus was an honourable man. I am not saying it is anybody in this country. It is a far country. But as Woodward and Bernstein when they investigated Watergate found out, a useful method of investigating facts was to look for the source of funding. And I venture to say this as a general bit of political advise if you choose, you can very often discover what is happening

when you investigate the source of funding. You will be very surprised, Cde. Speaker, to know who, I shall not call names, to find out who funded some of the strikes in this country. I merely leave rhetorical questions for people to understand and who cares to draw the inference can draw the inference and whom the cap fits let it fit.

It seems to be a certain member's day for arithmetic. I don't understand this. What I thought was a reasonable performance in inarticulateness so far, has now developed into an articulate position where comments and figures are being cited and dates in history. Well, that established that one can always live in the understanding that people will improve.

Perhaps the forward policy of the Government – it is free education now you know – perhaps it has got in by some kind of osmosis to somebody and they have appreciated what has happened. But then I am not here to castigate; I am not here to abuse; I am not here to note that the Government's policy of free education seems to be getting some new advocates without them realizing it.

Another aspect of our strategic position which has caused the present economic crisis, which was bypassed by the Leader of the Opposition, is the European security problem which led them before we became independent to decide that the key to the development of the world to them was the development of Europe, thirty years ago, and all the institutions were geared to the development of Europe and as it were – and it was actually said once – you are an appendage, a foot-note, the development will trickle down to you.

Now the Cde. Leader of the Opposition knows because I know he reads, that we have been attacking that, we have been calling for a new economic order; we have been externalizing the difficulties long before they arose, we have taken a forward position; we have been returned for another period to the Non- Aligned Bureau; we performed well in the Security Council; we have never been afraid to take advanced positions. He knows all this and yet, inferentially, not expressed, he would deny us to the oak, the palm, the bays by suggesting it is a posture! It is a position. He says: "You are externalizing the crisis, that is your answer but the fault is here."

5.45 p.m.

The Speaker: Time!

Cde. Ramsaroop: I beg to move that the Cde. Minister of Foreign Affairs be given a further 15 minutes to continue his presentation.

Cde. Bynoe seconded.

Question put, and agreed to.

The Speaker: Cde. Minister of Foreign Affairs.

Cde. Wills: Cde. Speaker, I was outlining some of the achievements in the area of foreign policy that this Government has had. We have just finished two years in Security Council, two years in which we served so well; we are a credit to the Third World and to one in the developing world. It may well be that it does not suit tactically those of the Opposition Benches to give credit where it is due. Because if they go around telling people all this Government has achieved they may have a difficult problem. That may be the political dilemma that they are in but it surely does not help national unity, in which I believe, to come here and say that externalization of the crisis is our answer to a crisis which need never have arisen. That I cannot accept. All countries, the developing countries as well, they all have problems. There is austerity in Cuba. All over. I once asked a friend: Why détente? This was a very good revolutionary friend and he said among other reasons, “the agrarian policies failed and we need a period of time to capture back our momentum.” One would believe that no country east of the Danube ever had a problem, that problems arise only west of the Danube.

That is that you have to externalise and tell the people. You have to join with us. The Member knows that it true; he is a socialist; he has been around; he knows the world conditions. There is no point in saying that there is no historic responsibility, that Western Europe colonized us and they must make reparation. That is not the answer. He knows it. Why not join and tell people about the habitat. He travels and he will be travelling very soon. Why does he not tell people what the conditions of the world in which we have to live rather than retire into a self-made cocoon and say that it has nothing to do with outside. He knows the cost of living outside;

he knows that the subsidies we put here do not exist elsewhere; he knows the prices once has to pay in some places; he knows that even in the countries of some socialist friends the prices that have to be paid for the same material.

The Member should not go around letting down the people who have not travelled, who have not been exposed to the analogical comparisons with what exists outside, by suggesting that what is happening here is detrimental and ought not to happen because of some internal mismanagement when he knows that it is the external condition which we are fighting against.

If we are going to have unity, then that must be one of the instruments. Let us tell the truth about economic conditions of the world and decided on policies to defeat them. Do not fool people and say it does not exist like that outside, it is inside. Does he think that people of Guyana control the sugar prices outside? Does he think the people of Guyana control the prices of bauxite? Does he really believe that the world consists of certain independent enclaves all watching at each other and mismanaging or managing themselves accordingly? Or is it interdependent and does it include socialist and capitalist countries? Is that not the kind of habitat in which we have to live? Don't you sometimes have to have relationships with different systems for pragmatic economic advantage even though your system is socialist? Can you really live in a situation where you do not recognise their existence? Must one say that we will not buy wheat from Canada or America because their systems are not socialist? We must be more pragmatic that that.

A point was made on the debt problem and we are told that some following speaker, whom we are looking forward to with bated breath, will analyse the Guyana debt problem. [Interruption]. Some new disciple, certainly not Adam Smith or Marx. Sometimes I wonder who are the historical fathers of the P.P.P.'s economic philosophy. It is neither Ricardo, Smith, Marx or anybody. But then it might have been Groucho. One has to be very careful; one can no longer accept the mere word Marx. We are waiting with bated breath to hear this analysis of the debt problem. I wonder if it is known that a debt of nearly \$40 billion is owed to western banks and institutions by certain people whom we are being told automatically should be saviours. I

wonder if it is known that they are calling a conference in London now to settle the debt problem of certain friends whom I and the Government and everybody respect and admire very much. The word is interdependent. If Stalin did not believe that Hitler would have smashed him up. The first thing he said when Churchill approached was, “Give me aid. I want tanks and rubbers from you.” You cannot have ideological purity to the point of absurdity and the question of survival.

But one thing about being in opposition, you can act as though you have a monopoly of abuse, a monopoly of imagination and look for spectacular suggestions which bear no relationship to reality. I think what has happened is that our friends have been too long from the seats of power, and they have lost their ability to look pragmatically at what should be done. You know when you remove from the throne for a long time – **[Interruption]**. I probably accept the correction that they never have been. Then that is a matter of academics which I shall not pursue, their lack or otherwise of it shall not be allowed to intrude.

What does this Budget do? It says boldly to the country that there is an economic crisis, that it is caused by the external factor about which I am and which they cannot deny exists. It is caused by export receipts falling speaking/because of low production and also the rainfall came; there was low production, sugar prices fell, mines were flooded. They cannot deny this. It says that in that context we have a choice, and it eliminates the choices, it tells the nation boldly what the position is, what is to be done. It says you cannot have your socialist society developing and arriving unless you face the truth and you sacrifice now. There is no revolution that is successful without sacrifice. There is no paradisiac way to revolution, you are bound to make sacrifices. **[Interruption]** I should say this, I should not accuse the Leader of the Opposition – **[Interruption]**

The Speaker: I wonder if the Leader of the Opposition and the Prime Minister want to carry on the Parliament alone.

5.55 p.m.

The Speaker: I wonder if I may make a comment. Speakers see how difficult it is to carry on with this type of behaviour from Ministers, front-benchers, back-benchers. Prime Minister, Leader of the Opposition and Deputy Leader of the Opposition. What really surprises me is that when the Ministers of the Government are giving information which the nation really needs, having heard the views of the Opposition, so much noise is kept that nobody listens. They themselves are dismayed and surprised at the behaviour of their colleagues. If this is how you wish it to be, then I shall allow it to go on. But then, there is on sense appealing to me every now and then for better behaviour to listen to great words of wisdom and perhaps education which in now free.

Comrades, in the interest of this nation, I ask you who are the representatives of the people to let us conduct our affairs so that they can know what is taking place, so that they can know what is responsible for our difficulties, what we are trying to achieve, what we are trying to seek, how we are going to overcome these difficulties. When it goes on like this I do not think any of us go away knowledgeable and feel satisfied that we are called upon to make sacrifices justifiably. I trust that –

Cde. Ram Karran: Cde. Speaker, I am suggesting that –

The Speaker: I will not listen to you! I trust now that we will have no more difficulty, Cde. Prime Minister.

The Prime Minister: Cde. Speaker, I apologise.

Cde. Wills: Cde. Speaker, I must thank you for your remarks on sacrifice. I will not, assure you, consciously or intentionally, seek to raise any humorous matter. I will not say that I welcome the sacrifice of intelligence on the benches of the Opposition that there will be no laughter and we will continue.

The Speaker: Before we continue, it is time.

Cde. Ramsaroop: I beg to move that the Cde. Minister of Foreign Affairs and Justice be given a further 15 minutes to conclude his presentation.

Seconded.

Question put, and agreed to.

Motion carried.

Cde. Wills: Having sacrificed a bit of my time to ruling and remarks, Cde. Speaker, let me say that this is a serious occasion and to my mind a serious turning point in the history of Guyana. It is a turning point because we are in effect asking the people and asking the Opposition or what passes for the Opposition, to assist us in asking the people to recognise that national unity and national building are more important than the individual selfish pursuit of economic personal advantage. We are asking them to forget that their little horizons of personal spectacular consumption must be sacrificed in the interest of the development of Guyana.

We are asking them if they can participate in consumption, they must co-operate to participate in production. We are asking them to say that there is no real progress in the strategic context in which we are, unless we progress as a nation. There is no future, no possibility of the establishment of the socialist revolution in the country unless they rise above these limited horizons which very often the dissidents of our society promote, instigate and encourage. We are saying let us get together here, forget the politicking, what happened in 1962 according to Ram Karran and what happened some other time, who “bin” there and who “bin” there, that nonsense. He who sits in judgement on the past often loses the future. If you waste time looking at 1962 and 1950 you lose the future. The past must be used to understand the present and get a blueprint for the future but if you spend too much time on it and bemoan, it does not engender energy. It may strike a popular posture to the people out there who might like that kind of thing but it does not engender energy, it does not assist in the advance of socialism in this country.

So, we are saying – [**Cde. Ram Karran:** Yes, father.”] I’m glad you said “father” because obviously you compare me with Lenin. I got that from Lenin, so if you say “father” it means you must have read it and that surprises me. I understand that when you first heard the

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word “Leningrad” you thought it was Lenin’s grandmother but they your geography was never good.

We are asking them these things, Cde. Speaker. The budget is a tough budget. We have not hidden this fact. We have never tried to dissemble for the public. We have said it: we said we are being destabilized; we explained the external factors, we have explained the internal factors affecting production; we have explained our performance and the value of this budget. We have “leveled” as they say. We have come here expecting to have a debate on how better we can proceed, if possible, in the face of the present crisis, that is, not only in Guyana but is a general global situation even among our friends, and our bosom friends. What we did not expect was politicking and past history and who would call whom “comrade” and that kind of irrelevance.

6.05 p.m.

The thing is, the level of criticism of the debate I daresay has not assisted the Guyanese people very much so far, as proceeding from the Opposition, to understand what degree of national unity we could forge to confront the crisis. We will survive because we have always had good leadership and good policies on this side of the House. We will survive for those reasons. We will survive because we have never been afraid to face crises. We have never been afraid to take unpopular decisions if we feel that they would be of advantage to the Guyanese people. We have never been afraid to adumbrate and enunciate unpopular decisions if we feel that they are right. We have never stopped to pander to the whims and caprices of passing moods and that is why we will survive.

Our long term strategy is good and the short term difficulties we experience will have a temporary limitation. They will be grappled with and will be met with or without critical support. We are giving them a chance to come now and make their peace with the socialist revolution or they may find themselves abandoned on the shores of reaction, left behind, becoming irrelevant to the future of this country. **[Interruption]**

I do not understand why she is speaking to me but perhaps whenever you use evocative phraseology to find certain people are always excited by it. Evocative phraseology has always been an instrument of attraction in certain areas.

I am proud to serve in this Government which in this crisis can produce this kind of Budget to face our present difficulties. I am proud. [Applause]. I am proud to serve under the leadership which can appreciate the conditions of the globe and appreciate the pragmatic relationship of industry in Guyana and external markets and external forces in their entirety and present this Budget today. I am proud of that and I feel sure that when the long result of time occurs and the history of Guyana is written this turning point shall be put down as perhaps the finest hour of the People's National Congress Government, that it was able to come to grips with it and come here today and promote a Budget of this kind. [Applause]

The Speaker: Cde. Seeram Prashad

The Parliamentary Secretary, Ministry of Co-operatives and National Mobilisation

(Cde. Prashad): Cde. Speaker, I would wish in the first place –

[Interruption]

The Speaker: Cde. Prashad, I am sorry about the interruption. Please proceed.

Cde. Prashad: I would wish in the first place to direct the attention of the House to the achievements of this Government in the solution of the formidable problem of supplying water to all the people of this country.

Water is a subject of vital importance. We are all agreed on this. None of us can live without water. Too many of our people in this country regard it as a freeness. It is indeed true that water itself, precious as it is, is free in its natural reservoirs whether above or below ground, but it comes with a price attached to it for production, treatment, and distribution. That price is reflected even though only in part, in this year's allocation in the recurrent estimates for the subsidy for providing our people with a pure water supply. The figure obviously does not take into account the millions of dollars committed every year in loan funds to produce the expensive

equipment and materials needed for those operations. And nobody in his right mind, including the ever-ready critic of the service, could possibly imagine that the job which faces the Guyana Water Authority is an easy one.

When this Government first assumed office, it inherited an appalling complex of water supply systems either already broken down or on the verge of collapse. The overseas experts whom the World Health Organisation sent to advise us noted that the then existing water systems, while serving a recognized need, constituted a health hazard. Considerable lengths of pipelines were laid in drains and in insanitary conditions with the ever-present risk of the occurrence of water-borne disease.

We have seen previous colonial administrations making feeble attempts to solve the water problem in coastal Guyana, virtually ignoring the formidable interior. Today, the People's National Congress Government has set out to provide for everybody in Guyana, no matter what race, creed, or political affiliation, equal opportunity to get pure and dependable water in adequate quantities.

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About four years ago on the 1st October, 1972, this Government established the Guyana Water Authority to deal with the entire national water problem. Since then the Guyana Water Authority has been trying against formidable odds to catch up in the provision of adequate and safe water for all the people. It would be silly to pretend that the task has been accomplished. It has only just started.

We have secured the help of international consultants who drew up detailed plans with Guyanese personnel and studied them. It is those plans that Guywa is carrying out today. Every stage of the work has been meticulously planned for every year up to the year 2000. The entire upgrading process was estimated eight years ago to cost \$140 million but since then inflation in the outside world has pushed that figure of needed expenditure upwards by 100 per cent to \$280 million, and cost keep on rising.

While we are not yet to achieve our target of a flowing tap in every home in this country, GUYWA is executing its task with vigour and imagination. Already thousands of families who never before had potable water piped to them are now enjoying this service so that the Guyana population served with pipe-borne water has surpassed the ten year target set in 1972 at a special meeting of the Ministers of Health of the Americas.

How did we do it? First, we sat down with the experts and planned; then we selected and trained at home and abroad the men and women to do the work. Meanwhile, we have been shopping around for finance to pay for improvements. Bit by bit we are getting it done. We have trained young Guyanese inengineering at the University of Guyana and some of them are now abroad doing higher studies. Some of the funds earmarked in this subsidy will be paying the salaries of workers from the ranks now studying at the University of Guyana in various relevant skills to serve the people. We have trained batches of about 135 pipe fitters, including members of the People's Army and the National Service, in maintenance of water systems. We have trained batches of engineers and are right now processing more than 400 applications from young Guyanese for appointments as additional trainee well-drillers. Batches of operators for the first six of our modern Water Treatment Plant have completed their training and are now on the job working around the clock. Staff has also been trained for the new Water Authority Control Laboratory which has only just gone into operation.

With the departure of the overseas consultants, the Guyanese work force of nearly one thousand are tackling the job on their own, an example of the greater self-reliance we seek. More striking still is the first stage of the improvement scheme comprising six modern Treatment Plants in the area extending from Soesdyke on the East Bank to Buxton on the East Coast of Demerara. Meanwhile, in other area of the country, we are to work on the rapid expansion of all water systems.

The difficulty in obtaining equipment and materials from overseas is still one of the biggest problems in these operations with waiting period of up to one year for delivery of overseas orders. These difficulties have been eased to some extent by the local production of P.V.C. pipes to international standards, although this is only one item of materials required.

However, merely putting miles and miles of pipelines that are expanding community demands is not all. We have first of all to produce the water that is to pass through those pipelines. That is why so much emphasis is being put by GUYWA on its well-drilling programmes. And that is the area in which we are making the biggest strides. We have now secured some of the most modern well-drilling equipment so that we have more than double the number of new wells completed each year.

Concurrently we have also undertaken the training of more well-drilling personnel to man the new rigs. We are now producing from the wells more than seven hundred million gallons of water per month at an average cost of 50 cents per thousand gallons. The number of wells sunk through the country has passed the three hundred mark. The present year will see a considerable acceleration in the face of drilling operations. We are preparing not only for the increased domestic consumption, but also industrial development is being catered for. For instance, the new well at Ruimveldt Industrial Estate will served the needs of the Textile Mill and will add more than a million gallons per day to the production of the Georgetown system.

At Ibabu on the West Bank of Demerara, a new well has been completed at the site of the claybrick factory. The new well completed at Yaracabra on the Linden/Soesdyke Highway is to serve the glass factory which is being erected there as well as the neighbouring community. The new well at Charity, Pomeroy, supplies water to the community as well as to the cassava flour mill. The demands of rapidly expanding Greater Georgetown are being further catered for. South Ruimveldt and Festival City residents have benefited from a new well in that suburban area while the eastern suburbs will soon be getting relief on the completion of the new well now being developed at Turkeyen.

A comprehensive water supply improvement scheme has been planned for the Linden area at an estimated cost of \$15 million. Preliminary works on this scheme have commenced and it is proposed to carry out the project in stages as rapidly as possible. In the meantime,

pending the completion of the main scheme, operations are in progress to improve the existing supply system. At this very moment other well-drilling operations or preliminary preparations for such operations are in progress at Kibilibiri on the Berbice River. At Perseverance, Gordon Table, Mahaicony, Adelphi in Canje, La Grange on the West Coast, also on the Essequibo Coast on both islands of Leguan and Wakenaam as well as in the Rupununi Savannahs. At Wismar new wells have now been sunk to extend the inadequate service provided by treatment of river water. At Bartica a new underground water source has been located so now the supply of treated river water from the Mazaruni is being improved by the installation of an improved pumping station especially to ensure that the new housing areas are adequately served.

Residents of Hosororo and Mabaruma in the North West District have recently had cause for jubilation. Their self-help efforts together with GUYWA technicians have brought them long-awaited pure water supply. In these many other areas of the country, the value of community self-help has been amply demonstrated. [Applause] Residents of Kimbia dug the ditches themselves for pipe-laying. This is cutting down the cost by tens of thousands of dollars and speeding up the work.

It will be remembered that not so long ago Members of Parliament and senior civil servants contributed voluntary labour to help speed up pipe-laying and other operations at Melanie Damishana. This fast-growing community, our newest and biggest housing scheme, is drawing its pure water supply for the moment from the longer established communities around it, but in the very near future, it will have a well of its own.

The Guyana Water Authority, as I noted earlier, took over a largely emaciated and scattered water systems and is relieving and improving them. A better water system set up for sugar workers by the Sugar Industry Labour Welfare Fund is now reaffirmed by GUYWA and arrangements are in train for the takeover of the New Amsterdam system.

In the rest of the Local Authority system GUYWA is working together with the Guyana Association of Local Authorities to ensure that the communities themselves get the service they deserve.

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6.15 – 6.25 p.m.

In this year of war on waste when the subsidy for pure water supply operations has to accommodate its share of the national pruning, we need more than ever to exercise the spirit of socialism in this period of austerity and we appeal to all the ensure that their water supply equipment is protected against loss and damage and that everything possible is done to avoid wastage of water which is so necessary.

The Speaker: Cde. Prashad it is now 6.30. We will take the suspension until 8 p.m. The sitting of the House is suspended until 8 p.m.

Sitting suspended at 6.30 p.m.

On resumption

The Speaker: When the suspension was taken, Cde. Seeram Prashad was on the floor. Cde. Prashad.

Cde. Prashad: Cde. Speaker I would like now to turn my attention to the area of Local Government. As this House is aware, Dr. David Marshall of the United Kingdom submitted a Report in 1955 in which he made sweeping recommendations for the reform of the Local Government system in Guyana. Although the recommendations in the Report were broadly accepted at that time and the People's Progressive Party Opposition was in the Government for 7 years it was not until the People's National Congress Government took office in 1964 that the real foundation was laid for the Local Government reform to become a reality. A separate Ministry of Local Government was established to expedite the drafting of the necessary legislation. On the 3rd August, 1967 the draft of the Local Authorities Election Bill was published for general information and comments and on the 21st August, 1968, the draft of the Municipal and Districts Council Bill was also published for general information and comments.

Comments were received, considered and final draft of these Bills were debated in the National Assembly and passed by Parliament in November, 1969. Another Bill relating to Local Government, The Valuation for Rating Purposes Bill, was also passed in 1969. With the enactment of the Municipal and Districts Council Act the boundaries of the city of Georgetown and the town of New Amsterdam were extended. In April and September, 1970, Orders were made establishing three new towns, Linden, Rose Hall and Corriverton, and 20 district councils. The Local Government Board also established 13 districts and new units, which included sugar estates were brought under Local Government for the first time.

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The total number of units which resulted from the reform exercise was 59: The City of Georgetown, the Towns of New Amsterdam, Corriverton Linden and Rose Hall and 20 district councils, 33 village districts and one country district. Elections for councilors of the new units were held in June and December 1970 and the People's National Congress won the election in all the areas. [Applause]. The Local Government Board was abolished in 1972 and its powers

transferred to the Minister responsible for local government. A new unit, the Grove/Herstelling country district, was established in 1974.

There are still of few areas yet to be brought under Local government, mainly on the West Coast of Demerara, on the middle Corentyne including Black Bush Polder, West Canjie and East Canjie (from Canefield to New Forest). It is hoped to have these areas brought under Local government as early as possible but much will depend on the financial situation since newly-established councils have to be assisted financially by central government in setting up their administration. The reform programme, started in 1970, is still in the transitional stage and consideration is being given to elevating certain village districts to district council status. The ultimate objective is to have all local government units operating under one Act, the Municipal and District Councils Act, Chapter 28:01.

It was inevitable that the new local authorities which emerged after the reform programme of 1970 should have teething problems. In addition, there was some initial opposition to the payment of rates in the newly-incorporated sugar estate area where, traditionally, services were free. The ex-sugar barons, Bookers Sugar Estates, also delayed the process of paying rates on their property by bringing appeals against appraisements, some of which took several years to be heard and determined.

Despite these initial problems, councils have settled down and have been making reasonable progress. They still face many constraints to development. For example, poor rates collection which has hampered not only maintenance works but also development works. It ought to be recognized by all concerned that, unless rates are paid, councils cannot provide the services and works expected of them. Within the limits of available resources Councils have maintained their recurrent services reasonably well and in some cases have introduced new services, for example, public street lighting, garbage disposal and nursery schools.

In order to push development in local authority areas, a central government grant aid programme, administered by the Ministry of Co-operatives and National Mobilisation, was

started in 1973. Also, additional funds were made available for loans to local authorities. Councils have received assistance from other agencies, for example, the Sugar Industry Labour Welfare Fund for rehabilitation of roads in sugar estates housing areas and in villages where sugar worker and cane farmers live, the Guyana Rice Board, Rice Action Committee for the rehabilitation of dams and other drainage and irrigation works.

Some of the areas of significant progress since 1973 are as follows: Apart from the routine maintenance of drainage and irrigation works (which are not the responsibility of the Drainage and Irrigation Board) and which councils carry out year after year from their own revenue, several councils have since 1973 carried out extensive reconditioning of drainage and irrigation trenches, digging of new trenches, construction kokers, sluices, etc. all designed to provide improved drainage and irrigation facilities for agricultural crops, especially rice. Thousands of acres of farm lands have benefited from this programme and inevitable should increase. The works were financed primarily through grants from the Ministry of Co-operatives and National Mobilisation. Grants given for these works are as follows: In 1973, \$159,141; in 1974, \$50,000; in 1975 \$471,202, and in 1976 \$593,928.

The Speaker: One minute more.

Cde. Prashad: Councils which were given assistance in 1976 include Crabwood Creek-Moleson Village District, \$64,052; Wakenaam District Council, \$37,366; Leguan District Council \$43,330; East Mahaicony District Council, \$55,120; Hogstye-Lancaster District Council, \$51,110; No. 51 Good-Hope Village District, \$16,800; Whim-Bloomfield District Council, \$24,700, Naarstigheid-Union District Council, \$74,000; Tempe-Seafield Village District, \$53,086; Riverstown-Annandale District Council, \$35,960, Bush Lot-Adventure District Council, \$30,346.

Through loans granted by the central government, and in a few cases by other lending agencies, many councils have acquired tractors, trailers, and other attachments. To the end of 1976, 26 tractors with attachments had been acquired. Apart from carrying out the works of local authorities, these machines are contributing to the agriculture drive by being rented out to farmers for ploughing rice fields; transportation of paddy etc.

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8 – 8.10 p.m.

Between 1973 and 1975, local authorities have established 24 nursery schools and the bulk of the expenditure for the operation of these schools was met by the councils from their own revenue.

8.10 p.m.

The Minister of Parliamentary Affairs and Reader of the House (Cde. Ramsaroop): I beg to move that Cde. Seeram Prashad be given a further 15 minutes to conclude his contribution.

Cde. Gill seconded.

Question put, and agreed to.

Cde. Seeram Prashad: The Ministry of Education assisted with the payment of head teachers' salaries for one year. In some cases, new buildings were constructed by self-help to house the school while in other cases existing buildings like Community Centres were used, and in a few cases, buildings were rented. Two new nursery schools were constructed in 1976. One at Goodverwagting, Plaisance/Industry District Council area, financed by a central government grant, and the other at Line Path/Corriverton, financed partly by Government and partly by funds of the Council.

The Linden Town Council operates two day-care cum nursery schools. Georgetown also operates two day-care cum nursery schools. With Government's take-over of all schools as from 13th September, 1976, Local Authorities will still have a role to play in the field of nursery school education by being involved in the management of these schools and by promoting the construction of new school buildings by self-help. [**Interruption**] I will give you that in detail just now.

In the city of Georgetown, Infant Health Clinics were established in 1972 at South Road, Charlestown, Albouystown, Queenstown and Kingston. A Health Clinic was established at Bel Air in 1973 while another Health Clinic cum day nursery was established at East Ruimveldt in 1974. Construction of a new building for Health Clinic at Mc Kenzie was started in 1975 and

completed in 1976. The cost of the building is approximately \$65,000; of this amount, \$20,000 was received as a gift from a church body, while the balance of \$45,000 was met from Councils funds. A second clinic will be established at Christianburg later this year. These were projects financed directly by the revenue of the councils concerned.

In addition, several health centres were constructed by self-help in various Local Authority areas with assistance and technical supervision from the Community Development Division of the Ministry of Co-operatives and National Mobilisation. But, I am sure that my colleague, the Cde. Minister of Health, will say more about this in his contribution to the debate.

With the expansion of the services of the Guyana Electricity Corporation in many of the rural areas of Guyana, several Local Authorities have, over the period 1972 – 1976, installed public lighting facilities in their council areas financed from their own revenue. Where there was once darkness, there is now light and citizens in some of the rural areas now enjoy the same lighting facilities like Georgetown, New Amsterdam, etc. The Local Authorities which provide public street lighting facilities include the Klien/Pouderoyen District Council, Toevlugt-Potentia District Council, Coverden/Soesdyke Village District, Herstelling/Grove Country District, Eccles/Ramsburg Village District, Plaisance/Industry District Council and other local authorities on the East Coast up to Grove /Haslington District Council, Williamsburg/Kilcoy/Chesney Village District and Rose Hall Town.

In the city of Georgetown, several miles of road have been reconstructed since the reform programme of 1970 especially in the newly incorporated areas, for example, Lodge, Durban Street, Campbellville, Prashad Nagar. These were financed from Council funds. Central government also constructed several new roads in the Georgetown area, for example, Carifesta Avenue, Home Stretch Avenue, Sheriff Street, Kitty Avenue.

In the Linden area, the Linden Town Council through a loan of \$1.5 million, raised through sale of bonds, commenced work on the reconstruction of Burnham Drive in 1974. So far approximately one and a half miles of road have been completed. Other works done include construction of a new bridge across the Capaballi Creek and the revetment work on the eastern side of the river to prevent the erosion from the Demerara River.

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8 – 8.10 p.m.

In the rural areas of Guyana some progress, though not as anticipated, has been made in the rehabilitation of roads. These were financed mainly by the Sugar Industry Labour Welfare fund. Good roads in rural areas of Guyana remain one of the major developmental objectives yet to be achieved. The main constraint has been the availability of finance having regard to the present-day cost for construction of roads and the increasing demand for road-building materials, particularly quarry products. [**Applause**].

The Speaker: Cde. Narbada Persaud.

Cde. Narbada Persaud: Cde. Speaker, last Thursday, we had the misfortune to hear from the Cde. Minister of Finance our fate for the year 1977. The Cde. Minister in his Budget Speech for 1976 dated 24th November, 1975, in his introductory remarks said the following:

“The task of transforming the society into a Socialist one is to increase its momentum. The effort will involve emphasis on certain ideals – maximizing production; production for the people first and foremost; creating the conditions through education and training that would lay the foundation for equality of opportunity for all Guyanese;....”

In the introduction, it is also stated:

“All economic sectors will become more active – agriculture, land development, forest exploitation...”

This budget, presented for the past year, according to statement of the Minister of Finance, was geared towards the advancement of our socialist objectives of providing equal opportunities for all Guyanese.

8.20 p.m.

Cde. Speaker, I must excuse the Minister with his limited knowledge of scientific socialism despite the fact that in the Budget Speech for 1976, it was stated in the passage I just read that the Government was geared to transform this society to a socialist one. Scientific socialism, however, I must point out for the benefit of the Minister deals with Marxism-Leninism

and is also a science. As in all sciences, certain general rules and laws are applicable. These laws are so general that they can be applied in any country, like Guyana which hopes and wishes to transform itself to a socialist society. Of course, in constructing socialism the specifics of the particular country would have to be taken into account.

We had the opportunity last Thursday to hear, as presented in the Budget Speech by the Minister, that Guyana faces a grave economic crisis. From high quarters it has been stated that there has been a 50 per cent decline in the production of bauxite for the year 1976, 40 per cent decline in the production of rice. Sugar, we are told, will break even at the end of 1976. The foreign reserve was reduced by \$250 million in 1976; there is a trade deficit for 1976 to the tune of \$370 million, a balance of payments deficit for 1976 of \$250 million, an overdraft on the consolidated account which, at the 1st January, 1977, stands at \$472 million and is expected to reach the high of \$544 million at the end of December this year, debt payments at 31st December stand at \$878.8 million are anticipated to be \$915.6 million by the 31st December, 1977.

I just want to emphasise that all these figures I have quoted have indicated deficits-overdraft on the consolidated account to the tune of \$472 million, debt payments to the tune of \$915.6 million – [Interruption]. It is not a deficit but it is a hole and all of us will have to work in order to fill it. The Government has, over the years, been digging holes to fill holes as I will point out later on. This picture depicts really a very sad state of the economy of Guyana.

Cde. Speaker, with your permission I wish to quote from the Budget Speech for 1976. On page 27 it is stated that there was a surplus in the balance of payments of \$85 million. And the Minister had this to say about this \$85 million.

“...if the balance of payments is any measure of the soundness of the nation’s economy then it would be clear to all that the policies – fiscal, financial and economic – that this Government has pursued over the past year have been both appropriate and successful. Indeed the economy has been sensibly directed and the end result is a country that is economically sound and dynamic.”

When the surplus was \$85 million the Minister said these words. Today, the balance of payments deficit is \$250 million. If we are to use the same yardstick used by the Minister in his last year's Budget, the statement would read as follows:

“... if the balance of payments is any measure of the soundness of the nation's economy then it would be clear to all that the policies – fiscal, financial and economic – that this Government has pursued over the past year have been both inappropriate and unsuccessful. Indeed the economy has been insensibly directed and the end result is a country that is uneconomically sound and not dynamic.”

Using the same yardstick the Minister used last year, when there was surplus of \$85 million, we would have to then describe the deficit of \$250 million in the words I have just used.

The Minister in his presentation of his Budget went on to blame destabilization attempts, soft markets, low prices of sugar, inflation in import prices, and bad weather for the state of the economy. What the Minister however failed to tell the Parliament and the nation is that the P.N.C. Government ought to be blamed for all the huge deficits and the holes I have just announced.

We have learnt according to the teaching of Marx and Lenin that no country in the globe of the world, no organisation in the globe of the world – and it come down to no man on the globe of the world – does not make mistakes but those persons, those countries and those organisations who are brave enough to admit their faults and to accept criticism and self-criticism and who, having been criticized, endeavor not to repeat those same mistakes, are the persons, organisations and countries that will benefit and prosper.

This Government however claims no mistake has been made. No. Not at all. No criticisms at all. Everything it has done was well done. Everything it has planned it has planned well. Despite that, the country is in the state that it is in today.

We the working class, the small men, are all called to tighten our belts more. Incidentally, this has been the call year after year. The fact of the matter is that the two major crops of the economy, sugar and rice, have either been stagnated or have declined. Sugar

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production for the period 1971 – 1974 amounted to 1,289,962 tons, a mere 5 per cent increase on the 1,226,283 tons produced one decade ago, the period 1961 – 1964.

8.30 p.m.

What does it mean? It means that either the Government is placing its priorities in the wrong direction or people are so disenchanted that they are not producing. They are being discriminated against, which I will come to later on. Incidentally, during the same period I have just mentioned, 1961 – 1964 rice production declined by 8 per cent. The Minister of Economic Development in speaking this afternoon said that the yield in bags of rice per acre increased during last year. What the Minister of Economic Development did not state was that out of the 75,000 acres of land which should have been cultivated in the Berbice area for the autumn crop only 27,000 of that could have been cultivated. They should know why. Of the 27,000 which was been cultivated 14,000 acres were at Black Bush Polder, a scheme which was made by the P.P.P. Government, that is, of the 27,000 acres cultivated 14,000 acres were in Berbice.

It is clear from the Minister's own argument that if production per acre has increased then production as a whole should increase. He is trying to tell us that only six and eight bags per acre were produced during the period of the P.P.P. He claims 16 bags per acre now. It is only a logical conclusion that if 16 bags per acre, not six, are now being produced there should be more production. It is one out of two things. Either the figures given are incorrect or there are large areas unplanted and now the members of the Government should ask themselves the reason why.

The unprecedented increase of exported sugar in 1975, because of the high price, which included the levy of \$131 million, saved the economy from collapse. There seems to be no such favourable indication for this year so the question is: What will really happen? The blame on the weather, is justifiable to an extent. We had, of course, unprecedented weather during the year 1976 but what plans have there been since this Government took office to avoid such things taking place even under normal weather conditions? What has this Government really done for the twelve years it has been in office in relation to the increase of production?

(Cde. Narbada Persaud continued)

Today, we are hearing a call for increased production and productivity. Perhaps, it would be interesting to quote from the Guyana Chronicle of Saturday, January 1, 1977, some relevant statements made by Mr. Chander Persaud who is known as our weatherman. He said that he believes that long range weather forecasting is one of man's chief weapons in his struggle against the adverse effects of the weather, since such forecasts could help reduce or possibly eliminate these adverse effects by helping man to take preventative action and to supply correct crop-mining strategies. This gentleman has been giving advice. He claims that he is capable of looking into the weather for six months ahead unlike some of the other Meteorologists of the world with whom he disagrees. Man, he said, must programme his activities according to the weather. In Guyana, where two of our crops, rice and sugar, are main products for export and yield a great percentage of foreign exchange for this country, all available data, all available information and all available advice should be heeded. I would like to ask this Government, perhaps the Minister of Agriculture, whether he was advised along the lines stated here. Mr. Chander Persaud further stated:

“Because of this new development in long range weather forecasting in Guyana never in the future would adverse weather catch Guyanese unaware or unprepared.”

He said that he has been able to produce long range weather forecasts with an accuracy of over 80 per cent and has been able to do this without the use of satellites and giant computers. This gentleman, who is a specialist in this field, has been able to advise the Government, if I understand him correctly, and the question is: What has the Government really done in relation to this problem? Has the Government taken any advice? Has the Government done anything to prevent an occurrence?

Cde. Speaker, with your permission, I wish to quote from the Guyana Chronicle of Monday, January 3, 1977. This is on the back page. The headline is very misleading. It states: “Favourable weather for agricultural production.” However the article says something contrary

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to this headline. It is reported that Chander Persaud said that “this year’s weather conditions promise to be more favourable to agriculture production than last year’s” And we know for a fact what we experienced last year. He continues: “It may be possible to overcome adverse effects through preventive action at the right time. In short, viewed as a whole, 1977 will not be very wet when compared with 1976 and, provided some strategy in planning is used, this year should see an upsurge in production and more progress on civil works.”

I only hope that the advice given by this man, whom the Chronicle, in the issue which I quote before, boosted up would be heeded. The Meteorologist whose assessment and analyses are 80 per cent correct went on to say “But any late rice harvesting should be avoided.”

What is the position at the moment in relation to the rice industry? I went up to the West Coast of Berbice on last Sunday. In some areas rice is only about two week old. According to the Meteorologist, when the dry weather starts in early February this rice would be gone. In large plots of land they have only ploughed; nothing has been sown as yet. It means therefore that nothing can come out of that laid. So the expectations in the rice industry are really grim at the moment. I only hope, however, that Cde. Hope who is hoping for the best will be advised to do something in order to avoid the catastrophic situation we were placed in last year.

Every year we are hearing about the floods in the Mahaica/Mahaicony area. Of course, the M.M.A. programme is going on. Government has admitted so far that \$9 million has been spent. A programme which in our time was anticipated to cost \$32 million will not cost this Government \$90 million because of neglect. The Government has now seen the wisdom in calling for increased production. Obviously, if we are going to build socialism, increased production and increased productivity are two essential ingredients and now that the Government has seen the light, it is placing emphasis on industry and agriculture. As I said, a programme which we started and which they failed to continue, would have cost \$32 million and it is now anticipated that it will cost \$90 million.

The fact is, no major or proper water control has been embarked upon by this Government since it took office. The economy is in such a perilous state not only because of bad weather, not only because of lowering prices, not only because of higher prices that we have to pay for imprints but primarily because of the lack of democracy that exists in this country today.

Take the Rice Producer's Association, a truly representative body of the rice farmers. It is not recognized. The representatives were removed from the Rice Marketing Board after this Government took office. The Rice Action Committee is forced upon the rice farmers. Now because of the perilous state of the economy of this country, the Rice Action Committee has been omitted from the Committee for Defence Bonds and the Rice Producers' Association has been included. Why? They have come to their senses to realise that it is only the Rice Producers' Association, the truly representative body of the rice farmers that can mobilise the people, not the hand-picked Rice Action Committee. This is a fact. As is said, there is a lack of democracy not only at the level, but a lack of democracy at all levels.

The Minister informed us briefly about the plans for regionalism. How on earth are we going to have total mobilization and full involvement in areas like the Corentyne where the P.P.P. could never in the history of this country be defeated at any free and fair election? When the P.N.C. Chairman for the region happened to be the Regional Minister, he is going to be the Minister on the top. The P.N.C. organisation is going to be involved in the planning of

development in that area on the Corentyne and many other areas where the P.P.P. is strong, strong, strong.

What kind of involvement are you going to have there if you are going to have there if you are going to have imposed upon the wishes of the majority of the people, this P.N.C. Government which is a minority Government in this country today? Are we going to build socialism? It is either that the theoreticians who are advising the P.N.C. Government is only fooling the people. Those of us who have read Marx and Lenin know that only through democracy at all levels can one achieve socialism, particularly at this stage in this particular time of the history of our country, where more than half of the people of this country do not support the People's National Congress Government. As I say, I urge the P.N.C. Government to --- **[Interruption]**.

The Speaker: Just a minute, Cde. Persaud. When the Government Ministers speak and they are being heckled by the Opposition I will not intervene. It is not fair for the Members of the Opposition to be speaking and for them to be interrupted continuously. You will crave my indulgence when the Government Ministers are speaking. Please continue, Cde. Persaud.

Cde. Narbada Persaud: Cde. Speaker, we agree that in going on the path of socialism in a country like Guyana we will be faced with many problems. We, on this side of the House, enunciated in 1975 our new strategy of critical support. I wish, however, at this stage to rebut those on the opposite side of this House who have brought us down to the stage of only criticism by informing them that the support came only two days ago when I lent national Newspapers Limited newsprint to print their papers. If not they would not have had a newspaper yesterday and today until their supplies came. That was our support. They should not continue to say that we are only criticizing.

We agree that in the construction of socialism, sacrifices would have to be made. We, on this side of the House are prepared to make those sacrifices as long as a stop is put to squandermania, corruption, bribery and so on but we cannot allow things to go on such as I will now read here for the information of all.

Ministers get an allowance of \$440 per night when they go out of the country. The Prime Minister's wife is also entitled to this allowance. I wonder what Government post she holds. The Prime Minister and the Deputy Prime Minister's allowances are not declared, they are unlimited. They spend how much they wish. These fat allowances must stop. The sacrifices must start here. 38 persons went to Sri Lanka including the son-in-law of the Prime Minister, the daughter of the Prime Minister, the grand-daughter of the Prime Minister and a P.N.C. Party representative. Is it fair to the nation Cde. Speaker, to take tax-payers money out of the Treasury to pay for these fabulous allowances on long excursion trips.

As is reported, a Mr. Butters got \$1.3 million from the agri-bank in 1973. So far he has only repaid one installment. Interest on this sum along is \$10,000 per month. It is understood that the Minister of Finance told the executive of this same agri-bank that \$10,000 loan to rice farmers was too much. Yet Mr. Butters got \$1.3 million. Check the records. It is not discrimination when we lend Mr. Butter \$1.3 million in 1973 to buy fishing trawlers and up to this date in 1977 he had only repaid one installment and rice farmers are told that \$10,000 for loans is too large a sum for them.

These are things that we want to point out. Unless these things are corrected, unless the Government is prepared to stop these discriminatory policies, unless this Government is prepared to stop squandermania, corruption and bribery, we will not be able to achieve the goal since the people will see such things and they will not answer the call of increased production and productivity.

A rent-free telephone is given to the Secretary to Cde. Viola Burnham. What post does Cde. Burnham hold in the Government to be afforded a secretary with a free telephone service provided with taxpayers' money.

The Speaker: time .

Cde. Reepu Daman Persaud: Cde. Speaker, I beg to move that Cde. Narbada Persaud be given an extra 15 minutes to conclude his speech.

Cde. R. Ally: seconded.

Question put, and agreed to.

8.50 p.m.

Cde. Narbada Persaud: Cde. Speaker, the Prime Minister of this country is, of course, a very important person and one would assume that he receives a very respectable salary but when we are going to be told that his medical expenses of \$904.55 are charged to the Accountant General's account and paid in the month of March 1976 it causes some concern. As I said, I am sure that he receives a very respectable salary. Why is it that his medical expenses have to be charged extra and appear in the budget of the people?

As I said, these and others are some of the points that we will first have to deal with before we move on to building this nation, before we mobilise the people, before we get total involvement. I want to warn the Cde. Minister of Economic Development who is in charge of that restructuring committee that all the glorious plans that he sits down there and makes will not be realised so long as the people are not represented, so long as the people are not involved.

In his reply this afternoon the Cde. Minister of Economic Development spoke in relation to housing but he was very clever in only making a comparison with the time of the P.P.P. in office. Can this Government tell this Parliament and nation during this debate how many houses it has built and what are the rents it is charging? Has the Government built any houses to accommodate the lower working-class people in this country? We have built houses where the rental was as low as \$5 per month. It is unfair to measure in the terms that the Minister attempted to measure earlier this afternoon. What has been happening? Debt charges were at one time \$10 million; today they are \$119 million. The deficit was very negligible at one time; today we are providing \$300 million and \$400 million. Therefore they can use these figures. The point is that the Government has used the money in the wrong direction and if this continues, it would mean that the country will continue to face the perilous state of affairs we are discussing here tonight.

The development plan referred to by Cde. Hoyte, the Feed, Clothe and House Programme, has failed considerably. The Government has diverted the money. He recorded that

500 miles of road have been built. What is more important? The road or production? How are we going to build socialism? Have the roads been able to generate any wealth with those heavy hundreds of millions of dollars that have been put on them. The road from here to Linden is a complete waste, it was not a priority.

Our point of view is that while some of these things are necessary we must see our priorities and have them clearly outlined. The Minister has told us about some of the achievements. Unfortunately they did not appear clearly in the Budget Speech of 1977. We are told that the cement plant which was supposed to have started in 1976 is now about to start. The glass factory, on which work was supposed to have started ever since, is again to be started. Nothing has been said about the paper recycling plant, nothing has been said about the Upper Demerara Forest project. The Minister made a slight reference but nothing has been done in relation to the composite textile plant. The Minister comes to this Parliament year after year with a budget and supplementary budgets thus fooling the nation. I want the Government to be very serious in its efforts.

Since Guyana is a developing country and plans are ahead to start a new Development Plan for 1978 I wish to give the Government some advice in relation to developing countries and the task that they have before them. I should like to emphasise the decisive role of progressive domestic transformation for the attainment of economic independence for Guyana. This transformation includes industrialization, land reform, democratization of political life, economic growth directed to raising the living standard of the masses of the Guyanese people, the expansion of the public sector of the economy, the direction of the activities of both foreign and national capital to the targets of national development, basic changes in the distribution of income in the interest of the working people, democratization and moderisation of education, the establishment of national health and social services.

I must warn, however that when this Government allocates the export income of some raw materials Guyana must keep in mind that these earnings are only temporary due to the non-renewable character of mineral resources. The present earnings must be used without delay to modernize and diversify the economic and social structure and to increase food production,

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otherwise, we will all get into a new but similarly disadvantageous dependence within the world economic when the mineral reserves run out.

The pro-imperialist models imposed on Guyana in the early stages of the P.N.C. regime have resulted in the deterioration of the economic and social conditions of the people. At the same time, the basic right and liberties of the people were, and are still, denied. There is need for a correct planning strategy and sound domestic and foreign policies. Guyana, due to its independence on the international capitalist markets, suffered due to its dependence on the international capitalist markets, suffered severe loss and is forced to sell raw material and primary products at low prices and to buy manufactured goods at high prices. There is therefore an urgent need for a new international market structure which necessitates equitable and just participation and involvement of capitalist, socialist and developing countries. The same goes for the restructuring of the present monetary and trade systems.

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Guyana should struggle for the establishment, on an international basis, for a fairer relationship between prices of raw materials and industrial products. The setting up of an international mechanism for reducing the sharp fluctuations of the prices of raw materials, the institution of a common fund for financing the mechanism, the expansion of the transfer of technology to the developing countries, the reform of the world monetary and credit systems and the control and regulation of the activity of international monopolies which still indirectly control development in Guyana to some extent today.

It will be naïve to exclude the possibility of confrontation at any time as measures to assert economic independence cannot but result in some violent reaction from the affected parties. There is a great need for reform, even if opinions differ regarding their extent and timing, in order to protect the world economy from disruption and undesirable confrontation. The international community has to intervene to define new norms. These norms can have two main objectives: firstly, to reduce the degree of developing countries' dependence on the third world capitalist system and, secondly, to promote just and equitable international economic relations among all states.

Cde. Speaker, the choice of the pattern and orientation of development is here very important and there should not be a concentration of purely G.N.P. rate of growth. Growth has to be achieved through the production of goods and services needed and effectively paid for by the broad majority of the population. This involves the adoption of basic needs strategy wherein the items of personal consumption such as food, and shelter, as well as essential community needs of safe drinking water, sanitation, transportation, transport and education are provided. To realise this, the popular participation in the decision-making process is necessary. It means that the decision-making lies not with the elite at the top but with the people at the bottom, a thesis that Cde. Hoyte does not agree with. One has, however, to be aware that imperialist forces are continuing their policy not only to disrupt the solidarity between socialist and developing countries but also to disrupt the unity of developing countries themselves. Guyana, having started the anti-imperialist revolution, has gained great experience during the past year of this.

Today, world capitalism finds itself in a morass of unprecedented oil crises. The crisis is no longer purely economic, but it is an over-all social, political and moral crisis. It is not a crisis resulting simply from increased in oil prices or similar events. Incidentally, I wish to draw the attention of the Government benches to a report put out here by a lecturer from the University of Guyana entitled "Market for Charcoal." A feasibility study has been done by this lecturer and in the Sunday Chronicle of 14th November, 1976, it states here in part –

“THE NEW SITUATION.

But the energy situation today”—

The Speaker: One minute more!

Cde. Narbada Persaud: "...is quite different from that of the middle – sixties, ..."

Cde. Speaker: Unfortunately, I will have to avoid reading that and come to my last stages. The point, however, was that a research was carried out and a feasibility study has proven that since the oil crisis is again awaiting us in this new year, the Government should seriously consider charcoal industry. He has put out here in clear terms, the export market, the consumption at GUYBAU and other places and by-products that we can have from this industry.

Since we started some time ago and are hoping to complete very soon the hydro-electric power plant then, in the meantime, we can, perhaps avoid the crisis that is awaiting us. Cde. Speaker, we will have to look into some of these aspects which we consider to be very important.

Unfortunately, I did not get to deal with my good friend the Minister of Trade. The trade patterns, of course, would be changed and very quickly I want to mention one important point. Since the Government boasts that about 80 per cent of the economy is now in the hands of the state, State Corporations must be differently managed. For example, a system should hereby be implemented where we have a turnover tax in the Corporation at the end of the year to the value of "X" dollars. If the corporation has produced commodities, then a percentage – in socialist countries it ranges from one to six per cent – is for the means of production, the materials and the buildings; it is a compulsory tax. After that, gain dependent on the type of corporation or enterprise five, fifteen or twenty per cent is taken out from profits and that is kept for the social welfare of the people premiums, health resorts and subsidizing meals and so on. The remainder is handed over to the Government.

The Speaker: Time!

Cde. Reepu Daman Persaud: Cde. Speaker, I wonder if I can crave your indulgence to move that an increase of five minutes be given to Cde. Narbada Persaud –

The Speaker: There is no such provision in the rules.

Cde. Reepu Daman Persaud: Cde. Speaker, I move that the hon. Member be given a further extension of fifteen minutes to conclude his speech,

Cde. Belgrave seconded.

Question put, and negatived.

The Speaker: Cde. King.

The Minister of Trade and Consumer Protection (Cde. George King): Cde. Speaker, I am reminded as I rise to speak, of the proverb that says a fool is known by the multitude of his

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words and I hope that I shall not justify that proverb but rather the other proverb which says; Give to every man thine ear but few thy voice.

As I listened to the contribution of my friend on the Opposition bench, I was at a complete loss to even comprehend what indeed he was trying to say because he started off by asking: What have the roads done for this country? Do you really mean to say that this is a socialist of great repute and his memory is so short that he forgets the many lives that have been lost on that Demerara River, the loss of inhuman conditions which prevailed at the old Sprostons Wharf. He should come to this House, if not for economic reasons, on the grounds of humanity, and say that that road has served its purpose. [Applause]

The next thing that I am told is that they are attempting to pontificate on how corporations should be run and how the dividends and taxes should be paid.

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The members of this same opposition party should come to this honourable House and name the shareholders of Gimpex, tell us who the shareholders were and how the shares raised, and they should tell us also how that company was operated. They did not see it fit when they were in office to start corporations. They saw it fit to start companies which were owned by party members and operated on a capitalist style. What has happened to the profits? And so loyal are they to the socialist countries from whom they bought that when they failed to get supplies from the socialist countries they came to the Ministry of Trade with licences for goods from the Western World. Go in the Gimpex now and see to what extent the range of goods sold are produced in the Western world.

One must come to this House with honesty and sincerity. One must come and understand what this Government is doing through the People's National Congress. They have obviously – [Interruption]. I am starting where you left off. Having done that, he calls for audits of the public corporations when in fact we have not been able to even see anything of the results of Gimpex – but sufficient for that.

What I would like to say before dealing with the question of trade is first of all that we on this side of the House believe in a certain standard of living and when the member of the Opposition is going to seriously criticize this Government for taking out an advance of \$440 for declared expenses overseas, it shows the level of thinking, it shows the level of the living standards which he expects the people of this country to accept. Persons who have travelled know that \$440 cannot cover expenses, even the most depraved conditions in the Western world, but I think the Opposition should also know what the figure which he quotes, of course, refers to an advance and those of us who draw those advances have to account for them.

I would not sink to the level of even responding to what I regard as a presumption and an absurd accusation, to challenge the expenses of the distinguished leader of this country and his retinue that went to the Non-Aligned meeting. The point is, it shows the ignorance, it shows the depravity of the people who are seeking to develop these countries. It would surprise the member of the Opposition to know that a mutual friend of ours in a socialist country, at the Non-Aligned conference, asked our Prime Minister why he was taking the risk, why he had condescended to travel on a commercial airline and not on a chartered flight. This was a socialist leader whom we know and respect and admire.

Let us get our thinking straight. Let us get our perspectives right and don't assume to bring to this House red herrings. If the Opposition wants its leader to go and spend his time in Whitehall Hotel in Bayswater, he is welcome to do that but we, as long as we are in power, will ensure that our Prime Minister travels in dignity and with the decorum that befits his office.
[Applause]

I now wish to refer to some of the trade and economic matters on which the member of the Opposition spoke. One of the things that the leader of the Opposition said earlier today was that we needed a new pattern, we needed a complete change in our foreign trade. The members of the Opposition have continually said to us that we are perpetuating trade with the Western World and capitalist countries. He said it is a fact. Let us see what the figures say and then see whether the word "facts" is spelt "fax". In 1964, and I am being very kind, I pick the best year, the P.P.P. Government – **[Interruption]**.

The Speaker: If the members of the Opposition will misbehave themselves, I will take off the same time that they would have got for speaking and give it to the Minister. Why should we not listen to both sides and hear what they have to say. Is the truth hurting somebody?

Cde. King: In 1964, the Government in office imported from Cuba \$710,000 and exported \$5.8 million. **[Interruption]** But in 1975, this Government imported \$457,000 and exported \$8.2 million. In 1964, the P.P.P. Government, imported from Russia \$653. It failed to export a cent. This Government in 1975 exported to Russia \$70,000,414 and it imported \$337 – an enviable balance of payments position in our favour. Don't talk about imports. We believe in reciprocity. In 1964, the P.P.P. Government imported from Czechoslovakia goods to the value of \$1 million. It exported not a farthing. In 1964, that Government imported from East Germany \$452,000. In 1975 this Government imported \$3.8 million and exported \$4,362. Let us look at Romania. In 1964, the P.P.P. Government imported \$20,900 and exported nothing. In 1975, this Government imported \$10,000. Let us take Yugoslavia. The P.P.P. Government imported \$11,855 and it exported \$177,000. China. The P.P.P. Government imported \$1 million in 1964 and exported nothing. In 1975 we exported from China \$9 million and we exported \$10 million. The figures speak for themselves and you must not continue to get at the street corners and come to this House and say that we are not diversifying our trade.

Let us turn now to diversification. The point is that the P.P.P. Government was not capable of exporting anything for one thing because it was producing nothing. All it did was import and the P.P.P. still has an import mentality. We believe that we must export more than we import. Let us look at the diversification of sugar. What happened with sugar? In 1975 when the prices were high, when we ourselves were able to maximize on the high prices, we had a situation in which mischievous and shortsighted leaders went into the sugar industry and detracted people from production.

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I do not think there were any short-sighted leaders here. They allowed the cane to grow ripe and instead of reaping and producing cane they went and misled the people to produce less.

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But that was not all. When we went to Lome and negotiated a sugar contract with units of account in which we were sold at guaranteed prices and when we came back here with a price of £261 these same critics, these same people, these alleged leaders, said that this Government has sold out. They said that we should have got more from sugar. Not only did they say that, they also said: “Look at Jamaica, pay our sugar workers what they are being paid and we will produce; we want more or no production.” These economists, like the one we have just listened to, who could not trace the history and the patten of sugar in the past let alone the future, were maintaining that the price would stay and were asking this Government to take the level of wages in proportion with the then prevailing price. Jamaica did it, we did not, and, what is more, the Leader of the Opposition come to this House today and says that even though the prices of sugar has dropped it is not yet below that of the pre-economic crisis price. So much au fait is he with the price. Let me assure you, Mr. Speaker, that I have just read off the telex that the world price of sugar has dropped by a further £5, bringing it to £109. When you do your calculations it is now 10 per cent less than £83 because this is £109 (New) **[Interruption]**.

Cde. Speaker, I have great difficulty following the illogical arguments. Here is the leader of the Opposition asking me to convert this into dollars. He knows that before the pre-economic crisis period the value of the Guyana dollars was different from what it is now, and he is asking me to put it into dollars. What you have to do is to turn it into U.S. dollars and then convert it to pounds. You are an economist, you can do it. If the hon. Member cannot do it by brains I will lend him the electronic brain.

The point I am making is that at the time of plenty, at the time when we could really have capitalized on high world prices of sugar, we were denied maximum production. The result of it was that instead of being able to send out the full 340,000 tons of sugar we dropped short by something like 45 tons which is several million dollars.

But let us say that this Government in its wisdom was not carried away by high prices or was not influenced by the nice words which the Opposition, then out of this House, tried to suggest. We were level-headed and we sought to diversify our contracts so that even today, with the price at £109, we are able to ship our sugar at £210. **[Applause]** We not only diversified to that extent but we made a long-term contract and I am happy to say that in December we shipped sugar at £240.

I believe the Cde. Leader of the Opposition asked today, Where has the money gone? Obviously he has the wrong profession and presumably he ought to have a good optician on his side of the House. We now have in our possession the whole gamut of the sugar industry, not just a part, and had they produced the maximum amount of sugar we would nearly have been able to pay off for the whole sweeping mass instead of having to pay Bookers some more.

I would now like, in dealing with trade, to speak a little bit on the question of controls as they will affect foreign trade. Needless to say, we meet to discuss this Budget under the shadow of a rather depressed economic situation, depressed because its... are both external, and depressed because of the circumstances and situations which obviously are beyond the control of human beings.

Therefore, there must be certain measures taken and among those measures contemplated for 1977 will be a very vigorous control of imports. We shall try, as far as possible, to ensure that the basic necessities of life that we are still dependent on from outside come into this country but I wish to announce to this House that we shall be taking very serious restrictive measures and quantitative restrictive measures such as are necessary to ensure that our imports are kept to the barest minimum.

I should like also to refer briefly to the local trade and distribution because far too often we get reports of shortages here and shortages there. There are certain newspapers, who name I will not mention, that continue to speak of shortages. There is also a certain book which is entitled "This is Guyana" which alleged that this Government was restricting the sale of sugar because of the high price. What I could not understand when I read that article was the inconsistency of that Party because another socialist sugar-producing country did not restrict but

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they openly reduced the rationing by one pound per head, per week, and we felt and agreed was a sacrifice which we must pay, but we did not see it fit to do that. I want to say that at no time has sugar ever been curtailed from the market. In fact, in 1975 we distributed 32,000 tons and in 1976 we have actually distributed 35,700 tons.

So far as flour is concerned the record again speaks for itself because in 1975 we distributed 808,819 bags and in 1976 we distributed 1.2 million bags.

What we have also done – this is information for the benefit of this House – is to embark on the establishment of a number of outlets, not only in the corporate societies but in the Guyana Marketing Corporation. To date fourteen of these outlets have been established at an average cost in excess of \$100,000 each and this cost includes, of course, the basic infrastructure work, cold storage rooms and display cabinets. We have also opened new consumer agencies throughout the length and breadth of the country and, of course, ensured at all times an adequate distribution of the market consumer commodities.

The serious problem which faces us, Cde. Speaker, is not so much the distribution of the goods, but the capitalist class which still prevails within a certain sector of this community, who still, like certain friends of ours, have the shop-keeping mentality and so long as they are not making that desirable level of profit, have refused to handle certain basic commodities. The difficulty now is that the state must take over from those shopkeepers the distribution of the basic food items.

But this year I shall put a stop to that because I shall bring to this House legislation which requires any shopkeeper to carry the basic items so long as he remains in the business of groceries. If he fails to carry them, he must have his licence given up. I will no longer tolerate a situation in which the Consumer co-op. Complex and the Guyana state corporation outlets must deal only in low profit margin basic item while the others get fat as they guided by their so-called “socialist” leaders.

I should like, before ending on trade and going, with your permission into the Corporations, to briefly touch on the areas of consumer protection. We have very successfully kept to a minimum the black marketing which has prevailed in this country for some time. IN 1976 we were able to process 186 cases, charging 252 persons and we were able to gain 50 convictions, 43 cases remain pending.

We have further introduced into the Ministry of Trade a Consumer Desk which will attempt to deal with the complaints of consumers in the field not only relating to food items but about consumer apparel and other items.

Finally, we are actively pursuing the establishment of the Bureau of Standards which will ensure an improvement in the quality of goods marketed in the country.

One of the things that we hope for, in keeping with our socialist philosophy, is to establish in Guyana one price throughout the nation. At the moment, still in keep with our capitalist norms inherited from our imperialist masters, we have a situation in which the price of milk and the price of other controlled articles in Georgetown are lower than those prevailing say in Belladrum or in Berbice. It is our intention to so rationalise our prices mechanism as to have

one controlled price which will prevail for all citizens living on the coastlands and riverain districts of our country. The only exception is likely to be into the very deep heart of the interior, but we hope very shortly to remove this iniquitous system of having a special price for Georgetown and a higher price for the outskirts of the city.

I should now like to refer to Caricom which was touched on earlier in the day when we were asked to do something about it. I wish to remain this House that we set out consciously to bring about an economic integration within Caricom. We have achieved certain benefits but we would be foolish to say that we have found in Caricom the exact bed on which we would wish to lie. But I would like to remind this House that one of the benefits relate to the rice because when some of my predecessors, some of blessed memory now, formerly went to the islands to negotiate a rice price, very often they came back here with a cent or a ½ cent a pound as the case may be. My recollection is that the price very seldom varied much below or above \$20,000.

One of the things we were able to do very early in the life of the new Caribbean Community was to say that we would have no such negotiations on rice unless they were prepared to sit down and negotiate petroleum in the same way and therefore we were able to get for this country a price which was desirable and fair to the producers of the commodity in this country, in as much as the price which now prevails in Caricom is higher than the international price.

I would now wish to turn briefly to the question of corporations which seems to have plagued this House. Reference was made to the fact that managers and chairman are not only petty bourgeois but of the bourgeois class. I think it is most unfair to come to this House and criticize those comrades who are doing a valiant job, those comrades who are telling tirelessly to convert and to change the economic pattern in this country and to say to them that they are part of the bourgeois society.

I believe I have already referred to those capitalists on Regent Street and if I am provoked a little more I am going to begin to talk some more about the capitalism which I know, for instance, about the time when you tried to get Rayman to set up in this country a pharmaceutical

import agency and he himself one of the big capitalists who let the leader down and then flew like a bird to Canada. Don't stir me up because I will talk more. I know the business and I know the inside story so don't provoke me. They had Lance Rayman in 1964 organising a drug import agency.

Cde. C. Jagan: Rose.

The Speaker: Yes.

Cde. C. Jagan: If the Minister makes an allegation I have the right to correct him. On a point of order the Minister is accusing me of entering into a racket in the marketing of drugs. This is highly erroneous and slanderous and I ask him to withdraw the remark.

Cde. King: I have no intention to withdraw it. I named no one. I said a certain party. I have not called a name in this House. If the cap fits let him draw the string.

Cde. C. Jagan: Mr. Speaker, we were the Government which he is talking about. He was in the party serving capitalism. Which part is he talking about? We don't have to draw any inferences. We are dealing logically. Therefore, I repeat, if the Minister is going to use his position and use time to stop our speaker from speaking

The Speaker: I will not have that from you. I did not stop your speaker from speaking. He was permitted to speak as the rules provided. Please withdraw what you have said.

Cde. C. Jagan: I withdraw it. Allow them the same time. I will ask you Cde. Speaker to ask him to withdraw that statement.

The Speaker: Upon what basis must I ask him to do it?

Cde. C. Jagan: On the basis that it is slanderous of the P.P.P. which was the Governing Party at that time and of which I am leader and General Secretary.

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The Speaker: If I were to do that I would have to be continuously scoring out from the record all the allegations being made by you against the P.N.C. and by the P.N.C. against you. I do not think that is a point of order. You may have a right of explanation later on. Cde. Minister, please proceed.

Cde. King: Cde. Speaker I was dealing with the question of the State Corporations.

The Speaker: Time!

Cde. Ramroop: Cde. Speaker, I beg to move that the Cde. Minister of Trade and Consumer Protection be given a further 15 minutes to continue his contribution to this debate.

Cde. Fowler seconded.

Question put, and agreed to.

The Speaker: Cde. Minister of Trade and Consumer Protection.

Cde. King: Cde Speaker, I should like to continue to outline for the benefit of this House the important role which the Corporations are attempting to play in the changing of the economic order and system in this country. I should like to take the Guyana Electricity Corporation as an example, because I cannot deal with all of them. This is one which is providing essential services to the inhabitants and the comrades of this country who seek to improve their way of life. Again by way of comparison I wish to point out what has been achieved between the year 1964 and the year 1976. I have chosen the best year having regard to the time of office of another Party, but the installed capacity in terms of kilowatts in 1964 was 35,000 and in 1976 – 71,000. The maximum demand then, because there was no housing, there was no concern for people, amounted to only 13,000. This Government has lifted it in 1976 to 49,000. The energy generated in terms of kilowatt hours in 1964 amounted to 63 million. In 1976 we generated 235 million. The number of customers they served in 1964 amounted to 35,479; we now serve 79,378. Street lighting. They were quite satisfied to leave this country with little lights except

for the City of Georgetown and they had only achieved an installation of 1,109 lights. But in 1976 we had installed a total of 5,687 lights in this country.

Let us talk about the distribution. They had only distributed 402 miles of electrical distribution lines; we have lifted the assets in this Corporation from \$20 million to \$98 million in 1976. And what is more, this expansion has been done with little or no foreign technology, but through the resources of the Guyanese stalwarts. The talk about increase in the electricity bill. Let us assure you that whatever we announce the rates we shall announce them in real socialist form.

The Mirror this week speaks of a man whose bill is \$112.00 and yet this Mirror says it speaks for the small man. Well if he is speaking for a small man – [Interruption] – when lights bill is \$112.00 – **[Interruption]** Oh, you are still with the capitalist businessmen. Open Confession. I thought this paper spoke for the small man and here you are representing cause of a man whose light bill is \$112. This is a small man?

May I proceed to saying that not only have we expanded the expanded the electricity service but we have also expanded our telecommunication system and today we heard in this House that we awarded a contract to Plecey when the order could have been given at a lower price. What the speaker did not say to this House is that price he was referring to is technology for the installation of a nation which hopes to move forward. We do not seek to defend the contract with Plecey because it not only ties in with our mechanism and system but it is the base of advanced technology and not technology of a decade old.

Not only do we expect there corporations to provide a service, but in 1976 we estimated to close the books with a profit before tax of some \$40 million and we are estimating in 1976 a figure of some \$30 million net after tax.

Some of the things we wish to emphasise are that we are dedicated in using the public corporations to restructure the economic strength and pattern of this nation, first of all, in the service sections to ensure that adequate service is given at the least possible cost to the consumer and, secondly, through the trading corporations to ensure the removal of any luxury item or any

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items which in the opinion of this Government are not consistent with our policy and our economic thrust.

When one looks back at the history of the corporations one need to recognise that at the beginning we took over what must be considered weak and sick companies in terms of the businessman's eye. Some of these companies were family businesses in which there was no proper management or financial control and we sought to use those companies – and I site Guyana Gajraj as an example – we sought to use them as the means or the mechanism to bring about what we wanted to achieve at a fast rate, and the result of that was excessive over-trading within the system. And this of course attracted much criticism – perhaps in some cases justifiably so – but we have taken measures to appoint a committee to examine those areas and to make such recommendations as it sees fit to bring to this Government and Party.

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We further wish to make it clear to this House that in the process we shall continue of course to take on others. We shall continue to take over the importation of commodities through the state corporations at the expense of certain private sector enterprises and we shall also take over very shortly through the state corporations, the export of certain other commodities manufactured in this country. We believe that there is still in this country, certain malpractices insofar as invoicing is concerned, on both sides, and in time we hope to take full control of those.

Let us assure this House, Cde. Speaker, that so long as we do this it will be done in an orderly fashion, it will be done giving priority to the productive sector, that is to say, the machines necessary for the production of sugar, rice and such items as fertilisers and other petrochemicals. Also we shall be concentrating heavily upon the stocking and distribution of spares parts.

We face a difficult year. We face a year in which many decisions affecting trade will not easily be accepted but if a sacrifice is to be made, if our foreign reserves are to be protected, then we must look inward and we must be quite prepared to take full advantage of our indigenous

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resources and our indigenous supplies. I want to assure this House that those decisions when taken will be in the interest of this nation. So long as we have the full support, the full dedication and co-operation of all our citizens I have no doubt that we shall not only service, but we shall advance to even greater heights at the end of 1977. [**Applause**]

ADJOURNMENT

Resolved: “This National Assembly do now adjourn to Thursday, 6th January, 1977 at 2 p.m. [**The Minister of Parliamentary Affairs and Leader of the House**]

Adjourned accordingly at 9.53 p.m.
