

# Official Report

*PROCEEDINGS AND DEBATES OF THE NATIONAL ASSEMBLY OF THE FIRST SESSION (2015-2019) OF THE ELEVENTH PARLIAMENT OF GUYANA UNDER THE CONSTITUTION OF THE CO-OPERATIVE REPUBLIC OF GUYANA HELD IN THE PARLIAMENT CHAMBER, PUBLIC BUILDINGS, BRICKDAM, GEORGETOWN*

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112<sup>TH</sup> Sitting

Thursday, 3<sup>RD</sup> January, 2019

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*Assembly convened at 2.23 p.m.*

*Prayers*

*[Mr. Speaker in the Chair]*

## **OATH OF A NEW MEMBER**

**Mr. Speaker:** Hon. Members, following the recall of Mr. Charrandass Persaud and my call upon the representative of the list of candidates for the A Partnership for National Unity/Alliance For Change (APNU/AFC), I have been informed that the name of Ms. Barbara Patricia Pilgrim was extracted from the list. Ms. Barbara Patricia Pilgrim was, on the 3<sup>rd</sup> January, 2019, declared by the Guyana Elections Commission's (GECOM's) Secretariat to be an elected Member of the National Assembly.

Before Ms. Pilgrim can take part in the proceedings of the National Assembly, she will have to make and subscribe the Oath of Office before the National Assembly as required by article 167 of the Constitution of the Co-operative Republic of Guyana. As Ms. Pilgrim is present, she can now make and subscribe the Oath of Office which would be administered to her by the Clerk of the National Assembly.

The Oath of Office was administered to and subscribed by the following Member:

Ms. Barbara P. Pilgrim

## **ANNOUNCEMENTS BY THE SPEAKER**

### **Congratulations and Best wishes to new Member of Parliament**

**Mr. Speaker:** I would like, on behalf of Members of the National Assembly and myself, to congratulate Ms. Barbara Patricia Pilgrim on her becoming a Member of the National Assembly. I welcome Ms. Pilgrim to the National Assembly and I extend best wishes to her.

### **Request for leave**

**Mr. Speaker:** Hon. Members, at the request of the Opposition Chief Whip, Ms. Gail Teixeira, the Members of the Parliamentary Opposition have asked to be excused from today's Sitting of 3<sup>rd</sup> January, 2019. I have granted that request.

### **Death of Mr. Heeralall Mohan, former Member of Parliament**

**Mr. Speaker:** Hon. Members, I was informed of the death of Mr. Heeralall Mohan, a former Member of Parliament who died on the 1<sup>st</sup> November, 2018, at his residence in Lima on Essequibo Coast, after a prolonged illness. He was 69 years old, having been born on the 4<sup>th</sup> May, 1949.

Mr. Mohan came from the People's Progressive Party/Civic (PPP/C). Following General and Regional Elections, which were held on the 15<sup>th</sup> December, 1997, Mr. Mohan first became an ordinary Member of the National Assembly on the 16<sup>th</sup> February, 1998 when the Seventh Parliament commenced on the 26<sup>th</sup> February, 1998. Mr. Mohan continued working in the Seventh Parliament until the Parliament was dissolved on the 15<sup>th</sup> February, 2001.

General and Regional Elections were again held on Monday, 19<sup>th</sup> March, 2001. The Eighth Parliament commenced when the National Assembly first met on the 4<sup>th</sup> May, 2001. Mr. Mohan was again elected to be an ordinary Member of the National Assembly of the Eighth Parliament on the 12<sup>th</sup> April, 2001, and continued working until the Parliament was dissolved on the 2<sup>nd</sup> May, 2006. Mr. Mohan ceased to be a Member of Parliament on the 2<sup>nd</sup> May, 2006.

## **Death of Mr. Jairam Ronald Gajraj, former Member of Parliament and Minister of Home Affairs**

**Mr. Speaker:** Hon. Members, you are all aware of the death of Mr. Jairam Ronald Gajraj, former Member of Parliament, who died on the 15<sup>th</sup> December, 2018, at a private hospital after a very brief illness. He was 65 years old, having been born on the 26<sup>th</sup> March, 1953.

Mr. Gajraj came from the People's Progressive Party/Civic. Following the General and Regional Elections which were held on Monday, 15<sup>th</sup> December, 1997, the Seventh Parliament commenced when the National Assembly first met on the 26<sup>th</sup> February, 1998. During the latter part of the Seventh Parliament in 1999, and by an instrument dated 8<sup>th</sup> January, 1999, the President, appointed Mr. Jairam Ronald Gajraj to be a Minister of the Government and designated him – Minister of Home Affairs with effect from 8<sup>th</sup> January, 1999. He made and subscribed the Oath of Office before the National Assembly at its Sitting on 11<sup>th</sup> January, 1999. He continued working until the Parliament was dissolved on the 15<sup>th</sup> February, 2001.

General and Regional Elections were again held on Monday, 19<sup>th</sup> March, 2001. The Eighth Parliament commenced when the National Assembly first met on the 4<sup>th</sup> May, 2001. In the Eighth Parliament, on the 12<sup>th</sup> April, 2001, Mr. Gajraj was again elected to be Minister of Home Affairs. He continued working and on the 30<sup>th</sup> September, 2005, resigned as Minister of Home Affairs.

Hon. Members, please let us stand and observe one minute's silence as a mark of respect to the late Mr. Heeralall Mohan and Mr. Jairam Ronald Gajraj.

*[Observation of one minute silence for the former Hon. Members.]*

## **New Year greetings**

**Mr. Speaker:** Hon. Members, this is our first meeting for this new year 2019. I welcome you all back. I hope that you have come back feeling refreshed and I trust that you are fully prepared to treat with all issues which will confront us during this year. I repeat my call to you all Hon. Members to make every effort to be respectful in expressing your differences with one another and to hold in high regard the dignity and decorum of this House.

## **Ruling by the Speaker on the passage of the No-Confidence Motion**

Hon. Members, you will recall that at the 111th Sitting of the National Assembly on 21<sup>st</sup> December, 2018, a motion of no-confidence was moved in the House on behalf of the Opposition. After a number of hours of debate, the motion was put and carried by a majority of one vote. The motion was carried by a vote of 33 in favour and 32 votes against. One Member of the Government's side, at that time the Hon. Charrandass Persaud, withheld his support from the governing coalition on the list of which he was a Member, and instead voted with the Opposition.

After the Speaker had declared the motion carried, he announced to the House that at the next Sitting of the National Assembly, which was scheduled for today 3<sup>rd</sup> January, 2019, the House will meet to consider the consequences of the vote.

In saying that, it is to article 106 (7) of the Constitution that I had turned my attention after the declaration of the vote. For ease of reference, I have set out here Hon. Members, that provision.

It reads as follows:

*2.38 p.m.*

“Notwithstanding its defeat, the Government shall remain in office and they shall hold an election within three or such longer period as the National Assembly shall by resolution supported by not less than two-thirds of the votes of all the elected members of the National Assembly determine, and shall resign after the President takes the oath of office following the election.”

The provisions of the Constitution envisage discussions between the Government and the Opposition to find the most propitious manner in which effect can be given to the provisions of the Constitution. It is, Hon. Members, about such discussion that I had hoped to speak to you today. No such discussion I am informed has taken place as yet. On the 21<sup>st</sup> December, 2018, you would recall that Leaders of both sides of the House spoke of respect for one another and of the opportunity which the result of the vote offers both sides. It is my hope that talks will commence soon on the matters which exercise our concern

Hon. Members during the last week, or two weeks perhaps, I have received from diverse sources, information, both solicited and unsolicited, supported by Case law and Practice emanating from

other jurisdictions which has raised doubts as to whether the no-confidence motion was carried, and properly so, by the margin of vote.

The information which I have received raises two issues. The first of these included a claim supported by several cases that the requirement for the successful passing of a no-confidence motion is a majority of the elected members of the National Assembly. That majority, it is contended, was to be formed by a mathematical half of the elected membership of the National Assembly which is 65, plus the vote of one other member. Such a formula would require a majority of 34 votes instead of 33, by which the no-confidence motion was declared carried. In furthering this argument, they contend that article 168 of the Constitution which provides that,

“...all questions proposed for decision in the National Assembly shall be determined by a majority of the votes of the members present and voting.”

Is different from and does not include provisions relevant to a no-confidence motion, since that is separately provided for in article 106(6) of the Constitution.

The second issue, and one of equally major importance for the National Assembly and its procedures, concern the conduct of then Hon. Member, Mr. Charrandass Persaud, and the effect of that conduct on the vote in the no-confidence motion. It is contended that he was not a qualified elected member of the National Assembly and so entitled to vote in that he is a citizen of a foreign country and has taken active steps to so exercise that status. It is further contended that he, being an elected member of the National Assembly through a list, could not abandon that list and support another and still retain the status of an elected member.

These matters require urgent attention since the motion of 21<sup>st</sup> December, 2018, was passed by a vote of 33 to 32 and the now former Member of Parliament, Mr. Persaud, took part in the vote for the majority. That certain and finite answers to these questions are necessary, goes without saying and it should be a concern of all Members that such answers are obtained.

On both issues, the Hon Attorney General who wrote to me and those who otherwise contacted me, all invited me to revisit my ruling of the 21<sup>st</sup> December, 2018, and to reverse it.

It is perhaps useful Hon. Members to let you know that the authority with which the Speaker is clothed enables him to revisit any ruling which he has rendered and if in doing so he forms the

opinion that the ruling should not stand, he may reverse it. The only limitation on the action of the Speaker in this regard is the requirement that the Speaker must, at all times, act in full obedience to the Constitution, which is the Supreme Law of Guyana. It is the Constitutionality of action which must at all times guide and direct the Speaker.

The Speaker's very wide authority to reverse his ruling is not however one which he holds himself able to exercise without strong and compelling grounds, simply choosing one position in place of an earlier one would not, of course, meet that requirement.

It has been my preference and practice to endeavour to find resolution of any issue which may affect the procedures and practice of Parliament without third party intervention. I must tell you Hon. Members that the issues which we now face cause us to look outside of Parliament to find answers. The issues, as put and as understood by the Speaker, in the first instance, involves a choice between the divergent interpretations of the provision of the Constitution that is applicable to a no-confidence motion.

In the second instance, the issue is one which concerns the conduct of the former Member of Parliament, Mr. Charrandass Persaud, and the effect of that conduct on the outcome of the vote on the 21<sup>st</sup> December, 2018. The issues over which many have expressed concern require final determination which will place the interpretation and import of the particular provisions of the Constitution beyond doubt.

I find it instructive that much of the information provided, relate to cases which saw the Courts of other jurisdictions giving guidance to both the Speaker and those National Assemblies concerning the constitutionality of conduct on particular issues.

Where, as in these instances before us, there are different even competing views of certain provisions of the Constitution, as well as certain inter-related provisions of the Constitution all of which fall to be examined, the Speaker on this occasion and without more, declines the invitation to act in the reversal.

Full, final and complete settlement of these issues by a Court of competent jurisdiction will place beyond doubt any question which may exist and serve to give guidance to the Speaker and to the National Assembly for the future.

Hon. Members, in treating with this matter, I have made every effort to present it to you as fully as I did, in the hope that it will assist in your understanding of the matter and enable our fellow citizens to understand the issues. I, thank you.

**Attorney General and Minister of Legal Affairs [Mr. Williams]:** I thank you, Mr. Speaker.

## **PRESENTATION OF PAPERS AND REPORTS**

1. Audited Financial Statement of the Protected Areas Commission for the year ended 31<sup>st</sup> December 2013. [*Minister of State*]

## **STATEMENTS BY MINISTERS, INCLUDING POLICY STATEMENTS**

**Vice-President and Minister of Foreign Affairs [Mr. Greenidge]:** Mr Speaker, I would like to take this opportunity to brief the Hon. Members of the House on the recent aggressive actions taken against our country by the Bolivarian Republic of Venezuela, the developments which followed, and the action taken by the Government of Guyana.

On Saturday, 22<sup>nd</sup> December, 2018, the Ministry of Foreign Affairs received a report from Esso Exploration & Production, Guyana Limited (ExxonMobil) that vessels under contract by the company and its partners CNOOC of China and NEX of the United states of America (USA), performing exploratory seismic work within the Stabroek Block, were intercepted at 10:30 h that same day by the Venezuelan Navy. A reckless attempt was made by the Venezuelans to land a helicopter on the deck of one of the vessels, the Ramform Tethys. That vessel was flagged by the Government of the Commonwealth of the Bahamas and had a total of 70 crew members on board, including the Captain. It was intercepted in the Exclusive Economic Zone (EEZ) and continental shelf of the Cooperative Republic of Guyana at an approximate distance of 140 kilometres from the nearest point to the provisional equidistant line with Venezuela, and some 250 kilometres from Punta Playa, the western most point on the land border of Guyana.

More than two weeks, on the 6<sup>th</sup> December, 2018 to be exact, prior to this interception which the Venezuelan report feigned was a surprise, the world and its mariners, including Venezuela, had been alerted to the intended commencement of seismic work in Guyana's EEZ. This alert was by way of an advisory from Guyana. Rather than speak to us, Venezuelan authorities waited, tried to seize the vessel and then sent us a note verbale dated 20<sup>th</sup> December. It apparently had taken them

until 22<sup>nd</sup> December, to move electronically or physically from their Ministry of Foreign Affairs, Miraflores Palace, in Caracas to our Embassy in Caracas and, of course, there is a Venezuelan Embassy in Georgetown.

Guyana's response has been to defend its sovereignty and sovereign rights firmly, consistently, peacefully and fully in accordance with international law.

*2.53 p.m.*

On that same day, the Ministry of Foreign Affairs sent a formal protest to the Government of Venezuela conveying the complete rejection by the Government of Guyana of this hostile and unlawful act. It stated that Venezuela's threat and use of force to impede Guyana's exercise of sovereign rights in its Exclusive Economic Zone is a manifest violation of the Charter of the United Nations and General International Law.

Concerned for the security of the crew of the vessel, and in keeping with its international obligations, Guyana also informed the several Governments of the 70- crew members, including China and the United States of America (USA), whose safety had been endangered.

The Ministry of Foreign Affairs of Guyana informed the Secretary-General of the United Nations (UN) of the incident and requested that the matter be placed on the agenda of the United Nations General Assembly and Security Council.

The predictable notes of protest subsequently received from Venezuela reciprocated immediate responses from Guyana. More alarmingly, on 23<sup>rd</sup> December, 2018, the Government of Venezuela issued a communiqué asserting that the incident took place in the same area identified by Guyana; that the coordinates issued both by Guyana and Venezuela were exactly the same; asserting that the incident took place in the same area identified by Guyana, but alleging that the position was within the Oronoco River Delta Maritime Waters, over which Venezuela had unquestionable sovereignty. I quote again, if I may: "The incident took place within the Oronoco River Delta and Maritime Waters over which Venezuela has unquestionable sovereignty".

In other words, the coordinates put out by Venezuela and Guyana were practically the same, but the name of the location had suddenly changed. May I stress, therefore, that Guyana is aware of



no incidents occurring in the Orinoco Delta or its projection, much less an incident involving vessels having permission from the Guyana authorities to undertake seismic surveys there.

It is to be noted that Venezuela's claim to the waters lying along Guyana's coast has until now been based on their supposed and fictional historic ownership of the Essequibo and, therefore, of its coast. In fact, that land territory, one of the three counties of Guyana, has been part of Guyana or British Guiana since 1648. Venezuela's most recent statements made mention not of ownership of the Essequibo Coast, but referred to:

“A direct projection of the Orinoco Delta”.

It makes mention to a link between Orinoco Delta and the Continental Shelf Well to the east of the Delta. This mysterious veering to the east just coincidentally encompasses all the potential areas with hydro-carbon reserves on the sea beds of Guyana.

In order to capture public sympathy in Latin America in particular, Venezuela has misleadingly recast the issue as involving Guyana inspired ExxonMobil intrusion into the Orinoco Delta. Clearly then, what is globally accepted by the world and the United Nations as Guyana's Exclusive Economic Zone and its Continental Shelf, an area from Punta Playa in the west to the Corentyne River extending north almost 200 miles along Guyana's Atlantic coast, has now been re-christened a projection of the Orinoco Delta.

Using this new language, Venezuela is seeking to confuse the public and gain sympathy for what is in fact, an outrageous case. All the world knows that the Arbitral Award of 1899 granted to Venezuela the Orinoco River and its Delta. It has become synonymous with Venezuela and of its material wealth.

Guyana has no proprietary interest in the Orinoco River and we had never imagined that the Orinoco Delta could naturally project across the entire coastal front of Guyana. This position taken by Venezuela is unjustifiable and it flies in the face of international law. Guyana has always been willing to discuss maritime delimitation with Venezuela, but it cannot move outside of a framework set by international law and will not now do anything that could undermine the process before the International Court of Justice (ICJ).

In order to enjoy the protection of the international community and to avoid the consequences of capricious behaviour by bilateral partners, law abiding states, particularly small ones, have from bitter experiences learnt to scrupulously follow international conventions. Those governing maritime spaces are set by the United Nations Law of the Sea Convention, which Venezuela has opted not to sign, but nevertheless reflects principles of general international law which are binding on all states, including Venezuela.

With regards to Venezuela's wholly baseless claim that it enjoys sovereign rights over our maritime area, Guyana has reminded Venezuela that pursuant to the decision of the United Nations Secretary-General of 30<sup>th</sup> January, 2018, further to the authority under Article 4 of the 1966 Geneva Agreement, choosing the International Court of Justice as the next means of settlement of the controversy that has risen from Venezuela's contention that the 1899 Arbitral Award is null and void, Venezuela is under an obligation to settle its contention of nullity and accompanying territorial and maritime claims before the Court, and not through threats or use of force that carry serious consequences.

Guyana has made it clear to Venezuela that it reserves the right to take all necessary measures to protect its sovereignty and sovereign rights against further hostile acts, contrary to Venezuela's fundamental obligation under the Charter of the United Nations and General International Law.

In 2016, after the promulgation of the 1787 Decree signed by the President and Cabinet of Venezuela, that cleared the maritime area infringing on the areas of some 14 Caribbean states, the Heads of Government of CARICOM called on Venezuela to withdraw the Decree. Although, initially agreeing to do so, they promulgated the same sentiments in another form under the 1859 Decree. According to recent reports, once again by way of a Decree of 29<sup>th</sup> December, 2018, the Venezuelan Government is seeking to enforce domestic legislation, with the assistance of the Venezuelan Navy, over the maritime space off the coast of Guyana.

Let me be clear, on the well-established principles of international law, that maritime space belongs to Guyana. The enforcement of domestic legislation by military forces, especially when such legislation has neither basis international law nor the sanction of the international community, is routinely decried by Venezuela when employed by other states. We can only agree that such behaviour which seeks to enforce by dint of the force of arms, illegal and irresponsible national

decisions on all states, poses a threat to regional peace and security, which can easily escalate and get out of hand.

The claims by Venezuela as to the extent of their land and maritime territory are false. They are simply a pretext for seasoned territory that they have no hope of gaining under international law. The public statements and the renaming of the area in question is an attempt to win by buster and bombast what they failed to win by logical arguments and judicial means.

I wish to recall for the Hon. Members of this House that, in March, 2018, following the binding decision of the United Nations Secretary-General, the long-standing controversy to be resolved by the International Court of Justice, Guyana formally initiated proceedings before the Court asking it to adjudge and declare that the Arbitral Award of 3<sup>rd</sup> October, 1899 remains valid and binding on both states and permanently establishes the land boundary.

Notwithstanding Venezuela's defiance of the Secretary-General's decision and refusal to participate in the case, the Court will proceed to determine first, if it has jurisdiction and then whether Guyana's claims are meritorious. Guyana has invited the Court to uphold the validity of the Arbitral Award and the existing boundary, fully rejecting, once and for all, Venezuela's pretensions to more than two-thirds of Guyana's sovereign territory.

In response to Venezuela's recent aggressive actions in the maritime areas under Guyana's jurisdiction, Guyana sought and successfully obtained the support of the international community, especially from CARICOM, the United States of America and the United Kingdom, all of which have issued statements condemning Venezuela's unlawful conduct. We are grateful for the consistent support of these countries for Guyana's sovereignty and territorial integrity and for their principled position for the respect of the 'rule of law'.

No state which seeks to impose by force, its own unilateral decreed rules on a military weaker state, can expect to have that smaller state willingly accept to engage in dialogue on the conditions of coercion. Guyana is not averse to dialogue, provided that, it has no effect on the proceedings before the International Court of Justice. Indeed, it is committed to the peaceful resolution of all international disputes and considers good fresh dialogue to be the most direct means to that end. For these reasons, Guyana calls on its sister republic to,

- immediately withdraw its unilateral Decree;
- cease all uses and threats of military force against unarmed civilian vessels duly licensed by Guyana to engage in off-shore exploratory activities; and
- present its case before the ICJ and, in due course, commit to accepting the Court's judgement on the validity of 1899 Arbitral Award and the location of the land boundary.

Guyana has informed Venezuela that it will not be intimidated by the heightened hostility by that country as we continue to pursue our economic development and agenda.

Further, we have reminded Venezuela that the Stabroek Block, which hopefully is on display on the screens outside, is an area over which Guyana maintains sovereign rights. It is located in the Exclusive Economic Zone of Guyana. Indeed, it sits plum in the middle of that Exclusive Economic Zone, some 400 miles from the so-called Orinoco Delta or any projection of that Delta.

Companies with concessions licenced by the Government of Guyana in this area will continue to implement the scheduled programme of activities. We have reiterated our invitation to Venezuela to join Guyana in seeking a peaceful, just and final resolution to the controversy by participating in the proceedings before the International Court of Justice, presenting all of its claims and defences to the Court and accepting the final judgement of the Court in compliance with Article IV (2) of the Geneva Agreement and binding decisions of the Secretary-General.

Finally, I should like to say or to add that I have been authorised to indicate that this statement has the full support of the Leader of the Opposition and the Members of the Opposition benches.

I thank you, very much. [*Applause*]

*3.08 p.m.*

## **PUBLIC BUSINESS**

## **GOVERNMENT BUSINESS**

## **BILLS – SECOND READINGS**

**MOTOR VEHICLES AND ROAD TRAFFIC (AMENDMENT) (NO. 2) BILL 2018 – Bill No. 16/2018**

A BILL intituled:

“AN ACT to amend the Motor Vehicles and Road Traffic Act.” [*Minister of Public Security*]

**Vice-President and Minister of Public Security [Mr. Ramjattan]:** I rise to move that the Motor Vehicles and Road Traffic (Amendment) (No. 2) Bill 2018 – Bill No. 16/2018, published on the 7<sup>th</sup> December, 2018, be now read a second time.

I would be very short. This Bill is consequential upon what transpired during the Budget debate and it seeks to amend the Motor Vehicles and Road Traffic Act to provide an increase in the duration of the driver’s licence from three years to five years. That is the explanation that I have at this moment in seeking the amendment. [*Applause*]

**Mr. Speaker:** I thank the Hon. Minister for his statement.

**Mr. Ramjattan:** I ask that the question be put because no one is seeking to reply to my proposal.

*Question put and carried.*

*Bill read a second time.*

*Assembly in Committee.*

*Bill considered and approved.*

*Assembly resumed.*

*Bill reported without amendments, read the third time and passed.*

**PROPERTY TAX (AMENDMENT) BILL 2018 – Bill No. 17/2018**

A BILL intituled:

“AN ACT to amend the Property Tax Act.” [*Minister of Finance*]

**Minister of Finance [Mr. Jordan]:** Thank you, Mr. Speaker. I rise to move that the Property Tax (Amendment) Bill 2018 – Bill No. 17/2018, published on the 7<sup>th</sup> December, 2018, be read a second time.

This Bill and several others to follow shortly have some common threads in them, all aimed at the good life for all Guyanese. The common threads are: (1) the Bills seek equity across individuals and sectors in some cases; (2) they seek to put income or increase cashflow, income in the case of individuals and cashflow in the case of companies; (3) in some other cases, they seek to bring clarity where, in the implementation, some doubts or interpretation might have been raised.

In the instant case of the Property Tax (Amendment) Bill, we are proposing three simple, yet very substantial changes in the sense of the benefits that they would bring. I want to immediately state, at the outset, since there are a lot of confusion in the minds of people, that the amendment to the Property Tax Act that we are here to debate has nothing to do with the property tax that may be assessed and levied by a municipality or a Neighbourhood Democratic Council (NDC). This property tax is administered by the Guyana Revenue Authority (GRA) and it gets its legal meaning from the Property Tax Act of Chapter 81:21, which was put into operation by Act No. 19 of 1962. Property tax is an annual tax charged on the net property which any person, including an individual and company, owns at the end of each year.

In terms of this Bill, the term “property” refers to all property, moveable or immovable, right of any kind and effects of any kind, situated or having their seat in Guyana or elsewhere and the proceeds of sale thereof and any money or investment for the time being representing them. Such that a property tax is really a net worth tax. It is the sum of one’s assets less the sum of one’s debts and liabilities owed. This tax is due and payable at the end of April, at the very time when one is filing his or her income tax. So, that was a brief background for those who kept asking about the property tax, since for many, apparently, it is was the first time that they knew that such a tax had to be paid.

There are a number of exemptions in the law, but today we are not going to deal with exemptions. We are going to deal with how this amendment brings further relief and puts more money into pockets of individuals and companies. As it presently stands, in the case of an individual, where one has net property of \$1.5 million and above, one is required to file a net property tax by the end

of April of the following year. In the case of a company, where net property exceeds \$500,000, one is required to file net property tax.

Immediately, with this amendment, instead of \$1.5 million in the case of individual and half a million dollars in the case of companies, both parties would only now file property tax if they have net property of \$40 million and above. So, immediately, that is a substantial increase from \$1.5 million, in the case of individual to \$40 million, and from half a million dollars, in the case of companies, to \$40 million for companies. That is just for the filing. GRA would be smiling because it reduces the paper work that they would have to deal with. Some \$1.5 million these days, based on inflation, does not necessarily make one a millionaire, but let us call one a millionaire. So, we have quite a few millionaires who would have had to file. Forty million dollars is a stretch in terms of net property, not one's gross property, of getting there.

The second significant change is that we have reduced the rates. Where before rates were at half percent and three-quarter percent for small values in excess of the net property, we have first widened the band. So, there is \$40 million that one is given free. Then, on the next \$20 million of net property, one is now only required to pay half of one percent. So, that is a substantial change. So, that would mean that one has \$60 million of net property of which one would only pay half of a percent on \$20 million of it. If one is that inclined and is richer than \$60 million in net property, then the balance would be charged at three quarters of a percent. So, in this case, if an individual has \$100 million of net property, then they are given the first \$40 million free, the next \$20 million would be at half of a percent and the last \$40 million would be at three quarters of a percent.

The third thing that this law does is that it equates individuals and companies. So, both individuals and companies would be charged at the same schedule: \$40 million – nil; the next \$20 million – half of a percent; and the final amount at three quarters of a percent.

So, right away, Mr. Speaker, you could see the benefits to the individuals in terms of relief and income saved and increase in disposable income. In terms of the companies, increase in cashflow, which they could use to improve on their assets, reinvest in the business and for other purposes. With that short note, I ask that the Bill be commended and put for passage. Thank you. *[Applause]*

*3.23 p.m.*

*Question put and carried.*

*Bill read a second time.*

*Assembly in Committee.*

*Bill considered and approved.*

*Assembly resumed.*

*Bill reported without amendments, read the third time and passed.*

### **CAPITAL GAINS TAX (AMENDMENT) BILL 2018 – Bill No. 18/2018**

A BILL intituled:

“AN ACT to amend the Capital Gains Tax Act.” [Minister of Finance]

**Mr. Jordan:** Mr. Speaker, I rise to move that the Capital Gains Tax (Amendment) Bill 2018 – Bill No. 18/2018, published on 2<sup>nd</sup> December, 2018, be now read a second time.

Mr. Speaker, the capital gains tax, similar to the property tax, it would appear, from the feedback I was getting, that some people do not understand the capital gains tax. Some did not know that it existed. In actuality, the capital gains tax is governed by Chapter 81:20 and was introduced into Guyana in 1966, the year of our independence. It is actually charged in respect of the net capital gain of any property arising from the change of ownership, by which the value of that property, at the time when such change of ownership occurs, exceeds the cost of acquisition or its value at the time it was acquired by that person. I do not profess to know law, but I think what it is suggesting is that if one brought a property at \$60,000 and is proposing to dispose of it for \$90,000 in excess of a year, I believe that one would be charged capital gains tax on the \$30,000. At the going rate, it is 20%. So, in essence, one would have to pay \$6,000 on the \$30,000 gain.

I was reading a fellow by the name of Mohamed Muntaz Ali, who I believe was a lawyer, and he explained this thing in quite detail. He argued that we took a long time in moving these rates and that we did not account for inflation and so on. I think he was right. When you look at what we have today in terms of the amendment, in one of the first parts of this Bill, we intend to amend Section 2 (a) such that the relief to an individual, the threshold, rises from \$1,000, which it is at



the moment - all you get is \$1,000, as in the case I gave you just now - to \$500,000. I think this is a substantial movement and a substantial amendment, recognising that inflation would have taken place over the years and correcting it for that in terms of this amendment.

The second of the three aspects of the amendments to the Capital Gains Tax Act is a very novel one. This is the first time it is being introduced into Guyana, but it recognises that there is a housing deficit in Guyana and that we need to encourage housing of all kinds. Every effort and every relief that can be given within the constraints of our fiscal space and our fiscal deficit should be given so that people can own that much coveted asset called a “home”.

In this case, the amendment that we are proposing to Section 2 (c) is a relief such that if one sold his or her house and reinvested the proceeds within that year in a house that cost similar or more than the value of the amount one got when one sold the house, if one reinvested that sum immediately within that year or within 60 days of the ending of the fiscal year, one will be exempted from the payment of capital gains tax. In other words, what we are saying is that if one brought a house for \$3 million and is now selling it for \$4 million, one will be liable for capital gains tax on the \$1 million at 20%. However, if one immediately invests the \$4 million in a house that costs \$4 million and above in value, one will be exempted from the payment of capital gains tax, thereby saving an extra \$200,000. This is extremely important because it would allow for more sales and ease of sale, knowing that if one is actually selling with the intention of buying ... because you know, as a young professional, you start with a small something and as you rise in your profession and as you gain more income and so on, you want to move on and buy something new. You want to buy something more, sometimes new - the family has enlarged and so forth and you want to move in to a more secluded or exclusive area. So, we need to have incentives for recognising such professionals and recognising such people who want to move up and move on. This particular aspect of the Capital Gains Tax (Amendment) Bill would allow them to do so, once they are doing it immediately or within 60 days of the end of the fiscal year and in a property that is of equal or greater value. So, I think that is a very good motivator and incentive and it should redound to the benefit of all Guyanese.

The third aspect of this amendment is the deletion of the 25-year limitation. This is done not to take back what we have just given but is in light of a wear and tear allowance, which will be coming up shortly, that will be given to buildings used for services and warehousing, and the fact

that property tax valuations have been updated to 1<sup>st</sup> January, 2011 in terms of the market value. This measure, overall, will see us losing \$200 million. But we do not see it as losing. We see it as giving back to the workers, to individuals, to professionals and to all those other persons who long to own a home, and it will find its way back into the economy.

So, I commend this Bill to the House for passage. Thank you. *[Applause]*

*Question put and carried.*

*Bill read a second time.*

*Assembly in Committee.*

*Assembly resumed.*

*Bill reported without amendments, read the third time and passed.*

*3.38 p.m.*

## **TAX (AMENDMENT) (NO.2) BILL 2018 – BILL No. 19/2018**

A BILL intituled:

“AN ACT to amend the Tax Act.” *[Minister of Finance]*

**Mr. Jordan** (3.41 p.m.): Mr. Speaker, I rise to move that the Tax (Amendment) (No.2) Bill 2018 – Bill No. 19/2018 – published on 7<sup>th</sup> December, 2018 be now read a second time.

Again, this is a very simple Bill but also very important and significant. Significant from the standpoint that it recognises the new towns - Lethem, Mabaruma, Mahdia and Bartica - not only as towns, but that they can now enjoy the benefits of township as it relates to services provided by the Guyana Revenue Authority. This Bill seeks to upgrade the said townships so that businesses located in these towns can be registered using the criteria of townships. The various amendments to the Principal Act are essentially to add these four new towns to the existing towns that are there. Instead of just having Anna Regina, Corriverton and the other towns, we will also have the four new ones that have been added. So, this Bill is principally about adding the new towns.

It also has an additional aspect to do with what is called a tax return preparer. Presently, the first schedule of the Tax Act, Chapter 80:01, does not allow for Tax Practice Certificates to be granted to persons who are tax preparers or tax consultants. The Guyana Revenue Authority previously granted such practice certificates as tax consultants to enable these persons to grant tax preparation services to taxpayers, not supplied by the accounting profession and these persons pay the fee under the schedule as accountants.

This amendment now seeks to rectify or put on a proper footing this situation, thus allowing these persons to legally prepare tax returns and, at the same time, ensure that they are qualified to do so by meeting the criteria that the Guyana Revenue Authority would specify. A registered tax return preparer, who is not a member of a recognised institute of chartered certified accountants or who, in the opinion of the Commissioner General, does not satisfy the criteria set up to prepare tax returns will be required to pass a competency test covering tax issues in individual tax return preparation and ethics, as administered by the Guyana Revenue Authority. Once they pass this exam, they will be given a certificate which will attract a value of \$20,000.

Those are the two purposes of this Bill. One is to insert the new towns and the other is to legitimise a tax return preparer who is not a member of the accounting profession, but who is recognised as an important individual in the preparation of tax returns and matters dealing with taxes.

So, without much ado, I ask that this Bill be commended to the National Assembly for passage.

Thank you very much. [*Applause*] (3.44 p.m.)

*Question put and carried.*

*Bill read a second time.*

*Assembly in Committee*

*Bill considered and approved.*

*Assembly resumed.*

*Bill reported without amendments, read a third time and passed.*

**Mr. Speaker:** Hon. Members, we lack five minutes to the 4 o'clock hour. If we consider, we could adjourn now, or we can continue and go beyond 4 o'clock. If Members are in agreement with the latter position, I will proceed.

**Hon. Members:** Yes.

**Mr. Speaker:** I thank you.

## **INTOXICATING LIQUOR LICENSING (AMENDMENT) BILL 2018 – BILL No. 20/2018**

A BILL intituled:

“AN ACT to amend the Intoxicating Liquor Licensing Act.” *[Minister of Finance]*

**Mr. Jordan** (3.52 p.m.): I rise to move that the Intoxicating Liquor Licensing (Amendment) Bill 2018 – Bill No. 20/2018 – published on 7<sup>th</sup> December, 2018, be now read a second time.

This is a very short and quick amendment. It is only to do with the recognition of electronic forms. This updating of our laws to ensure that the use of electronic media is lawful is essential for the efficient administration and enforcement of the tax laws of the Guyana Revenue Authority. The GRA is coming of age with the increasing use of modern technology.

3.53 p.m.

Such use has to be recognised in law. It will help us to get rid of the paper driven mechanism that is in use. I commend this Bill for passage by the House. It is a very simple Bill and it is just to recognise the introduction of electronic forms. Thank you Mr. Speaker. *[Applause]*

*Question put and carried.*

*Bill read a second time.*

*Assembly in Committee.*

*Bill considered and approved.*

*Assembly resumed.*

*Bill reported without amendments, read the third time and passed.*

## **THE CUSTOMS (AMENDMENT) BILL 2018 – Bill No. 21/2018**

A BILL intituled:

“AN ACT to amend the Customs Act.” [*Minister of Finance*]

**Mr. Jordan:** I rise to move the Customs (Amendment) Bill 2018, Bill No. 21 of 2018, published on the 7<sup>th</sup> December, 2018, be now read a second time.

This is a very important Bill. It contains several amendments that would redound to the benefit of the intended beneficiaries. In the first case, a specific category of re-migrants and, in the second case, every taxpayer who is entitled to a refund.

Let us say that the question of the re-migrant scheme has been around for many years. It has always been our intention, I believe, regardless of whichever Government is in power, to encourage our citizens and descendants, who reside abroad to come home and contribute their skills. This is a scheme that, despite the flaws, will continue. We would like to attract, especially with the coming of oil and gas, as many of our citizens and their descendants who reside in the diaspora to assist and also to invest in their country. I believe everyone knows that this scheme has not worked well, especially as it relates to the question of who is a re-migrant and, once given that status, whether the individual complies with the criteria of being a re-migrant.

The Guyana Revenue Authority (GRA) has its limitations, in terms of technology, finance and human. It is hard to be setting aside officers to run behind ever re-migrant to ensure that they are complying with the laws. There are good re-migrants and there are not so good re-migrants. There are people who are genuine re-migrants: they come home, they contribute, and everything else. Increasingly, what GRA has been finding is that the re-migrant scheme has been used as a ruse, in many cases, to bring high-end vehicles, numerous televisions and other household effects, to be sold or unsold, as the case maybe. The individual or individuals barely spend a week or two in the country, not even to get to know the country, and they leave, and they use all kinds of different means of disposing of the vehicle, including such practices of power of attorney, and whatever else.

Then you will find re-migrants, when you check into their financial status, it is no way that they could afford a BMW or Bentley or such other high-end vehicles that they are claiming to be theirs.

Of course, there is all kinds of chicanery to get around the minimum six months personal possession. It is a long litany, Mr. Speaker. I do not need to bore you with it. It is known. What we are proposing now is not to end the re-migrants scheme. It is to tighten it and at the same time, it is to free the GRA of the necessity and the burden of having to chase people to find out whether they are still in the country and to show that they have not disposed of the property for which they have been given duty concessions. At this initial stage, the intent is to go after the cars. We will see how that will work. We are not going after, as yet, the personal and household effects, neither the tools of trade, so far. We will keep a look out for those. As far as this amendment is concerned, it is in relation to going after the cars.

This amendment proposes a credit of \$5 million in total taxes to be given to the re-migrants. What this does, it allows the re-migrant to bring as many vehicles they want. Bearing in mind, you still have to be a re-migrant. You have to be so deemed by our Ministry of Citizenship. Once you have been deemed as a re-migrant, you will now be given a tax credit of \$5 million. You could bring how many vehicles you want. When you bring those vehicles and the taxes add up to \$23 million, you will be given a tax credit of \$5 million and you will be required to pay the \$18 million on the vehicles that remain.

You do not have to bother anymore about the vehicles being in your possession for six months. You could come to Guyana and you could buy your vehicle within six months of arriving in Guyana. This allows us to get around the chicanery of trying to show that you had it in your possession for six months; now, you do not have the close out certificate, and so on. We will get rid of all of that.

Secondly, if you live in a country where the driving is on the right hand, as in the case of the United States, but in Guyana where it is on the left hand, it would be difficult for you to have in your possession, for six months, and driving a left-hand vehicle in the United States of America. You could come here and buy it. It is as long as that purchase is done within six months of your arrival in Guyana. Also, we are going to recognise and promote our youths and students. They too could qualify as re-migrants, if they could show that they had attended, continuously, for at least three years, an educational institution abroad. They would be entitled to apply for re-migrant status and be given all rights, including vehicles, when they come home. Again, we do not expect struggling

students, in the main, to be bringing home BMWs or coming to Guyana to purchase BMWs. That is the one aspect to do with the amendment.

The other aspect, which I believe is going to be met with great applause by our taxpayers, is the issue of refunds. I know many people in the National Assembly here, not only Members of Parliament, maybe even the press, may have refunds from income tax from the GRA, but they do not seem to be able to get them. I think it is no fault of the GRA, in the sense of it doing the calculations and finding out that you have a refund. It all has to do with how much money has been voted under that category called "Refunds". When funds in that category is exhausted, then you have to wait until more moneys are voted. It is not a category, to be honest, that attracts the Minister's attention at the time of budgeting, because it is one of those that you have to give out money. At the end of the day, the Minister is also owed quite a bit by the GRA, in terms of refunds.

This amendment allows the GRA to pay all refunds due, not from budgeted amounts, but from current revenues collected. Whatever revenues are collected for income tax, currently before it is remitted to the Consolidated Fund, the GRA shall pay such refunds, as it has calculated, to the taxpayer any amounts due from their current collections and will remit the rest to the Consolidated Fund. Hopefully, this would clear up a backlog of refunds, where people keep asking GRA for their moneys and they cannot get them. Now they could get them. It is because GRA is not going to pay you a refund if you owe it. They could elect to have GRA apply the refund to any liability, not only income tax liability. It could be a property tax liability, a capital gains tax liability, a value added tax (VAT) liability, a customs tax liability or any liability for which GRA is responsible, you could request that it applies that refund to that liability.

I think in the main here, in terms of income tax, people are going to feel easier about paying their taxes because now they know they would get back their refunds. The rug has been pulled from GRA's feet in terms of any excuse why it cannot pay the refunds, save and except for the fact that it has not got around to making the assessment for the taxpayer, and so on. Bear in mind too, it should also allow you to submit your returns on time so that you do not incur penalties and interest because your refund could also be applied to any penalties or interests outstanding to GRA.

I think these are two beneficial amendments which should redound to the benefit of the intended beneficiaries, as I said.

4.08 p.m.

I, therefore, commend this Bill for passage by the National Assembly. Thank you. [*Applause*]

*Question put and carried.*

*Bill read a second time.*

*Assembly in Committee.*

*Bill considered and approved.*

*Assembly resumed.*

*Bill reported without amendments, read the third time and passed.*

## **VALUE-ADDED TAX (AMENDMENT) (NO. 2) BILL 2018 – Bill No. 22/2018**

A BILL intituled:

“AN ACT to amend the Value-Added Tax Act.” [*Minister of Finance*]

**Mr. Jordan:** I rise to move the Value-Added Tax (Amendment) (No.2) Bill 2018, Bill No. 22 of 2018, published on the 7<sup>th</sup> of December, 2018, be now read a second time.

This Bill has three main areas of interest and amendments. The first area really deals with remission of interests. In order to maintain consistency in the administration of the various types of taxes, section 27 of the Principal Act is proposed to be recommended to allow for the remission of interest if good cause is shown. This is consistent. Earlier, I spoke about consistency across the various taxes. This particular provision already exists in the Income Tax Act, so what we are doing here is to bring it into the Value-Added Tax Act, giving the Commissioner General the discretion to remit interest in whole or in part.

The second aspect that we did earlier - to amend section 31 to allow for the electronic filing of income tax returns - this is in accordance with the updating of all laws and the increased use of electronic media and new technology to allow for faster processing and improved efficiency of the Guyana Revenue Authority.



The third aspect of the amendments has to do with the remission of tax. The proposal is for section 37 to be amended to allow for the remission in tax in keeping with section 105 of the Income Tax Act. Not so long ago, I came to this House with a section 105 when I was declaring the ‘back pay’ of our hard-working public servants and public officers in 2018 - tax free. We made that ‘back pay’ tax free when I brought section 105 here requesting that they be freed of income tax in that aspect of their salary.

Unlike what the Opposition was claiming, this remission is already in the other tax Acts administered by the GRA and for completeness and consistency, it is now being brought into the Value-Added Tax Act. There is no mystery into what we are doing. As we see loopholes we will close them; as we see inconsistency, we will bring consistency.

Without further ado, I commend these amendments and this Bill for passage by the National Assembly. Thank you very much. [*Applause*]

*Question put and carried.*

*Bill read a second time.*

*Assembly in Committee.*

### **Clause 1**

**Mr. Jordan:** I propose

“the insertion of clause 1 (A), section 2 of the Principal Act is amended in the definition of “consideration” in paragraph (b) by the substitution for the words “other than” of the word “including”.

*Amendment put and agreed to.*

*Clause 1, as amended, agreed to and ordered to stand part of the Bill.*

*Clauses 2 to 4 agreed to and other to stand part of the Bill.*

*Assembly resumed.*

*Bill reported with amendment, read the third time and passed.*

## **INCOME TAX (AMENDMENT) (NO. 2) BILL 2018 – Bill No. 23/2018**

A BILL intituled:

“AN ACT to amend the Income Tax Act.” [*Minister of Finance*]

**Mr. Jordan:** I rise to move the Income Tax (Amendment) (No. 2) Bill 28, Bill No. 23 of 2018, published on 7<sup>th</sup> December, 2018, be now read a second time.

This is, indeed, the biggest Bill for today in terms of the sections of the Principal Act to be amended. I believe that there are some 17 amendments proposed to the Principal Act. The first amendment proposed has to do with the small business’ definition. The definition of “small business” was inserted in section 2 of the Income Tax Act which is the definition section of the Act. This insertion is necessary in order to introduce and facilitate the reduction of the income tax and corporate tax for small businesses as defined in the Small Business Act. This measure is projected to incentivise small businesses with a gross annual revenue of not more than \$60 million and will encourage individuals to utilise the small business structure to invest in the private sector through manufacturing and construction services.

The next amendment has to do with the vacation allowance. Section 5 of the Income Tax Act was amended to clarify the allowance with regard to vacation. As we recall, in the last budget, not Budget 2018, the previous one, we had made the vacation allowance of the private sector equivalent to that of the public sector. However, there seems to be some uncertainty. This amendment is meant to clarify that. The proposal is to amend section 5 of the Income Tax Act to clarify the allowance with regard to vacation. Public sector employees enjoy a tax free vacation allowance, whether they spend their vacation in Guyana or abroad, while private sector employees were previously allowed the allowance only to the extent of the cost of the passage to travel abroad.

*4.23 p.m.*

The Government removed this anomaly in 2018, thereby allowing for private sector employees to enjoy their vacation allowance without the need of overseas travel. However, there still remains some ambiguity as to what time period for vacation was subjected to the allowance under the section. This amendment corrects that ambiguity and makes it clear that one month’s vacation allowance is exempted from tax. This ensures equity across the private and public sectors with

regard to the granting of a vacation allowance. Then, importantly, there is the personal allowance. Sections 8, 20 and 61A of the Income Tax Act are being amended to raise the personal allowance from \$720,000 to \$780,000, annually.

The revenue authority through its enforcement activities, of course, has enabled the broadening of the tax base over the last three years, thus allowing us to continuously improve the income tax threshold. Many will recall, when we came into power in 2015, that the threshold was somewhere in the region of \$600,000. Now, it has climbed to \$780,000 in just three years.

The next amendment has to do with wear and tear allowance. Section 17 of the Income Tax Act is being amended to allow a wear and tear allowance for owners of buildings used in the provision of services and warehousing. This change to the capital allowances structure acknowledges that buildings, other than those that house machinery, can depreciate in value, as a result of wear and tear. The ultimate benefit of this amendment is to the taxpayer who can now claim this additional deduction as an expense, thereby reducing his chargeable income, and hence, a decline in the taxes that he or she will have to pay. Again, as we said, it is putting more moneys back into businesses and improving their cash flow.

An important amendment is the export allowance. Section 33C is proposed to be amended to remove the restriction on the application of the export allowance to allow it to be granted to all countries. Mr. Speaker, you may recall that this allowance was put into effect in the 1980s, and it was intended to, first of all, promote the export of non-traditional exports, in other words, exports other than those that we know, familiarly, such as bauxite, sugar, rice, and so on. Those were not allowed export allowance. We wanted people to export non-traditional shrimps, not the prawns, but such as the seabob that was pioneered by B.E.V Processors Inc. among others, and all the different things we saw being exported such as handicraft, and so forth, where people were using their ingenuity during the 1980s when foreign currency was hard to export to those hard currency areas.

The issue is that the countries in the Caribbean Community (CARICOM), in a sense, were exempted because payments used to be made in what is called 'soft' currency. 'Soft' currency means that if you are exporting to Barbados, then you will receive Barbadian dollars, exporting to Trinidad, then you will receive the Trinidadian dollar and exporting to the Organisation of Eastern

Caribbean States (OECS), you will get Eastern Caribbean (EC) currency. Really and truly, you had to export outside of the CARICOM areas to gain United States dollars (USD), principally, but the other currencies, the British Sterling pound, Canadian dollar, and so on...

Now, in terms of CARICOM, transactions are more or less being done every day in United States dollars. There are still some that are being done with soft currencies. Increasingly, transactions are being done in hard currency. Many people are exporting non traditional goods that fall within the ambit of this law but they are not getting the benefit because the countries of CARICOM were excluded. This amendment will now remove destination and restrict you only to hard currency. Wherever you are earning the hard currency you will be subjected to that. If you are exporting non-traditionals maybe such as coffee, and so on - which I heard has a good market overseas - you will now qualify for the export allowance. We are removing the geographic criterion and only restricting it to the fact that you are earning 'hard' currency. If you are exporting to Suriname and earning 'hard' currency in return, you can benefit from the export allowance. It is a very generous allowance. That this particular measure, we hope, can result in the spurring of manufacturing and other areas of non-traditional export, including handicraft, and so on.

Amendment to gold mining. This amendment is, again, a clarification because we had given this concession in Budget 2017, where we changed the various rates applicable for the purpose of the tax for the GRA. I believe in one instance, the first one, it indicated that there was some ambiguity as to whether it was the final tax. This amendment is to clarify that ambiguity. The institution of concessions and the sliding scale of taxation, based on an ounce of gold in 2018, as a final tax with regard to gold mining, was introduced under section 33E of Income Tax Act. This meant that once income tax on gold mining, using the sliding scale, was paid, it should be treated as a final tax. However, any income earned from sources other than gold mining shall be taxed separately from the final tax since the final tax only applies to gold mining activities. If you are in the gold mining sector and you are renting equipment, for which you are receiving an income, you cannot apply this concession to that income. However, if you are in the actual business of gold mining, then it is the income from that business, which will attract the sliding the scale and which will be treated as a final tax. This amendment makes that explicit. We hope that our friends in the gold mining sector would become more comfortable.

Tax credit for exports: again, this is a new tax incentive where we are proposing to give a tax credit for the manufacturing and export sector. Manufacturing industries that export their goods have represented that the VAT on electricity and water makes them uncompetitive, relative to their counterparts in the Caribbean. While not providing any evidence for this, it is proposed to alleviate the VAT on exports by giving a tax credit where the import VAT was being paid on electricity and water. The amendment to the Income Tax Act is to include a section 33H which is intended to allow for manufacturers that export to claim a tax credit for VAT paid on the electricity and water. This means that they can obtain a dollar for dollar offset of income tax based on the VAT paid on electricity and water. Essentially, they can re-claim the VAT that they have paid on electricity and water in the manufacturing of goods for export and treat that as an offset against income tax owed or of the chargeable income. That will be moneys getting back and given to them. We are doing this in good faith and without any evidence of what they brought to us because they did not bring any figures or anything. We want to promote manufacturing and we want to promote exports. We have had the mantra that we want to diversify the economy and that it is not an economy that is based on oil and gas. This should be the thing to help them.

The amendment to section 36 deals with the chargeable income and this gives credence to the increase in the threshold that we had put in place earlier. It raises the limit, the maximum that the 28% and 40% rates of income tax that will attract.

We are proposing to apply a rate of 25% to small businesses, as previously defined in the amendment to the Income Tax Act. This is important for promoting small businesses. As such, in addition to the concessions that small businesses can enjoy, if they are registered, they will now enjoy a comfortable 25% rate relative to other commercial businesses where rates can vary and can go as high as 40%.

In terms of the withholding tax on the contractors, the amendment there is for clarity, again, an interpretation of the amendment that we made in 2017. The implementation of this amendment is to assist the revenue authority in widening the tax net by identifying persons who provide independent personal services. This new amendment is expected to further formalise and improve the efficiency of taxing this category of taxpayers. Of course, the tax which will be withheld, will be treated as a credit to the contractor's overall tax liability for the year. It is not two taxes as

something that they are paying. All you are doing is paying an advanced tax, so to speak. It will be credited against your liability at the end of the year.

The next two amendments, reprint of taxpayer identification number (TIN) certificate, this is a plus. This is to reduce it from \$5,000 to \$2,000.

The next one is to give discretion to the Commissioner General when it comes to self-assessment. The word “shall” is removed from section 71 to “may”, giving the Commissioner General the flexibility to give to taxpayers the opportunity to self-assess and pay taxes based on that self-assessment. At the end of the day, when the Commissioner General gets around to you, we will then determine whether what you paid is actually what you should have been paying. At least, this frees the Commissioner General and his staff – I do not want to call it burden – but the need to go through a whole set of small income earners and assessment, while they concentrate on the bigger ‘fishes’. This will give him some flexibility to let taxpayers make their own self-assessment and pay based on that basis.

The other amendment is for refunds. As we did before, section 106(3) is repealed to allow for a more efficient refund. This amendment to the tax refund procedure is supported by regulations and serve to remedy the delay a taxpayer may experience when waiting for refunds.

*4.38 p.m.*

Again, as it stands, all revenue collected by the Guyana Revenue Authority (GRA) is put into the Consolidated Fund. This amendment will give the Commissioner-General the room to use moneys collected from income tax to pay refunds to those who have to get refunds from overpayment of income taxes. Of course, as I said, a similar section exists in the Value-Added Tax Act as section 7, and it is also permitted under section 38 of the Fiscal Management and Accountability Act (FMAA).

Finally, in terms of electronic notices, at present, the law allows for the service by registered post. Even though the post office is generous in terms of the rates they charge for postage, sometimes you have to go registered post and tell somebody, a tax payer, that either the Commissioner-General has five dollars for you, or you owe the Commissioner-General \$10. Whereas the registered post may cost more. Indeed, the GRA has found that over 50% of the notices are actually

returned for lack of service for various reasons: people have moved, or people do not want anything that is looking too official, and so on - they refuse it. Now, this amendment would allow the Guyana Revenue Authority to introduce another medium of getting the notices out to the tax payer. This would give them an opportunity to use either electronic media, in addition to the ordinary post, as well as the registered post, as it may be deemed fit.

Those are the amendments to the Principal Act, the Income Tax Act, Chapter 81:01, and I commend these amendments and this Bill to the House for passage. [*Applause*]

*Question put and carried.*

*Bill read a second time.*

*Assembly in Committee.*

*Bill considered and approved.*

*Assembly resumed.*

*Bill reported without amendments, read the third time and passed.*

## **INCOME TAX (IN AID OF INDUSTRY) (AMENDMENT) BILL 2018 - BILL No. 24/2018**

A BILL intituled:

“AN ACT to amend the Income Tax (In Aid of Industry) Act.” [*Minister of Finance*].

**Mr. Jordan:** Mr. Speaker, I rise to move the Income Tax (In Aid of Industry) (Amendment) Bill 2018, Bill No. 24 of 2018, published on the 7<sup>th</sup> December, 2018, be now read a second time.

Mr. Speaker, this Bill has three simple amendments. Again, though they may be simple, they have import to the intended beneficiaries.

The first amendment is a tax credit to the tourism sector. The interior regions of Guyana remain a vast untapped resource for tourism and economical and social development. Over the past two years, the Government has sought to incentivise the tourism sector by giving various incentives to the industry. On this occasion, we are seeking to amend section 2 (a) of the Act to insert a tax credit for the industry. A tax credit is usually a set-off against taxes. In this case, it will allow for

a 75% set-off on income and corporation taxes on profits for the tourism industry in Regions 1, 7, 8, 9 and 10.

The second amendment seeks to provide an initial allowance to further stimulate the sector. This will be done by way of amending section 3 of the Act to provide for initial allowances, called depreciation allowances, on hotel buildings in Regions 1, 7, 8, 9 and 10.

The third incentive is the wear and tear allowance. In keeping with the amendments that were made earlier to the Income Tax Act, section 10 of the Income Tax (In Aid of Industry) Act is proposed to be amended to recognise wear and tear with regard to buildings used for the provision of services and warehousing. This is expected to stimulate businesses and investments in the various sectors, especially tourism in the five regions already mentioned.

This is a simple Bill, but like I said, it is of import and a special interest to those in the five regions. I commend these amendments and this Bill for passage by the National Assembly.

*Question put and carried.*

*Bill read a second time.*

*Assembly in Committee.*

*Bill considered and approved.*

*Assembly resumed.*

*Bill reported without amendments, read the third time and passed.*

## **CORPORATION TAX (AMENDMENT) BILL 2018 – Bill No. 25/2018**

A BILL intituled:

“AN ACT to amend the Corporation Tax Act.” [*Minister of Finance*]

**Mr. Jordan:** Mr. Speaker, I rise to move that the Corporation Tax (Amendment) Bill 2018, Bill No. 25 of 2018, published on the 7<sup>th</sup> December, 2018 be now read a second time.



Mr. Speaker, a very important Bill, it seeks to: one - give credence to what we have done with small businesses. This amendment is to allow for this Act to correspond with the Income Tax Act, thereby allowing a company that is a small business to benefit from the rate of tax for small businesses. Section 2 of the Corporation Tax Act is now proposed for amendment to include the definition of small business; while section 10 is proposed to be amended by the insertion of a new subsection to cater for a new incorporated body, such as a company which falls under the definition of a small business, in accordance with the Small Business Act 2004.

As I said before, small businesses will be taxed at the non-commercial rate, which is now being lowered from 27.5% to 25%. Further, section 10 is proposed to be amended to reduce the non-commercial rate for companies from 27.5% to 25%. As we will recall earlier in my whine up debate, Mr. Dookhoo had said that he did not think that we were going to be able to do this, to reduce the tax from what it was when we came in, which was 30%, to what it is now 25%. A very significant reduction, especially for the manufacturing sector, that will allow them to use those savings to improve, to invest when retooled, and to improve their cash flows.

Those are the two amendments that are intended in this Bill. I now commend the Bill for passage by the House.

*Question put and carried.*

*Bill read a second time.*

*Assembly in Committee.*

*4.53 p.m.*

*Bill considered and approved.*

*Assembly resumed.*

*Bill reported without amendments, read the third time and passed.*

**Mr. Speaker:** Hon. Members, that concludes our consideration of Second Readings of Bills. I would propose that we now prepare to refresh ourselves and to return at 6 o'clock.

*Sitting suspended at 4.55 p.m.*

*Sitting resumed at 6.10 p.m.*

## **MOTIONS**

### **AFFIRMATION OF THE MOTOR VEHICLES AND ROAD TRAFFIC (AMENDMENT OF FIRST SCHEDULE) REGULATIONS 2018 – NO. 6 OF 2018**

Be It Resolved:

That this National Assembly, in accordance with Section 98(3) of the Motor Vehicles and Road Traffic Act Chapter 51:02, affirms the Motor Vehicles and Road Traffic (Amendment of First Schedule) Regulations 2018 – No. 6 of 2018 which was made on 7<sup>th</sup> December, 2018, under Section 98(3) of the Motor Vehicles and Road Traffic Act Chapter 51:02 and published in an Extra Ordinary copy of the Official Gazette dated 7<sup>th</sup> December, 2018.

**Mr. Ramjattan:** Mr. Speaker,

“Be It Resolved:

That this that this National Assembly, in accordance with Section 98(3) of the Motor Vehicles and Road Traffic Act Chapter 51:02, affirms the Motor Vehicles and Road Traffic (Amendment of First Schedule) Regulations 2018 – No. 6 of 2018 which was made on 7<sup>th</sup> December, 2018, under Section 98(3) of the Motor Vehicles and Road Traffic Act Chapter 51:02 and published in an Extra Ordinary copy of the Official Gazette dated 7<sup>th</sup> December, 2018.”

**Mr. Speaker:** If there are no speakers on the motion, I will now put the motion.

*Question put and agreed to.*

*Motion carried.*

### **AFFIRMATION OF THE VALUE-ADDED TAX (AMENDMENT) REGULATIONS 2018 – NO. 12 OF 2018**

Be It Resolved:

That this National Assembly, in accordance with Section 95 of the Value-Added Tax Act Chapter 81:05, affirms the Value-Added Tax (Amendment) Regulations 2018 – No. 12 of 2018 which was made on 11<sup>th</sup> December, 2018, under Section 95 of the Value-Added Tax Act Chapter 81:05 and published in an extraordinary copy of the Official Gazette dated 11<sup>th</sup> December, 2018.

**Mr. Jordan:** Essentially this seeks to affirm the amendments made to Section 12 of the Regulations to the Value Added Tax Act. Currently, Section 12 of the Regulations to the VAT Act describes what is meant by the prescription drugs and medical supplies.

Schedule 1, paragraph 2 (d) (d) Zero Rated Medical Supplies. However, prescription drugs remain zero-rated, while medical services were exempted in February, 2017. This anomaly would have seen taxes being paid on the zero-rated items which would have necessitated a request for refunds later. So, this mechanism would have meant taking money from the businesses and having them ask for refunds down the road and, as we know, sometimes, refunds could take longer than usual to get back.

This would have the effect of putting in jeopardy the cashflow of several businesses, especially small businesses, that have difficulty accessing from traditional financing institutions. Consequently, this section is being modified to reflect the intent of the amendment in 2017, that is, the exemption of both prescription drugs and medical supplies.

So that the new section 12 (1) will now reads as follows,

“Schedule two, paragraph 8 exempts the supply of medical services. Medical services are exempt whether provided with or without charge and whether paid for by the patient or resident or any third party if the medical services meet two conditions and those two conditions are that;

- (1) they are rendered in a qualified medical facility or by a qualified medical practitioner or under the supervision of a qualified medical practitioner or both.
- (2) they qualify as exempt medical services in this regulation.”

So, without much *further ado*, I ask that this motion be affirmed by the House. Thank you.  
[Applause]

*Question put and agreed to.*

*Motion carried.*

**SYMPATHY ON THE DEATH OF MR. ABDUL KADIR, FORMER MEMBER OF PARLIAMENT**

BE IT RESOLVED:

That this National Assembly records its deep regret on the death of Mr. Abdul Kadir, on 28th June, 2018, and pays tribute to his dedicated service to the Parliament of Guyana as a Member of Parliament where he served in the Eighth Parliament, from 17th April, 2001 to 2nd May, 2006, and to the people of Guyana;

BE IT FURTHER RESOLVED:

That the National Assembly directs that an expression of its sympathy be conveyed to his sorrowing widow, children and relatives. [*Minister within the Ministry of Communities*]

**Minister within the Ministry of Communities [Ms. Patterson]:** Thank you Mr. Speaker. I beg, that this motion be deferred to a later date? The seconder is not in the House.

**Mr. Speaker:** Hon. Member, would you repeat what is it that you are asking of the Speaker?

**Ms. Patterson:** Mr. Speaker, sorry you did not hear. I beg to defer this motion, unless there is anybody else in the House who could second the motion because the seconder of the motion is not in the House.

**Mr. Speaker:** Thank you very much. We will defer the motion. Thank you.

*Motion deferred.*

**BILLS – Second Readings**

**THE NURSES AND MIDWIVES BILL 2018 – Bill No. 13/2018**

A BILL intituled:

“AN ACT to make provision for the registration and regulation of nurses, midwives, nursing assistants and specialist nurses, and for related matters.” [*Minister of Public Health*]

**Minister of Public Health [Ms. Lawrence]:** Mr. Speaker, I rise to move that the Nurses and Midwives Bill 2018 - Bill No. 13 of 2018, published on the 23<sup>rd</sup> October, 2018, be now read a second time.

The Nurses and Midwives Act was established in 1953, we are talking about over 60 years ago. It was established to serve as a framework for the regulation of nurses’ and midwives’ education and practice in Guyana. Amendments were made in 1966, as a matter of fact, on the 8<sup>th</sup> September, 1966 and then in 1976 Bill No. 20 of 1976 also sought a few amendments being made. Notwithstanding, given the increase in specialised and auxiliary nursing personnel, further attempts were made in the early 2000. However, such attempts proved futile. The Bill covers the practice of all registered nursing personnel, registered nurses, midwives, nursing assistants, specialised nurses, such as anaesthetic nurses and emergency nurses, just to name a few.

The General Nurses and Midwives Council (GNC) ensures that the dictates of the Act are carried out. Hence, in 2018, the significant drop in the pass rates at our Nurses National State final examinations, 13% and 19% in 2013 and 2016, respectively, coupled with the observance of a weak monitoring system to validate nursing and midwifery education and practice, the Ministry of Public Health decided to pay closer attention to the nursing sector and implemented a number of strategic actions which included the revision and finalisation of the existing Nurses and Midwives Bill.

*6.23 p.m.*

With support from our partner, the Pan-American Health Organization (PAHO), a legal Consultant was appointed. Together with a team of key nursing leaders from both private and public sectors and full participation of the Executive of the Guyana Nursing Association, the Bill was reviewed to ensure that it captured the pertinent issues in our nursing sector, to ensure compliance with global standards and simultaneously, ensure that it reflected our local cultural settings.

The Bill addresses a number of pertinent issues. Part II, clauses 3 and 4 speaks to the establishment and functions of the general Nurses and Midwives Council as the governing body. For example,

“...the Guyana Medical Council (GMC) shall publish in the *Official Gazette* all registered persons, annually.”

In clause 5, the Bill speaks to registration and licencing. It states that no person shall practice nursing or midwifery in Guyana unless that person is registered and holds a valid licence issued under this Act. Temporary and full registration and licensure, revocation of licence, *et cetera*.”

It also speaks to discipline for professional misconduct and penalty.

The purpose of this Bill is to empower the Nurses and Midwives Council to enrol, register, certify and licence nursing personnel, and among other things, to establish global standards for education, training, conduct and performance of nursing personnel. It sets out the requirements for full and temporary registration of nursing personnel and for the maintenance of related registers of nursing personnel by the Council.

Further, the Bill at Part II, clause 5 (n) empowers the Council to take disciplinary action against nursing personnel for breach of established standards of professional conduct and provides for the establishment of a disciplinary committee, a mechanism for the receipt of complaints and rules of procedure for disciplinary proceedings before the Council.

The rationale for this amendment speaks to the Ministry of Public Health’s commitment to the improvement in the welfare and well-being of our nurses and midwives who constitute the pillars for a sustainable and effective health care system. Additionally, this Bill provides for the specialisation of our nurses and midwives within our five levels of care and it is anticipated that, in 2019, with the full passage of the Bill that there will be enhancement in the quality of care and health delivery for the citizens of Guyana as enshrined in our Vision 2020. Thank you, Mr. Speaker. [*Applause*]

**Minister within the Ministry of Public Health [Dr. Cummings]:** I rise to register my support for the Nurses and Midwives Bill 2018 – Bill No. 13 of 2018. This Bill is significant as it provides modern legislative framework for the effective and efficient management of the nursing profession in a modern Guyana.

The traditional role of nursing has been considered at the bedside and while bedside nurses would always be essential to quality patient-care, nurses also demonstrate leadership through their integral roles in research, education, technology, hospital management and global health.

The Nurses and Midwives Bill 2018 will establish a new and improved governing body to oversee nursing in Guyana in a more inclusive and transparent manner. Ensuring that the Nurses and Midwives Council become a body-corporate is indeed a step in the right direction as the Ministry of Public Health aims to reform and improve the nursing profession in Guyana.

Our contemporary development in the field of nursing is specialised nursing. We have different categories of nurses now. The Nurses and Midwives Bill 2018 makes provision for specialised nurses as I reiterate. Nurses now have extended roles in mental health, in anaesthesia, paediatrics, neo-natal resuscitation, chemotherapy, dialysis and now non-communicable diseases which takes the front burner and takes up about close to 70% of our budget. Nurses are involved in risk factor management and lifestyle behaviours. There is an epidemiological transition now in our health across the life cycles and the nurses are part and parcel of that.

Nurses will not only give vaccines, maternal child-health and attend to the elderly, but emphasis will be placed on practice-based competencies.

The Caribbean Single Market and Economy (CSME) facilitates for the free movement of our Caribbean people. This Bill allows for the provision of employment to CARICOM nationals who may be desirous of pursuing a career in nursing in Guyana, whether they are teaching patients and families about their condition and its treatment, training new nurses about best practices or educating the clinical team about issues such as patient safety, Nurses are keen educators in the health care system.

The Nurses and Midwives Bill 2018 provides for the approval of programmes of education and continuing education necessary for the purpose of registration. Senior nurses who function as supervisors or managers have a holistic understanding of patient care and the needs of the health care team. The health care system is complex. Nurses are essential in promoting collaboration across the health care team, ensuring quality patient care and efficient use of hospital resources.

Part III of the Bill provides for all persons who practice nursing in Guyana to be registered and hold a valid licence issued under these provisions and for any person who, in the future, seeks to practice nursing or midwifery in Guyana.

Patient care is now an extremely important factor in the medical field for all medical professionals. The advancement in technology have created an environment that makes patient care more efficient and helpful for the patient. This has helped saved more lives, made certain jobs easier for nurses and created a better experience for patients. Nurses take on many more responsibilities than they ever had before and are seen as respected medical professionals because of their extensive schooling and real-world application of skill.

As I conclude, Mr. Speaker, the positives of the Nurses and Midwives Bill 2018 is a comprehensive piece of legislation that takes into consideration the facets of the nursing profession that can only augur well as we move the profession in modernity.

From the establishment of the Nurses and Midwives Council of Guyana, as a body corporate with responsibility for the registration, licencing and regulation of nursing personnel in Guyana to the provision for the establishment of a committee to be known as “The Nurses and Midwives Disciplinary Committee”, for the purpose of upholding the standards of professional conduct. Therefore, better disciplinary procedures and standards would be maintained.

It gives me great pleasure as I commend this Bill for passage in this august Parliament. [*Applause*]

**Mr. Speaker:** Hon. Minister, Ms. Lawrence, would you like to reply?

**Ms. Lawrence (replying):** Thank you, Mr. Speaker. I would like to thank my Colleague for endorsing this Bill. To all of the persons within our borders who are already in the profession or who are thinking of entering the profession, I say to you that today is a good day for nurses and midwives. I commend the Bill to the House for passage. Thank you. [*Applause*]

*Question put and carried.*

*Bill read a second time.*

*Assembly in Committee.*



*Bill considered and approved.*

*Assembly resumed.*

*Bill reported without amendments, read the third time and passed.*

*6.38 p.m.*

## **NATURAL RESOURCE FUND BILL 2018 – Bill No. 14 of 2018**

A BILL intituled:

“AN ACT to establish the Natural Resource Fund to manage the natural resource wealth of Guyana for the present and future benefit of the people and for the sustainable development of the country, and for connected matters.” *[Minister of Finance]*

**Mr. Jordan:** My Colleagues might be a bit weighed down by the dinner that we had because my rising here, on this very important occasion of this Bill, has neither been met with aplomb nor applause.

*[Members of Government applauded.]*

Thank you, Colleagues. I rise to move that the Natural Resource Fund Bill 2018 – Bill No. 14 of 2018, published on the 15<sup>th</sup> November, 2018, be now read a second time.

I believe it was in 1982. I was at the State Planning Secretariat and I remember my Chief Planning Officer coming in with a broad smile and in a hushed tone told me and two of my colleagues, “we found oil”. I said, “what did you say?” He said, “we found oil”. So, we were very euphoric. Apparently, some company, Home Oil, which was drilling in the Takutu area, had found some oil. He even brought a vial of the oil. I never knew oil could have been that black. So, we were euphoric.

I do not know if we have enough Hon. Members in the House who would remember, but, at that time, Guyana was in dire straits in 1982 and we did not even know that we were heading to even more dire straits. By 1985, the International Monetary Fund (IMF) had removed us from the list of borrowers who were eligible and by 1986 the World Bank had done the same. But then, soon thereafter, we heard that the oil was not in commercial quantities and that the developer was going

to cork or cap the well and move on. So, between then and 2015, when again we became euphoric, there has been a lot of highs and lows and ups and downs. Of course, during all of that, it was extremely difficult to find people who were prepared to venture into dark waters, as they are, at their expense, to drill for what we know - for oil out there. A lot of the drilling has been taking place on land, so to speak.

So, there have been a lot of heartaches between 1982 and now, of which I know. I am sure there had been drilling before 1982. But, there had been a lot of heartaches, a lot of highs and then lows. We heard about us signing contracts with various people to come, but we did not hear anything more after that.

So, when in 2015 - I believe soon after we had entered office - we were told that a triumvirate, led by ExxonMobil Corporation, had discovered oil in the very gigantic Stabroek block, we were, again, euphoric, but I think we were a bit cautious because of being there before and being disappointed. When the results came back, we learnt that oil had been found in sufficient quantities to make it exploitable. At that time, as you know, oil prices were very low. So, we had the plus side where those who were going to drill or explore for oil, on the cost side, should have been having it relatively or comparatively cheaper, because with oil prices being so low, not too many people would have wanted to go out looking for new discoveries of oil. On the downside, it would have been hard for them to commercially exploit it, having found it, because of the low price at that time. But ExxonMobil Corporation and the triumvirate persevered, and now we have learnt that they have had an incredible success rate, I believe 9 out of 11. Is it 9 out of 11?  
[Mr. Trotman: It is 10 out of 11.]

It is 10 out of 11 and, I believe, an unheard of success rate in the drilling for oil. So, what was then a commercial high of about 1.2 billion barrels has now exploded into in excess of five billion barrels. If we were to add a factor and then multiply, I believe we have oil in far more commercial quantity than the five billion that has been discovered so far.

Ever since the oil discovery - we have to give credit to the Ministry of Natural Resources, led and still being led by Minister Raphael Trotman, who took up the mantle, at the time, and did all the leg work. We were newbies. We did not have any experience in this sector. We had some people from the old Petroleum Division and the old Guyana Natural Resources Corporation. I believe that, at that time, it was headed by Mr. Winston King. To the credit of those individuals, they have

brought us quite along. Sometimes, they do not get credit, but I would want to, in this Assembly, give the staff of the Ministry of Natural Resources high praise for the work that they have done, under tremendous difficulties and circumstances, to bring us in the various aspects, whether it was the Petroleum Commission Bill, Local Content Bill or the Natural Resource Fund Bill. That is where the origin of the Natural Resource Fund Bill was.

So, the initial leg work, after the President had publicly indicated that he would like to see a sovereign wealth fund in place so that we would learn from the lessons of others, both bad and good, so that we do not squander ours, it is the Ministry of Natural Resources that did the early work on the Natural Resource Fund Bill.

Then, Hon. Trotman and I were invited to Uganda by Chatham House where we had several rounds of discussions with the oil people there and with Tullow Oil, which was actually doing the drilling. Uganda, we found out, is close to us in terms of age in this oil business. So, it was a lot of learning and we acquired a lot of material.

So, when we came back, Hon. Minister Trotman used the model of the Uganda Revenue Agency and Natural Resource Fund to improve on the draft that he had. He was able to submit both drafts to the Ministry of Finance - I think it was in January, 2017 - for us to do the running because, after all, it being a financial Bill, it would eventually have had to be the Minister of Finance who would have brought it to this House. So, in January, 2017, we were gifted two Bills – an initial draft done by the Commonwealth Secretariat and another draft that was done by the Ministry of Natural Resources, led by the Hon. Trotman, which had incorporated ideas from the Ugandan model.

It was from there, in the Ministry of Finance, that we set up an in-house team to work with the Commonwealth Secretariat to improve on those two drafts. We had numerous rounds of consultations and, at this stage, I would like to give tremendous praise to Dr. Daniel Wilde, the Commonwealth Secretariat Consultant, who has been with us from day one and who has done almost all of the heavy lifting on this Bill. He is a treasured Consultant, a rare kind, a dedicated individual who we could have called upon on weekends, late in the nights, given London's time difference and so on, and he would respond. Every time we came up with a new idea, he would faithfully give us a draft or give us a research on it. He left us with a lot of lessons on professionalism and integrity. So, I give a 'shout out' to Dr. Daniel Wilde. Later on, he was joined

by Ms. Alache Fisho, another Commonwealth Secretariat Consultant, who, also, did tremendous work on the draft that is here today. I would like to personally recognise the team in the Ministry of Finance, which was really the core team.

6.53 p.m.

We are speaking of individuals with virtually zero experience in oil and gas, in oil economics, in drafting, and so on. But over the last two and a half years, they have acquired an experience, which I believe, down the road, will serve us in good stead. It is inspirations like those that tell me that, if we rapidly chart the course, utilising our local people and those in the diaspora that we can tap into, then sooner than later, we could have an industry that is significantly owned or operated by Guyanese.

I give recognition to Ms. Sonya Roopnauth, who is the Budget Director; Dr. Vilas Gobin, who is the Macroeconomic Senior Economist; and Mr. Rene Chan, who is also a Senior Economist in the Ministry of Finance. I would also, as I am here, like to recognise the efforts of Mr. Charles Fung-A-Fat and Mr. John Fraser from the Ministry of Legal Affairs; the Governor of the Bank of Guyana and his team that worked on this Bill; and, of course, the relevant staff of the Ministry of Natural Resources. There have been a number of inputs by various other people: The World Bank and the Inter-American Development Bank (IDB). There were individual consultants, there were people who sent us emails, and there were the chatterati in the press – and those are important where these matters are concerned. I, also, recognise all of them because their inputs were taken on board in the drafting of this Bill that you see here before you.

It was His Excellency who, in his wisdom, after we had put a draft of this Bill to the Cabinet and after having received an exposition, I believe by Dr. Wilde, suggested that we draft a *Green Paper* on the sovereign wealth fund. In a sense, we were *putting the cart before the horse* or we were trying to *close the stable after the horse had bolted*. But we did get a chance to close the stable because we did produce the *Green Paper*, and it stirred the interest of a wide cross section of people, both in Guyana and outside of Guyana. It is a pity that, in some of the reactions, you got the impression that the people thought that the *Green Paper* was the Bill, as opposed to what a *Green Paper* is supposed to do. And yes, a *Green Paper* should be followed by a *White Paper* and so on, but we did not have the time to move to a *White Paper*. So, we combined elements of a

*Green Paper* with elements of a *White Paper*. Maybe, that is how some of the confusion came about. But it was out there in time for us to get feedback to put into the Bill.

In hindsight, I believe we came out ahead. Do you know why? As of now, as I got up here to defend this Bill, I have not heard a single negative reaction to this final version of the Bill, even though it has been in the public domain for more than six weeks. All the people who were criticising the *Green Paper* and so forth have not sent a single comment. Now, I am not saying that this is a perfect Bill. No Bill, in my opinion, is a perfect Bill. We can reach for a Bill that will attain certain best practices and so on, which is what we attempted here. We are never going to strive for a perfect Bill. The *proof of the pudding* in every Bill is in its implementation. It is not how great the Bill is. It is whether you intend to implement what is in the Bill itself.

We took several of the comments onboard. We held symposia, discussions and focus groups. We invited the Opposition - not to meet with us but experts who the World Bank had brought in from overseas – and they never turned up. But, again, that is a usual story. It was not anything new for us. We took many of the comments on board, and here is this Bill today.

The Cooperative Republic of Guyana's entrée into the world of petroleum-producing nations has come at a fortuitous moment - when the developmental needs of the country are expanding, responding to a more sophisticated population, while concessional financial resources globally are dwindling. However, this new sector brings a significant level of volatility, typically associated with commodity prices, and more typically with oil. In fact, the volatility associated with oil prices, historically, has given rise to a public financial management tool known as the sovereign wealth fund, which aids in the effective management of revenue flows from these resources. It would be irresponsible of me and for any government to allow that level of volatility to go unfiltered into the economy. Efforts to avoid the "resource curse" and "the Dutch disease" must be paramount. We must protect the competitiveness of our non-oil sectors with even greater care so that at the end of oil production, given that we are dealing with a finite resource, this great nation of ours will be left standing firmly on a robust and diversified economy.

I wish to speak to certain features of the Bill, because sometimes *the proof of the pudding is in the eating*. There is a certain daily newspaper that has a little byline at the bottom, something to do with appointing the Auditor General as External Auditor. It is some derogatory word they used.

Well, I do not know why there are these kinds of shows sometimes because if anybody reads the *Constitution of the Cooperative Republic of Guyana*, it states that the Auditor General is responsible for the audit of all public bodies, defined to mean where the Government has an interest of 51% or greater on all funds. It is up to the Auditor General to appoint external auditors as he sees fit, if he does not feel capable or if he does not feel he has the competence, in terms of staff, systems and so on, to undertake the audit. If we were to put in this Bill that the audit will be done by one of the big six firms, we would have been in violation of the *Constitution*. I wish somebody would have told that particular newspaper that they should reach out to legal and other advice before they seek to follow the bandwagon. That is what it seems to be to me – the bandwagon.

Very early in this Bill is a recognition that accountability and transparency must be the hallmark of managing these resources, and there is no better a watchdog than the “independent” council, commission or committee, clothed with the necessary legal and other provisions, to undertake such oversight.

And so, after we pass the definitions and so on, which are important, there is, at Part III: a public oversight of the fund, which will be done by what is called a Public Accountability and Oversight Committee. This committee has the power, in clauses 6.1, 6.2, 6.3 and 6.4, to monitor and evaluate compliance of the government with the provisions of the Act, to monitor and evaluate whether the fund has been managed in accordance with best practices of transparency, good governance and the Santiago Principles. It also speaks of providing independent assessment of the management of the fund, both in terms of its utilisation and withdrawals. It also speaks to the fact that this committee can facilitate its own public consultations and management of the fund.

So important is this committee that it is comprised of 22 members, a very disparate set of people but very important people in society. There is a representative from a community-based organization. There are representatives of women. Women are extremely important, so we have them as separate and apart from the fact that they may be representing other organisations on the committee; we have, specifically, women being recognised. Youth are also being recognised, and they are a very special part of the population. There is a member of the Guyana Bar Association, a member of the Guyana Consumers Association, a member of the Guyana Extractive Industries Transparency Initiative, separate and apart from the nominee of the Transparency Institute of Guyana Inc., a member of the Guyana Press Association, a nominee of the trade unions, a nominee

of the Chartered Institute of Accountants, a nominee of the Private Sector Commission (PSC), and a nominee each from the 10 Regional Democratic Councils (RDCs). That is to ensure that every geographic region in this country has a representative, a peeping eye over those funds. So, they will be represented on the committee. Peeping: making certain all of the I's are dotted and all of the T's are crossed, and that their regions have a voice in the committee. And, of course, there is a nominee coming from the University of Guyana (UG). One could see a wide cross section of people in society well covered in this.

We were careful to not have any political member in this committee. So, no representative from the Government and no representative from the Opposition. No Member of Parliament can be a member of this committee and no member of any ministry can be a member of this committee. That is how much we want this committee to be as independent as possible. No member of the Bank of Guyana can be a member of this committee. No member of the Macroeconomic Committee – which we will come to shortly – can be a member. No one who is of unsound mind. No one who has been declared insolvent or bankrupt. And, of course, no one who has been convicted of an offense. Pickpocketing is not a minor offense. Slapping somebody is, also, not a minor offense. So, such a person would not sit on this committee.

*7.08 p.m.*

The other important things about this committee are (1) it can regulate its own business and (2) the membership of the committee. We have made certain that people do not take up permanent membership on the committee and, hence, dominate the committee, either by their forceful personality or otherwise.

If we look at clause 6 (a):

“A Member of the Public Accountability and Oversight Committee nominated by a Regional Democratic Council shall be appointed for a term of two years and may be reappointed for a further one term...”

So, the maximum is two terms and then one is gone. One cannot take up residence on the committee. In the case of a member nominated by any one of those other organisations that I called there, they have one term of three years. So, there is a lot of interlapping and movement in and

out, new and fresh blood coming in and fresh ideas, *et cetera*. We are not going to allow people to take up residence on this committee and dominate it with their force of influence or otherwise, based on the organisation from which they come. People, youths, women and people from the private sector would come in and we hope they could bring different ideas and approaches.

The other thing, of course, is that a decision of the Public Accountability and Oversight Committee shall only be binding if it is taken by a majority vote with a quorum consisting of at least 13 members, with at least five members of the quorum coming from the Regional Democratic Councils. Again, we are trying to make certain that people do not gang up or try to exclude certain interests on the committee. So, a quorum would consist of 13 members but at least five of them have to come from the RDCs.

The last point I would like to bring to your attention about this committee is the way how it is funded. It does not have to depend on its funding from the Government's budget. Its funding will be a direct charge on the Natural Resource Fund. So, a government does not have to say that if it does not want this committee it would starve it of funds. The Public Accounts Committee, as in the case of the Auditor General, is the one that will be deciding on the budget for this particular committee.

We have gone through all the different rounds to make certain that this committee enjoys full independence, so that it can do its work unimpeded, without let or hindrance or without having to look over its shoulder in that if it does not do the right thing, it would be thrown off the committee. Hopefully, that will put at ease or put to rest some of the concerns that were raised.

In terms of the management of the fund, which is at Part IV, as you know, we indicated that we would like to create a senior investment advisor and analyst, and the Bank of Guyana would be responsible for the operational management of the fund.

You have heard so much hue and cry about the powers of the Minister and that the Minister has too much power. Number one: this fund belongs to the Government. Number two: there are a number of funds all over the place, including the one in Chile, where the Minister has the responsibility.



There is a suggestion that we farm out this fund to somebody else. Who would be responsible for it in Parliament, the ultimate people's representation? So, we farm it out to somebody else somewhere and then what? Are you going to ask the Minister of Finance to bring the reports of the fund or the committee to Parliament and ask him to answer questions on the report that is prepared by somebody else without the Minister's input? I do not know how people see things sometimes or whether they do not understand what the *Constitution* states. The *Constitution* invests a mandate in the Executive to manage the economic and other affairs of a country, and in attempting to divest yourself of that mandate or to give it up, you do so at your own peril.

There is nothing in this Bill that suggests that the Minister of Finance will be an all-powerful and all-conquering individual. I may like Dr. Norton, a high specialist in economics, but I cannot just pick Dr. Norton and put him on the macroeconomic committee or the investment committee. It is a whole process that has to be gone through. So, what if a nominee of the Minister of Finance is the chairperson of the committee? This nominee only comes in after everybody would have been brought in. I am sure, certainly where I am concerned, that one would expect the nominee to come with certain qualities that are beyond academic qualifications.

What you see and hear in the discussions is a level of distrust that pervades the society. If the Minister of Finance has to nominate somebody, that is a problem. Who shall it be if not the Minister of Finance? It must be a body of some people. Who are these people? Who are these bodies of these people? Do they come from Mars because, quite frankly, only the people on Mars, Uranus or Pluto will be divested of any bias, if it is that that they are looking for? We do not have Martians here. We have to deal with the people we have here and, yes, one or two times you will get it right or wrong. On the balance of probabilities though, you will be more right than wrong. Of course, some wrongs have heavy consequences. I could recall a recent one, but it is the nature that, once you are dealing with human beings, you expect a high degree of rationality. But ever so often, you will still have to worry when that 1% will kick in and what would be the consequences when it kicks in.

Mr. Speaker, as you go through the Bill, you can see the elegance and care of the drafting, so much so that, even as we present this Bill tonight and having gone through tremendous readings and research, *et cetera*, we spotted a tiny error. We tend to use National Assembly and Parliament interchangeably, but in these Bills, we have to use the National Assembly. In going through it one

more time, even again, we spotted that the word “Parliament” had slipped in. So, we are asking that, when we come to that part of the Bill, the word “Parliament” be removed in section 28 (2) and be replaced by “the National Assembly”.

There are rules for deposits and withdrawals. There are indications of what constitute moneys that will be going into the fund. Let us be very clear because you hear all kinds of stories. Let us get it very clear for the public. All moneys specified for the purpose of entering into the Natural Resource Fund will go directly to that fund. It will not pass through the Consolidated Fund then come out from there and pass into the Natural Resource Fund. All moneys that are identified for the Natural Resource Fund will go directly to that fund. What moneys will be going into the Natural Resource Fund? This is at section 21 (2). First of all, all moneys must be paid in United States (US) dollars into the fund and:

“(2) Petroleum revenues shall include all revenues from –

- (a) royalties, whether paid in cash or in kind...;
- (b) the Government’s share of profit oil...;
- (c) the Government’s share of profit gas...;
- (d) any income tax or corporate income tax levied on the profits of companies or individuals undertaking production operations;
- (e) any capital gains tax levied on the capital gains of companies or individuals undertaking production operations;
- (f) any property tax levied on the net property of companies and individuals undertaking production operations;
- (g) any petroleum income tax, additional profits tax or any other future tax levied on the profits of companies...;
- (h) any signature bonus, discovery bonus, production bonus or other bonus related to production operations or the award of a petroleum licence; and

- (i) any other current or future fiscal instrument levied solely or mainly on companies or individuals involved in production operations.”

So, these moneys will be going directly to the fund.

The fund is set up to achieve three broad objectives: (1) intergenerational savings. So, we are saving for a rainy day; (2) volatility- prices of gas go up and down and the prices for oil go up and down, but you might have already engaged in certain heavy investments. You may have built a bridge across the Demerara River. It may cost US\$200 million but you were doing that at a time when oil was \$55 per barrel and, during the course of that, oil plummeted to \$35 per barrel but the bridge would still cost US\$200 million. We have a volatility aspect of the Natural Resource Fund that can be activated to treat with that potential shortfall.

Then, of course, the third aspect has to do with funding economic and social development, via the budget. All moneys will pass from the Natural Resource Fund into the Consolidated Fund and would be activated in accordance with the budget and the national development plan. It is because the budget is supposed to be culled from the national development plan and, in our case, it is the Green State Development Strategy (GSDS) that we will be seeking to finance from.

The Natural Resource Fund does not speak to activities that rightfully belong to the budget framework or national development framework. So, while there are pleasant discussions taking place about whether we should be giving cash transfers and moneys to special regions, *et cetera*, all of these rightful discussions ought to be taking place in the context of the Green State Development Strategy, which we are preparing, and in the context of the budget that will flow from those. Those discussions do not inhere in the Natural Resource Fund. They will form part of the drawings, once agreement is made, of the third part of the fund that has to do the financing of economic and social development of the country.

7.23 *p.m.*

As I said, there are strict rules for withdrawals. The Minister cannot go and dip his hand into the fund. He has to get the blessings of the National Assembly. In fact, sometimes I worry that Bill is sown so tight that it does not leave you much room for escape. I understand this is the price that we have to pay for strict transparency and accountability. It is based on the fact that loopholes,

when left, can be easily exploited for all kinds of means and activities. I will go with it being as tight as possible, but it is knowing that the public feels that the fund is being properly managed. There are other aspects to this Bill that speak to the accounting and reporting that speaks to the investment of the fund. It is not the Colonial Life Insurance Company (CLICO)-type investments, but proper investments being done by people who have been properly vetted and who have to report to this Parliament on every stage of their activity.

I know I like to speak long but, I believe humbly, in spite of no Opposition here tonight, that we need, for the purpose of the *Hansard* and the record, to set the record straight. If I have been a bit long, please excuse it. It is important that these ideas, and so on, form the history when this Bill comes up. You know, if given a chance, they (the Opposition) will tamper with this Bill. We have no problem with that. No Bill is immutable, but we would hope that at the time of tampering, that you could look back at the *Hansard*. As the framers of the Constitution, we will look at the intent, what is intended and not what actually happened.

With those few words, I commend this Bill for passage by this House, this landmark piece of legislation. Many have passed through this House, few will be remembered as the presentation of the Natural Resource Fund Bill. [*Applause*]

*Question was put and carried.*

*Bill read a second time.*

*Assembly in Committee.*

*Clauses 1 to 27 agreed to and ordered to stand part of the Bill.*

## **Clause 28**

**Mr. Chairman:** Hon. Members, I crave your indulgence. There is an amendment which should be moved by the Hon. Minister. Hon. Minister, you have the floor.

**Mr. Jordan:** Mr. Chairman. I propose an amendment to clause 28(2).

Clause 28 (2) is amended for the substitution for the “Parliament” of the words “National Assembly”.

*Amendment put and agreed to.*

*Clause 28, as amended, agreed to and ordered to stand part of the Bill.*

*Clauses 29 to 55 agreed to and ordered to stand part of the Bill.*

*First Schedule and Second Schedule agreed to and ordered to stand part of the Bill.*

*Assembly resumed.*

*Bill reported with amendment, read the third time and passed as amended.*

## **COMMITTEES BUSINESS**

### **MOTIONS**

#### **ADOPTION OF THE SIXTH REPORT OF THE STANDING COMMITTEE ON APPOINTMENTS TO ADDRESS MATTERS RELATING TO THE APPOINTMENT OF MEMBERS TO THE ANTI-MONEY LAUNDERING AND COUNTERING THE FINANCING OF TERRORISM AUTHORITY**

WHEREAS in keeping with the Anti-Money Laundering and Countering the Financing of Terrorism (Amendment) Act No.1 of 2015, Section 7A (1); “the National Assembly shall”;

*by a simple majority; and*

*a) on the recommendation of the Parliamentary Committee on Appointments, after the Committee has consulted such bodies as the Committee may deem necessary to consult, appoint a body comprising ten members to be known as the Anti-Money Laundering and Countering the Financing of Terrorism Authority”.*

AND WHEREAS the Committee agreed and consulted with the following list of Non-Governmental Organisations (NGOs) to submit nominees for appointment to the Anti-Money Laundering & Countering the Financing of Terrorism Authority (AML&CFT):

**Guyana Private Sector Commission**

**Guyana Association of Bankers**

**Institute of Chartered Accountants Guyana**

**Transparency Institute of Guyana Inc.**

**Bar Association of Guyana**

**Insurance Institute of Guyana**

**Guyana Association of Women Lawyers, and**

**Guyana Securities Council**

AND WHEREAS the Committee conducted due diligence and sought declaration from the nominees on being a “Politically Exposed Person”;

AND WHEREAS the Committee on Appointments recommends the following persons to be appointed Members to the Anti-Money Laundering & Countering the Financing of Terrorism (AML&CFT) Authority in accordance with the Anti-Money Laundering & Countering the Financing of Terrorism Authority (Amendment) Act 2015:

Guyana Private Sector Commission	-	Mr. Nicholas Deygoo
	-	Captain Gerald Gouveia
Guyana Association of Bankers	-	Mr. Wayne E. Fordyce
Institute of Chartered Accountants Guyana	-	Mr. Hance Manohar
Transparency Institute of Guyana Incorporated	-	Mr. Thomas Bissessar Singh
	-	Mr. Frederick Collins
Bar Association of Guyana	-	Mr. Mohamed Alli
	-	Mr. Christopher Ram
Insurance Institute of Guyana	-	Ms. Melissa J. DeSanto
Guyana Association of Women Lawyers	-	Ms. Sadie Amin

BE IT RESOLVED:

That this National Assembly adopts the Sixth Report of the Standing Committee on Appointments to address matters relating to the appointment of Members to the Anti-Money Laundering & Countering the Financing of Terrorism Authority; and

“BE IT FURTHER RESOLVED:

That this National Assembly signifies to the Clerk of the National Assembly that Mr. Nicholas Deygoo, Captain Gerald R. Gouveia, Mr. Wayne Eucaulton Fordyce, Mr. Hance Manohar, Mr. Frederick Collins, Mr. Thomas Bissessar Singh, Mr. Mohamed Alli, Mr. Christopher Ram, Ms. Melissa Jessica DeSantos; and Ms. Sadie Amin be appointed in accordance with the Anti-Money Laundering and Countering the Financing of Terrorism Act No. 1 of 2015, Section 7A (6).” [*Chairperson of the Committee on Appointments – Minister of Social Cohesion with responsibilities for Culture, Youth and Sport*]

**Minister of Social Cohesion with responsibilities for Culture, Youth and Sport [Dr. Norton]:**

I rise to move the motion for the adoption of the Sixth Report of the Standing Committee on Appointments to Address Matters Relating to the Appointment of Member to the Anti-Money Laundering and Countering the Financing of Terrorism Authority. With the eminent passage of changes in the legislation, this authority will become obsolete and I therefore wish to withdraw this motion.

**Mr. Speaker:** I thank the Hon. Minister. The motion is withdrawn.

*Motion withdrawn.*

7.38 p.m.

**ADOPTION OF THE SEVENTH REPORT OF THE COMMITTEE ON APPOINTMENTS IN RELATION TO THE APPOINTMENT OF MEMBERS OF THE INDIGENOUS PEOPLES’ COMMISSION**

WHEREAS, Article 212S of the Constitution provides for the establishment of an Indigenous Peoples' Commission;

AND WHEREAS, in accordance with Article 212S (2) (a) (b) (c) of the Constitution, the Indigenous People's Commission shall consist of –

- a) not more than ten members, nominated by entities, by a consensual mechanism determined by the National Assembly, after the entities are determined by the votes of not less than two-thirds of all elected members of the National Assembly;*
- b) three persons, at least one being a woman nominated by the Tousehaos Council and two persons including one woman nominated by Amerindian organisations determined by the votes of not less than two-thirds of all elected members of the National Assembly; and*
- c) a member who shall be a nominee, without the right to vote, chosen by and from each of the following Commissions, the Human Rights Commission, Ethnic Relations Commission, Women and Gender Equality Commission and the Rights of the Child Commission unanimously agreed on the following entities to nominate one person each as members of the Indigenous Peoples' Commission.”*

AND WHEREAS, in keeping with article 212 (2) (a) of the Constitution, the Committee on Appointments, having deliberated on the identification of the entities for nomination to the Indigenous Peoples' Commission, unanimously agreed on the following entities to nominate one person each as members of the Indigenous Peoples' Commission:

- (i) Ministry of Indigenous Peoples' Affairs;
- (ii) Ministry of Public Health;
- (iii) Ministry of Social Protection;
- (iv) Private Sector Commission;
- (v) Environmental Protection Agency;
- (vi) Bar Association of Guyana;



- (vii) Guyana Gold and Diamond Miners Association;
- (viii) Forest Products Association;
- (ix) Inter-Religious Organisation; and
- (x) National Agricultural Research and Extension Institute (NAREI)

AND WHEREAS, the Committee also unanimously agreed on the consensual mechanism to guide the process for consultation and nomination of Members to the said Indigenous Peoples' Commission with reference to article 212S(a) of the Constitution herein of the First Schedule;

AND WHEREAS, the Committee invited the National Tousehaos Council and the five (5) Amerindian Organisations namely, the National Amerindian Development Foundation (NADF), the Amerindian Action Movement of Guyana (TAAMOG), the Guyana Organisation of Indigenous Peoples (GOIP), Amerindian Peoples Association, and North Rupununi (NRDDB) to submit their nominees;

AND WHEREAS, the Tousehaos Council on March 17, 2017, submitted three (3) nominees to the Indigenous Peoples' Commission (IPC);

AND WHEREAS, only four (4) Amerindian organisations submitted two (2) nominees through a process of selection.

**“BE IT RESOLVED:**

That the National Assembly adopts the 7<sup>th</sup> Report of the Committee on Appointments in relation to the appointment of Members of the Indigenous Peoples' Commission, which recommends the list of entities proposed in the second “*And Whereas*” clause, to be consulted to nominate members of the Indigenous Peoples' Commission in keeping with article 212 S (2) (a) of the Constitution;

**FURTHER RESOLVED:**

That this National Assembly approves the consensual mechanism, outlined in the First Schedule attached.

## FIRST SCHEDULE

### **Consensual Mechanism for the Nomination by Entities for Member of the Indigenous Peoples' Commission**

Each entity, immediately on the passage of this motion, shall be written to by the Clerk of the National Assembly inviting it to meet and select their nominee and to send a representative/s on an appointed day/date, time to appear before the Parliamentary Standing Committee to appoint Members of Commissions, at the Parliament Buildings to present the name/s of their nominee/s for Membership on the Indigenous Peoples' Commission.

A deadline shall be set by the Clerk of the National Assembly on the advice for the Standing Committee, by which time it would be formally notified of the names and other requested particulars of the Nominee/s, the process used for the selection of the Nominee/s by the entity, and a statement to the effect that the Nominee/s is/are supported and accepted by that entity.

The Nominee/s chosen to represent the Group must be person/s who are competent to contribute positively to the work of the Commission and who are committed to ensuring that it discharges all of its functions. They should have earned public respect and be of unquestionable honesty and integrity.

The process used must be demonstrated to be unbiased and transparent. It is important that the Nominee/s obtain the unquestioned support and acceptance of the Entity. Where there is recognized "*umbrella organisation*" in the list of entities for that Group, the Clerk shall write to that organisation and copy his letter to each of the "*constituent entities*" within the Group." [*Minister of Social Cohesion with responsibilities for Culture, Youth and Sport - Chairperson of the Committee on Appointments*]

**Dr. Norton:** I rise to move the motion for the adoption of the Seventh Report of the Committee on Appointments in Relation to the Appointment of Members of the Indigenous Peoples' Commission.

This motion has three parts and we are dealing with the first part which states:

*“not more than ten members, nominated by entities, by a consensual mechanism determined by the National Assembly, after the entities are determined by the votes of not less than two-thirds of all elected members of the National Assembly.”*

AND WHEREAS, in keeping with article 212 (2) (a) of the Constitution, the Committee on Appointments, having deliberated on the identification of the entities for nomination to the Indigenous Peoples’ Commission, unanimously agreed on the following entities to nominate one person each as members of the Indigenous Peoples’ Commission:

- (i) Mistry of Indigenous Peoples’ Affairs;
- (ii) Ministry of Public Health;
- (iii) Ministry of Social Protection;
- (iv) Private Sector Commission;
- (v) Environmental Protection Agency;
- (vi) Bar Association of Guyana;
- (vii) Guyana Gold and Diamond Miners Association;
- (viii) Forest Products Association;
- (ix) Inter-Religious Organisation; and
- (x) National Agricultural Research and Extension Institute (NAREI)

**BE IT RESOLVED:**

That the National Assembly adopts the 7<sup>th</sup> Report of the Committee on Appointments in relation to the appointment of Members of the Indigenous Peoples’ Commission, which recommends the list of entities proposed in the second “*And Whereas*” clause, to be consulted to nominate members of the Indigenous Peoples’ Commission in keeping with article 212 S (2) (a) of the Constitution;

**FURTHER RESOLVED:**

That this National Assembly approves the consensual mechanism, outlined in the First Schedule attached.”

*Question put, and agreed to.*

*Motion carried.*

#### **ADOPTION OF THE REPORT OF THE PUBLIC ACCOUNTS COMMITTEE ON ITS EXAMINATION OF THE PUBLIC ACCOUNTS OF GUYANA FOR THE YEAR 2015**

“BE IT RESOLVED:

That the Report of the Public Accounts Committee on its examination of the Public Accounts of Guyana for the year 2015, be adopted and refer the Report to the Government for consideration.” [*Mr. Ali - Chairperson of the Public Accounts Committee*]

**Mr. Speaker:** The Hon. Member Mr. Mohamed Irfaan Ali, Chairperson of the Public Accounts Committee is absent. I wonder whether it is the case that there is a deputy Chairperson of the Committee who can present the report.

**Ms. Lawrence:** Mr. Speaker, as a Member of the Public Accounts Committee, I ask that this matter be deferred to a later date.

*Motion deferred*

#### **ADOPTION OF THE FOURTH PERIODIC REPORT OF THE PARLIAMENTARY SECTORAL COMMITTEE ON NATURAL RESOURCES**

“BE IT RESOLVED:

That the Fourth Periodic Report of the Parliamentary Sectoral Committee on Natural Resources be adopted”. [*Mr. Lumumba - Chairperson of the Parliamentary Sectoral Committee on Natural Resources*]

**Mr. Speaker:** The Hon. Member Mr. Odinga Lumumba is not present. Is there a request for a deferral here or is there some Hon. Member...?

**Minister of Communities [Mr. Bulkan]:** Mr. Speaker, I beg that this motion be deferred.

*Motion deferred.*

**ADOPTION OF THE FIFTH PERIODIC REPORT OF THE PARLIAMENTARY  
SECTORAL COMMITTEE ON NATURAL RESOURCES**

“BE IT RESOLVED:

That the Fifth Periodic Report of the Parliamentary Sectoral Committee on Natural Resources be adopted.” [Mr. Lumumba - Chairperson of the Parliamentary Sectoral Committee on Natural Resources]

**Mr. Bulkan:** I am kindly requesting that this motion be deferred as well.

*Motion deferred.*

**ADOPTION OF THE SIXTH PERIODIC REPORT OF THE PARLIAMENTARY  
SECTORAL COMMITTEE ON NATURAL RESOURCES**

“BE IT RESOLVED:

That the Sixth Periodic Report of the Parliamentary Sectoral Committee on Natural Resources be adopted.” [Mr. Lumumba - Chairperson of the Parliamentary Sectoral Committee on Natural Resources]

**Mr. Bulkan:** Mr. Speaker, I kindly request that this motion also be deferred.

*Motion deferred.*

**Mr. Speaker:** Hon. Members, it appears that we have almost exhausted the work set out for us today. This concludes our business. I invite the Hon. Vice-President and Prime Minister to move the adjournment.

**First Vice-President and Prime Minister [Mr. Nagamootoo]:** Mr. Speaker, I move that this House be adjourned to a date to be fixed.

**Mr. Speaker:** Thank you, very much. Before I announce the adjournment, I must express my appreciation to all Members for the speedy manner in which we have been able to conclude our work this evening. I thank you all. The House stands adjourned to a date to be fixed.

*Adjourned accordingly at 7.45 p.m.*